(Please use this QR Code to view this Draft Red Herring Prospectus)

DRAFT RED HERRING PROSPECTUS
Dated April 9, 2024
Please read Section 32 of the Companies Act, 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Offer

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED
Corporate Identity Number: U45309DL2017PLC323467

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
Ahluwalia Chambers, 1st Floor, Plot No. 16 &17, Local Shopping Centre, Madangir, near Pushpa Bhawan, South Delhi, New Delhi – 110 062, India	Near Lodhi Club, Shaheed Bhagat Singh Nagar, Ludhiana, Punjab – 141 012, India	Anil Kumar *Company Secretary and Compliance Officer*	**E-mail**: investor@deepakbuilders.co.in **Tel**: +91 98759 09242	www.deepakbuilders.co.in

OUR PROMOTERS: DEEPAK KUMAR SINGAL AND SUNITA SINGAL

DETAILS OF THE OFFER

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY
Fresh Issue and Offer for Sale	Up to 12,000,000 Equity Shares aggregating up to ₹[●] million	Up to 2,400,000 Equity Shares aggregating up to ₹[●] million	Up to 14,400,000 Equity Shares aggregating up to ₹[●] million	This Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"). For details in relation to share reservation amongst Qualified Institutional Buyers, Non-Institutional Bidders and Retail Individual Bidders, see "**Offer Structure**" on page 381.

DETAILS OF THE SELLING SHAREHOLDER, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION

NAME OF SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES OFFERED/ AMOUNT (₹ IN MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)*
Deepak Kumar Singal	Promoter Selling Shareholder	2,160,000 Equity Shares aggregating up to ₹[●] million	9.87
Sunita Singal	Promoter Selling Shareholder	240,000 Equity Shares aggregating up to ₹[●] million	10.00

**As certified by our Statutory Auditor - Parmod G Gupta & Associates, Chartered Accountants, by way of their certificate dated April 9, 2024*

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10 each. The Floor Price, Cap Price and Offer Price (as determined by our Company, in consultation with the Book Running Lead Manager ("**BRLM**"), in accordance with the SEBI ICDR Regulations) and 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 the Offer Price***" on page 117, 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 and/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 the 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 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 contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "***Risk Factors***" on page 36.

COMPANY'S AND 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. The Selling Shareholders accept responsibility for and confirm only the statements made by them in this Draft Red Herring Prospectus to the extent of information specifically pertaining to themselves and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

LISTING

The Equity Shares, once offered through the Red Herring Prospectus are proposed to be listed on BSE Limited ("**BSE**") and the National Stock Exchange of India Limited **("NSE")**. For the purpose of the Offer, **[●]** shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER

Name of Book Running Lead Manager and Logo	Contact Person	Telephone and Email
Fedex Securities Private Limited	Saipan Sanghvi / Prashant Patankar	**Email ID**: mb@fedsec.in **Telephone No.**: : +91 81049 85249

REGISTRAR TO THE OFFER

Name of Registrar	Contact Person	Telephone and Email
Kfin Technologies Limited *(formerly known as KFin Technologies Private Limited)*	M. Murali Krishna	**Email ID**: deepakbuilders.ipo@kfintech.com **Telephone No.**: +91 40 6716 2222 / 180030 94001

BID/ OFFER PERIOD

ANCHOR INVESTOR BID/ OFFER PERIOD	[●]*	BID/ OFFER OPENS ON	[●]*	BID/ OFFER CLOSES ON	[●]**#

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

***Our Company may, in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs 1 (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.

DRAFT RED HERRING PROSPECTUS
Dated April 9, 2024
Please read Section 32 of the Companies Act, 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Offer

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

Our Company was originally incorporated as 'Deepak Builders & Engineers India Private Limited', a private limited company under provisions of the Companies Act, 2013, pursuant to a certificate of incorporation dated September 11, 2017 issued by the Registrar of Companies, Central Registration Centre on behalf of Jurisdictional Registrar of Companies. Our Company then acquired the business of M/s. Deepak Builders, a partnership firm, vide a Business Takeover Agreement dated March 1, 2018. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our shareholders at an extraordinary general meeting held on May 25, 2022 and a fresh certificate of incorporation dated October 12, 2022 was issued by the Registrar of Companies, Delhi, recording the change in the name of our Company to 'Deepak Builders & Engineers India Limited'.

Corporate Identity Number: U45309DL2017PLC323467
Registered Office: Ahluwalia Chambers, 1st Floor, Plot No. 16 &17, Local Shopping Centre, Madangir, near Pushpa Bhawan, South Delhi, New Delhi – 110 062, India
Corporate Office: Near Lodhi Club, Shaheed Bhagat Singh Nagar, Ludhiana – 141 012, Punjab, India
Contact Person: Anil Kumar, Company Secretary and Compliance Officer; **Tel.**: +91 98759 09242
E-mail: investor@deepakbuilders.co.in; **Website**: www.deepakbuilders.co.in

OUR PROMOTERS: DEEPAK KUMAR SINGAL AND SUNITA SINGAL

INITIAL PUBLIC OFFERING OF UP TO 14,400,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF DEEPAK BUILDERS & ENGINEERS INDIA LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹[●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹[●] MILLION COMPRISING A FRESH ISSUE OF UP TO 12,000,000 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY OUR COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 2,400,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION ("OFFERED SHARES") BY THE SELLING SHAREHOLDERS, COMPRISING UP TO 2,160,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY DEEPAK KUMAR SINGAL AND UP TO 240,000 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY SUNITA SINGAL (COLLECTIVELY THE "SELLING SHAREHOLDERS" OR "PROMOTER SELLING SHAREHOLDERS"), ("OFFER FOR SALE", TOGETHER WITH THE FRESH ISSUE, THE "OFFER"). THE OFFER WILL CONSTITUTE [●] % OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, HINDI BEING THE REGIONAL LANGUAGE OF NEW DELHI, WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST 2 (TWO) WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE, AND SHALL BE MADE AVAILABLE TO THE STOCK EXCHANGES FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS.

In case of any revision in the Price Band, the Bid/ Offer Period will be extended by at least 3 (three) additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 (ten) Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of 3 (three) Working Days, subject to the Bid/ Offer Period not exceeding 10 (ten) 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 public notice, 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 the Sponsor Bank, as applicable.

This Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made for at least 25% of the post-Offer paid-up Equity Share capital of our Company. This Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**" and such portion the "**QIB Portion**"), provided that our Company in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI ICDR Regulations ("**Anchor Investor Portion**"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the QIB Portion (excluding the Anchor Investor 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. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹0.20 million and up to ₹1.00 million and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations subject to valid Bids being received at or above the Offer Price. All Potential Bidders, other than Anchor Investors, are required to participate in the Offer by mandatorily utilising the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective ASBA Account (as defined hereinafter) and UPI ID in case of UPI Bidders using the UPI Mechanism, as applicable, pursuant to which their corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or by the Sponsor Banks 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***" on page 385.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10 each. The Offer Price, Floor Price, Cap Price and Price Band (as determined by our Company in consultation with the Book Running Lead Manager) in accordance with SEBI ICDR Regulations by way of the Book Building Process, as stated in ''***Basis for Offer Price''*** on page 117 should not be considered to be indication of the market price of the Equity Shares after the Equity Shares listed should not be taken 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 and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their 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 in the Issuer 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 contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "***Risk Factors***" on page 36.

ISSUER'S AND THE 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. Each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms only the statements expressly and specifically made by them in this Draft Red Herring Prospectus to the extent of information specifically pertaining to them and their respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Each of the Selling Shareholders assumes no responsibility, as a Selling Shareholder, for any other statement in this Draft Red Herring Prospectus, including, inter alia, any of the statements made by or relating to our Company or any other Selling Shareholder or any other persons(s)

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters each dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●]. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/Offer Closing Date, see "***Material Contracts and Documents for Inspection***" on page 445.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE OFFER
	KFINTECH EXPERIENCE TRANSFORMATION
Fedex Securities Private Limited B 7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle (East), Mumbai, Maharashtra - 400 057, India **Tel**: +91 81049 85249 **Email:** mb@fedsec.in **Investor Grievance Email:** mb@fedsec.in **Website**: www.fedsec.in **Contact Person:** Saipan Sanghvi / Prashant Patankar **SEBI Registration No**: INM000010163	**Kfin Technologies Limited** *(formerly known as KFin Technologies Private Limited)* Selenium, Tower B, Plot No. 31 and 32 Financial District Nanakramguda, Serilingampally Mandal Hyderabad 500 032 Telangana, India **Tel:** +91 40 6716 2222 **Contact Person:** M. Murali Krishna **Website:** www.kfintech.com **E-mail:** deepakbuilders.ipo@kfintech.com **SEBI Registration No.:** INR000000221 **Investor Grievance E-mail:**einward.ris@kfintech.com

BID / OFFER PROGRAMME	
BID / OFFER OPENS ON	[●]*
BID / OFFER CLOSES ON	[●]**#

**Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be 1 (one) Working Day prior to the Bid/Offer Opening Date.*
***Our Company may, in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs 1(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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TABLE OF CONTENTS

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, Act, regulation, rules, guidelines or our Articles of Association, Memorandum of Association, policies shall be to such legislation, Act or regulation, 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.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Further, the Offer related terms used but not defined in this Draft Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document (as defined below). In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document, the definitions given below shall prevail.

*Notwithstanding the foregoing, terms used in "**Basis for Offer Price**", "**Statement of Possible Special Tax Benefits**", "**Industry Overview**", "**Our Business**", "**Key Regulations and Policies in India**", "**Restated Financial Statement**", "**Outstanding Litigations and Material Developments**" and "**Description of Equity Shares and Terms of Articles of Association**" on pages 117, 127, 133, 200, 224, 262, 344 and 410 respectively, shall have the meaning ascribed to such terms in those respective sections.*

General Terms

Term	Description
"Company" or "our Company" or "the Company" or "the Issuer" or "we" or "us" or "our" or "DBEIL"	Unless the context otherwise indicates or implies, refers to Deepak Builders & Engineers India Limited, a public limited company incorporated under the provisions of Companies Act, 2013, having its registered office at Ahluwalia Chambers, 1st Floor, Plot No. 16 & 17, Local Shopping Centre, Madangir, near Pushpa Bhawan, South Delhi, New Delhi -110 062, India.
"you", "your" or "yours"	Prospective Investors/Bidder in this Offer.

Company Related Terms

Term	Description
"Articles of Association" or "AoA"	Articles of association of our Company, as amended from time to time.
"Audit Committee"	The Audit Committee of our Board, as described in "***Our Management – Board Committees – Audit Committee***" on page 244.
"Auditors" or "Statutory Auditors"	Statutory auditors of our Company, namely, Parmod G. Gupta & Associates, Chartered Accountants.
"Board or "Board of Directors" or "our Board"	The Board of Directors of our Company unless otherwise specified or any committee constituted thereof.
"Business Takeover Agreement" or "BTA"	The business takeover agreement dated March 1, 2018 pursuant to which our Company acquired the running business of M/s Deepak Builders (Erstwhile Firm)
"Chief Financial Officer" or "CFO"	The Chief Financial Officer of our Company, being Rishabh Gupta.
"Company Secretary and Compliance Officer"	The Company Secretary and Compliance Officer of our Company, being Anil Kumar.
"Corporate Office"	The corporate office of our Company situated at near Lodhi Club, Shaheed Bhagat Singh Nagar, Ludhiana – 141 012, Punjab, India

Term	Description
"Corporate Social Responsibility Committee" or "CSR Committee"	Corporate Social Responsibility committee of our Board, as described in "***Our Management – Board Committees - Corporate Social Responsibility Committee***" on page 247.
"Director(s)"	The directors on our Board. For details see, "***Our Management***" on page 238.
"Equity Shares"	The equity shares of our Company of face value of ₹10 each, unless otherwise specified in the context thereof.
"Deepak Builders Partnership Firm" or "Erstwhile Firm"	The partnership firm namely, M/s Deepak Builders registered with the Registrar of Firms and Societies, Ludhiana from whom our Company acquired its running business pursuant to the BTA. As on date, although in existance, Deepak Builders Partnership Firm is not carrying out any buiness.
"Executive Director(s)"	The executive directors of our Company, being Deepak Kumar Singal and Sunita Singal.
"Group Companies" or "Group Company"	In terms of SEBI ICDR Regulations, the term 'group companies' includes companies with which there were related party transactions in accordance with Ind AS 24 as disclosed in the Restated Financial Statements as covered under the applicable accounting standards and such other companies as considered material by our Board in accordance with the Materiality Policy, and as identified in "***Our Group Companies***" on page 259.
"Independent Director(s)"	Independent Directors on our Board, who are eligible to be appointed as independent directors under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see "***Our Management***" on page 238.
"IPO Committee"	The IPO committee of our Board constituted to facilitate the process of the Offer, as described in "***Our Management – Board Committees – IPO Committee***" on page 247.
"ISIN"	International Securities Identification Number, being INE0OPA01019.
"Key Managerial Personnel" or "KMP"	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and as disclosed in "***Our Management – Key Managerial Personnel and Senior Management***" on page 250.
"KPIs"	Key Performance Indicators
"Managing Director" or "MD" or "Chariman cum Managing Director"	The chairman cum managing director of our Company, being Deepak Kumar Singal.
"Materiality Policy"	The policy adopted by our Board pursuant to its resolution dated February 9, 2024 for identification of: (a) material outstanding litigations; and (b) material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations.
"MOA" or "Memorandum" or "Memorandum of Association" or "MoA"	The Memorandum of Association of our Company, as amended from time to time.
"Nomination and Remuneration Committee"	The nomination and remuneration committee of our Board, as described in "***Our Management – Board Committees***" on page 244.
"Promoter(s)"	The Promoters of our Company, being Deepak Kumar Singal and Sunita Singal. For further details, see ***"Our Promoters and Promoter Group"*** on page 254.
"Promoter Directors"	The Promoters of our Company who are also our Directors.
"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, as disclosed in "***Our Promoters and Promoter Group***" on page 254.
"Registered Office"	The registered office of our Company, situated at Ahluwalia Chambers, 1st Floor, Plot No. 16 & 17, Local Shopping Centre, Madangir, near Pushpa Bhawan, South Delhi, New Delhi -110 062, India.

Term	Description
"Registrar of Companies" or "RoC"	Registrar of Companies, Delhi & Haryana.
"Restated Financial Statements" or "Restated Financial Information"	The restated financial statements of our Company, comprising the Restated Statement of Assets and Liabilities as at and for the seven months period ended October 31, 2023, and as at March 31, 2023, March 31, 2022, March 31, 2021, the restated statements of Profit and Loss (including other comprehensive income), the restated statement of changes in Equity, the Restated Cash Flow Statement as at and for the seven months period ended October 31, 2023, and for the years ended March 31, 2023, March 31, 2022, March 31, 2021, and the Summary Statement of Significant Accounting Policies, and other explanatory information prepared in terms of the requirements of sub-Section (1) of Section 26 of Part I of Chapter III of the Act; the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI, as amended from time to time. For details, see "***Restated Financial Statements***" on page 262.
"Senior Management Personnel" or "SMPs"	Senior Management Personnel of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in "***Our Management – Key Managerial Personnel and Senior Management***" on page 250.
"Shareholders" or "Members"	The equity shareholders of our Company whose names are entered into (i) the register of members of our Company; or (ii) the records of a depository as a beneficial owner of Equity Shares.
"Stakeholders' Relationship Committee"	The stakeholders' relationship committee of our Board, as described in "***Our Management – Board Committees - Stakeholder Relationship Committee***" on page 246.
"Whole-time Director"	The Whole-Time Director of our Company, being Sunita Singal.

Offer Related Terms

Term	Description
"Abridged Prospectus"	Abridged Prospectus means a memorandum containing salient features of a prospectus as may be specified by the SEBI in this behalf.
"Acknowledgement Slip"	The slip or document issued by a Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form.
"Allot" or "Allotment" or "Allotted"	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue and transfer of Offered Shares pursuant to the Offer of Equity Shares to the successful Applicants.
"Allotment Advice"	Note or advice or intimation of Allotment sent to the 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"	A successful Bidder to whom the Equity Shares are Allotted.
"Anchor Investor"	A Qualified Institutional Buyer, who applied under the Anchor Investor Portion with a minimum Bid of ₹100 million in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus.
"Anchor Escrow Account(s)" or "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 Application Form"	The 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.

Term	Description
"Anchor Investor Allocation Price"	The price at which the Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and Prospectus, which will be decided by our Company, in consultation with the BRLM, during the Anchor Investor Bidding Date.
"Anchor Investor Bid/Offer Period" or "Anchor Investor Bidding Date"	One Working Day prior to the Bid / Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to 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 BRLM.
"Anchor Investor Pay-in Date"	With respect to the 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, a date not later than 2 (two) Working Days after the Bid/ Offer Closing Date.
"Anchor Investor Portion"	Up to 60% of the QIB Portion, which may be allocated by our Company in consultation with the BRLM, 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.
"Application Supported by Blocked Amount" or "ASBA"	An application, whether physical or electronic, used by ASBA Bidders to make a Bid by authorizing an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using UPI, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism.
"ASBA Account"	A bank account maintained with an SCSB and specified in the Bid cum Application Form which will be blocked by such SCSB to the extent of the appropriate Bid Amount in relation to a Bid by a Bidder (other than a Bid by an Anchor Investor) and includes a bank account maintained by a UPI Bidder linked to a UPI ID, which will be blocked upon acceptance of a UPI Mandate Request made by UPI Bidders using the UPI Mechanism.
"ASBA Bid"	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
"ASBA Bidders"	All Bidders except Anchor Investors.
"ASBA Form"	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus.
"Banker(s) to the Offer"	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Public Offer Account Bank(s) and Sponsor Bank.
"Basis of Allotment"	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, as described in "***Offer Procedure***" on page 385.
"Bid"	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder 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 of our Company at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations. The term "Bidding" shall be construed accordingly.
"Bid Amount"	The highest value of the optional Bids as indicated in the Bid cum

Term	Description
	Application Form and payable by the Bidder or as blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Offer.
"Bid cum Application Form"	The form in terms of which the Bidder shall make a Bid and which shall be considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus, including ASBA Form.
"Bid Lot"	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
"Bid/Offer Closing Date"	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be notified in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi being the regional language of New Delhi, where our Registered Office is located). In case of any revisions, the extended Bid/Offer Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank. Our Company, in consultation with the Book Running Lead Manager, may 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.
"Bid/Offer Opening Date"	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●] which shall be notified in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi being the regional language of New Delhi, where our Registered Office is located). In case of any revision, the extended Bid/Offer Opening Date will also be widely disseminated by notification the Stock Exchanges, by issuing a public notice, and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s).
"Bid/Offer Period"	Except in relation to the Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations, provided that such period shall be kept open for a minimum of 3 (three) Working Days. Our Company, in consultation with the BRLM, may 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.
"Bidder" or "Investor" or "Applicant"	Any prospective investor who made a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied and includes an Anchor Investor.
"Bidding Centers"	Centers at which the Designated Intermediaries accepted the Bid cum Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs.
"Book Building Process"	The book building process as described in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.

Term	Description
"Book Running Lead Manager" or "BRLM"	The book running lead manager to the Offer, being Fedex Securities Private Limited.
"Broker Centers"	Broker centers of the Registered Brokers, where Bidders (other than Anchor Investors) submitted the ASBA Forms. The details of such Broker centers, along with the names and contact details of the Registered Brokers are available on the website of the Stock Exchanges at www.bseindia.com and www.nseindia.com.
"CAN" or "Confirmation of Allocation Note"	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/Offer Period.
"Cap Price"	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalized and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall not be more than 120% of the Floor Price.
"Cash Escrow and Sponsor Bank Agreement"	Agreement dated [●] entered into by our Company, the Registrar to the Offer, the BRLM, the Syndicate Member, and the Bankers to the Offer for collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refund of the amounts collected from Bidders, on the terms and conditions thereof, in accordance with the UPI Circulars.
"Client ID"	Client identification number maintained with one of the Depositories in relation to dematerialised account.
"Collecting Depository Participant" or "CDP"	A depository participant, as defined under the Depositories Act, 1996 and registered under Section 12 (1A) of the SEBI Act and who is eligible to procure Bids at the Designated CDP Locations in terms of SEBI circular no. CIR /CFD/POLICYCELL/11/2015 dated November 10, 2015 and the UPI Circulars and as per the list available on the websites of BSE and NSE.
"Controlling Branches"	Such branches of SCSBs which coordinate Bids under the Offer with the BRLM, the Registrar and the Stock Exchanges, a list of which is available on the website of SEBI at http://www.sebi.gov.in.
"Cut-off Price"	Offer Price, authorized by our Company, in consultation with the BRLM which shall be any price within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
"D&B India"	Dun & Bradstreet Information Services India Private Limited
"D&B Report"	The Industry Report titled "***Industry Report on Construction Industry in India***" dated March 31, 2024 prepared and issued by Dun & Bradstreet Information Services India Private Limited ("**D&B India**"), appointed by us on January 10, 2024, and exclusively commissioned and paid for by us in connection with the Offer. D&B India is an independent agency which has no relationship with our Company, our Promoters and any of our Directors or KMPs or SMPs
"Designated Branches"	Such branches of the SCSBs which shall collect the ASBA Forms from relevant Bidders, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 or at such other website as may be prescribed by SEBI from time to time
"Demographic Details"	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details and UPI ID, wherever applicable.
"Depository(ies)"	A depository registered with SEBI under the SEBI (Depositories and

Term	Description
	Participants') Regulations, 1996.
"Depository Participant" or "DP"	A depository participant as defined under the Depositories Act.
"Designated CDP Locations"	Such locations of the CDPs where Bidders submitted the ASBA Forms and in case of RIIs only ASBA Forms with UPI. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
"Designated Date"	The date on which the Escrow Collection Banks transfer funds from the Escrow Accounts to the Public Offer Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, where made available, instruction issued through the Sponsor Banks) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the Red Herring Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer.
"Designated Intermediary(ies)"	In relation to ASBA Forms submitted by RIIs and NIIs with an application size of upto ₹0.50 million (not using the UPI Mechanism) authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIIs (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, Syndicate, sub-syndicate, Registered Brokers, CDPs and CRTAs.
"Designated RTA Locations"	Such locations of the CRTAs/RTAs where Bidders can submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
"Designated SCSB Branches"	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
"Designated Stock Exchange"	[●]
"DP ID"	DP ID Depository Participant's identity number.
"Draft Red Herring Prospectus" or "DRHP"	This draft red herring prospectus dated April 9, 2024, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto.
"Eligible FPIs"	FPIs that are eligible to participate in this Offer in terms of applicable laws, other than individuals, corporate bodies and family offices.
"Eligible NRI(s)"	A non-resident Indian, under Schedule 3 and Schedule 4 of the FEMA Non-Debt Rules, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an

Term	Description
	invitation to purchase the Equity Shares.
"Escrow Account(s)"	Account opened with the Escrow Collection Bank and in whose favor the Anchor Investors transferred money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid.
"Escrow Collection Bank(s)" or "Anchor Escrow Bank"	Banks which are clearing members and registered with SEBI as bankers to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Accounts will be opened, in this case being [●].
"First or Sole Bidder"	Bidder 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 thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalized and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares.
"Fraudulent Borrower"	Fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.
"Fresh Issue"	Fresh issue of up to 12,000,000 Equity Shares of face value of ₹10 each for cash at a price of ₹[●] each, aggregating up to ₹[●] million by our Company.
"Fugitive Economic Offender"	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
"General Information Document"	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLM.
"Gross Proceeds"	The gross proceeds of the Fresh Issue that will be available to our Company
"Mobile Applications"	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmI d=43 or such other website as may be updated from time to time, which may be used by RIIs to submit Bids using the UPI Mechanism.
"Monitoring Agency"	[●]
"Monitoring Agency Agreement"	The agreement to be entered into between and amongst our Company and the Monitoring Agency
"Mutual Fund Portion"	5% of the Net QIB Portion (excluding the Anchor Investor 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"	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
"Net Proceeds"	Gross Proceeds less our Company's share of the Offer expenses. For further details, see "***Objects of the Offer***" on page 101.
"Net QIB Portion"	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
"Non-Institutional Investors" or "Non-Institutional Bidders" or "NIIs" or "NIBs"	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with the SEBI that are not QIBs (including Anchor Investors) or Retail Individual Investors, who have Bid for Equity Shares for an amount of more than ₹0.20 million (but not including NRIs other than Eligible NRIs).
"Non-Institutional Portion"	The portion of the Offer being not more than 15% of the Offer consisting of [●]* Equity Shares, available for allocation to Non-Institutional Bidders, on

Term	Description
	a proportionate basis. The allocation to each Non-Institutional Investor shall not be less than ₹0.20 million subject to availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis, subject to valid Bids being received at or above the Offer Price, in accordance with the SEBI ICDR Regulations. Further, (a) one third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹0.20 million and up to ₹1.00 million; and (b) two third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Investors. **Subject to finalization of Basis of Allotment*
"Non-Resident"	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
"Non-Resident Indians" or "NRI(s)"	A non-resident Indian as defined under the FEMA NDI Rules
"OCB" or "Overseas Corporate Body(ies)"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Offer.
"Offer"	Initial public offering of up to 14,400,000 Equity Shares of face value ₹10 each for cash at a price of ₹[●] per Equity Share, aggregating up to ₹[●] million comprising the Fresh Issue and the Offer for Sale.
"Offer Agreement"	Agreement dated March 30, 2024 entered between our Company, the Selling Shareholders and the BRLM, pursuant to which certain arrangements have been agreed to in relation to the Offer.
"Offer Price"	The final price at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of this Draft Red Herring Prospectus. The Offer Price will be decided by our Company, in consultation with the BRLM on the Pricing Date, in accordance with the Book Building Process and in terms of this Draft Red Herring Prospectus.
"Offer Proceeds"	The proceeds of the Offer, which shall be available to our Company. For details about use of the Offer Proceeds, see "***Objects of the Offer***" on page 101.
"Offered Shares"	Up to 2,400,000 Equity Shares aggregating up to ₹[●] million being offered by the Selling Shareholders in the Offer for Sale
"Person(s)"	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership firm, limited liability partnership firm, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
"Price Band"	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹[●] per Equity Share (Cap Price) including any revisions thereof. The Price Band, and the minimum Bid Lot size for the Offer will be decided by our Company in consultation with the BRLM, and will be advertised, at least 2 (two) Working Days prior to the Bid/Offer Opening Date, in [●] editions of [●], an English national daily newspaper and [●] editions of [●], a Hindi national daily newspaper (Hindi being the regional language of New

Term	Description
	Delhi, where our Registered Office is located), each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
"Pricing Date"	The date on which our Company in consultation with the BRLM, will finalize the Offer Price.
"Promoter Selling Shareholders" or "Selling Shareholders"	Deepak Kumar Singal and Sunita Singal
"Prospectus"	Prospectus dated [●] to be filed with the RoC for this Offer on or after the Pricing Date in accordance with Sections 26 and 32 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
"Public Offer Account"	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 ASBA Accounts on the Designated Date.
"Public Offer Account Bank(s)"	Bank(s) which are a clearing member and registered with SEBI as a banker to an issue and with whom the Public Offer Account is opened for collection of Bid Amounts from Escrow Account and ASBA Account on the Designated Date, in this case being [●].
"QIB Category" or "QIB Portion"	The portion of the Offer (including the Anchor Investor Portion) being not less than 50% of the Offer consisting of [●]* Equity Shares which shall be available for allocation to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors). **Subject to finalization of Basis of Allotment*
"Qualified Institutional Buyers" or "QIBs" or "QIB Bidders"	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
"Red Herring Prospectus" or "RHP"	The Red Herring Prospectus dated [●] issued in accordance with Section 32 of the Companies Act, 2013 and the SEBI ICDR Regulations, which did not have complete particulars of the price at which the Equity Shares shall be Allotted and which was filed with the RoC at least 3 (three) Working Days before the Bid/Offer Opening Date and became the Prospectus after filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto.
"Refund Account"	The 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"	The Banker to the Offer with whom the Refund Account has been opened, in this case being [●].
"Registered Brokers"	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and with the stock exchanges having nationwide terminals, other than the BRLM and the Syndicate Members and eligible to procure Bids in terms of circular number CIR / CFD / 14 / 2012 dated October 14, 2012, and other applicable circulars issued by SEBI.
"Registrar Agreement"	The agreement dated March 30, 2024 entered between our Company, the 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"	Registrar 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, and the UPI circular, as per the lists available on the websites of BSE and NSE

Term	Description
"Registrar to the Offer" or "Registrar"	Kfin Technologies Limited (Formerly known as Kfin Technologies Private Limited)
"Resident Indian"	A person resident in India, as defined under FEMA
"Retail Portion"	The portion of the Offer being not less than 35% of the Offer comprising of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, which shall not be less than the minimum Bid Lot, subject to valid Bids being received at or above the Offer Price. **Subject to finalization of Basis of Allotment.*
"Retail Individual Investors" or "RIIs" or "Retail Individual Bidders" or "RIBs"	Bidders (including HUFs and Eligible NRIs) whose Bid Amount for Equity Shares in the Offer was not more than ₹0.20 million in any of the bidding options in the Offer (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
"Revision Form"	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIBs bidding in the QIB Category and Non-Institutional Investors bidding in the Non-Institutional Portion are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIIs can revise their Bids during Bid / Offer period and withdraw their Bids until Bid / Offer Closing Date.
"Self-Certified Syndicate Bank(s)" or "SCSB(s)"	(i) The banks registered with the SEBI which offer the facility of ASBA and the list of which is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time. (ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40. Applications through UPI in the Offer can be made only through the SCSBs mobile applications whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The list is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
"Share Escrow Agent"	[●]
"Share Escrow Agreement"	The agreement to be entered into among the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
"Specified Locations"	Bidding centers where the Syndicate shall accept Bid cum Application Forms, a list of which is included in the Bid cum Application Form.
"Specified Securities"	Specified securities in terms of Regulation 2(1)(eee) of the SEBI ICDR Regulations.
"Sponsor Bank"	A Banker to the Offer which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed by the Company in consultation with the BRLM to act as a conduit between the Stock Exchanges and NPCI to push the UPI

Term	Description
	Mandate Request in respect of UPI Bidders as per the UPI Mechanism and carry out other responsibilities in terms of the UPI Circulars, in this case being [●].
"Stock Exchanges"	BSE Limited and National Stock Exchange of India Limited.
"Sub-Syndicate Members"	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms.
"Syndicate Agreement"	Agreement to be entered into among our Company, the Registrar to the Offer, the BRLM and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate.
"Syndicate Members"	Intermediaries registered with the SEBI and permitted to carry out activities as an underwriter, in this case [●]
"Syndicate or members of the Syndicate"	Together, the BRLM and the Syndicate Members.
"Systemically Important Non-Banking Financial Company"	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
"Underwriters"	The BRLM and the Syndicate Members
"Underwriting Agreement"	The agreement to be entered between the Underwriters and our Company to be entered into on or after the Pricing Date but prior to filing of Prospectus.
"UPI"	Unified payments interface, which is an instant payment mechanism, developed by NPCI.
"UPI Bidders"	Collectively, individual investors applying as (i) Retail Individual Investors in the Retail Portion; (ii) Non-Institutional Bidders with an application size of up to ₹0.50 million in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agent. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹0.50 million shall use UPI and shall provide their UPI ID in the Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
"UPI Circulars"	Circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, as amended by its Circular number SEBI/HO/CED/DIL/CIR/2016/26 dated January 21, 2016 and Circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/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 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/ HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022, SEBI master circular with circular no.

Term	Description
	SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent that such circulars pertain to the UPI Mechanism), SEBI master circular with circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time.
"UPI ID"	ID created on the UPI for single-window mobile payment system developed by the NPCI.
"UPI Mandate Request"	A request (intimating the UPI Bidders, by way of a notification on the UPI application and by way of a SMS directing the UPI Bidders to such UPI application) to the UPI Bidders initiated by the Sponsor Bank to authorize blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI, and the subsequent debit of funds in case of Allotment.
"UPI Mechanism"	The Bidding mechanism that is used by Retail Individual Investors to make Bids in the Offer in accordance with the UPI Circulars to make as ABA bid in the Offer.
"Wilful Defaulter"	A wilful defaulter as defined in Regulation 2(1)(lll) of the SEBI ICDR Regulations.
"UPI PIN"	Password to authenticate UPI transaction.
"Working Day"	All days on which commercial banks in Mumbai, India are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/Offer Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, India are open for business and the time period between the Bid/Offer Closing Date and listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges excluding Sundays and bank holidays in India in accordance with circulars issued by SEBI, including UPI Circulars

Technical / Industry related terms

Term	Description
BPC	Bid Project Cost
GDP	Gross Domestic Product
GVA	Gross Value Added
IIP	Index of Industrial Production
PFCE	Private Final Consumption Expenditure
GFCF	Gross fixed capital formation
WPI	Wholesale Price Index
CPI	Consumer Price Index
y-o-y	Year on Year
m-o-m	Month on Month
IMF	International Monetary Fund
RBI	Reserve Bank of India
MOSPI	The Ministry of Statistics and Programme Implementation
Est., Adv. Est	Estimated, Advance Estimates

Term	Description
P, F	Projected, Forecast
USD	US Dollar
INR	Indian Rupee
Mn, Bn, Tn	Million, Billion, Trillion

Business Related Terms

Term	Description
"AUTOCAD"	A 2D and 3D computer-aided design software application
"Book-to-Bill Ratio (x)"	Book-to-Bill Ratio is an indicator of the size of the order book as of a particular period to the revenue generated for that period
"BIM"	Building Information Modelling
"BIMS"	Bidder Information Management System
"BOQ"	Bill of Quantities
"BOT"	Built Operate Transfer
"BOOT"	Built Own Operate Transfer
"CAD"	Command Area Development
"CAG"	Comptroller and Auditor General of India
"CCEA"	Cabinet Committee on Economic Affairs
"CCI"	Competition Commission of India
"CMP"	Current Market Price
"Construction Projects"	Projects undertaken by the Company which constitute execution and construction of administrative & institutional buildings, hospitals and medical colleges, industrial building, historical memorial complex, stadium and sports complex, and residential complex
"Construction & Infrastructure Projects"	Construction Projects and Infrastructure Projects, collectively
"CPCB"	Central Pollution Control Board
"CPM"	Critical Path Method
"CY"	Calendar Year
"DEA"	Department of Economic Affairs
"EC"	Environment Clearance
"EMI"	Equated Monthly Installment
"EPC"	Engineering, Procurement and Construction
"GDP"	Gross Domestic Product
"GFCF"	Gross Fixed Capital Formation
"GIS"	Geographic Information System
"GNI"	Gross National Income
"GP"	Gram Panchayat
"GDP"	Gross Value Added
"GMADA Punjab"	Greater Mohali Area Development Authority, Punjab
"HAM"	Hybrid Annuity Model
"HSCC"	HSCC (India) Limited
"IIP"	Index of Industrial Production
"IM"	Institutional Mechanism
"IMF"	International Monetary Fund
"IMIS"	Integrated Management Information System

Term	Description
“Infrastructure Projects”	Projects undertaken by the Company which constitute specialized structural work such as roads, flyovers, rail under bridge, rail over bridges and development and redevelopment of railway stations
“IOCL”	Indian Oil Corporation Limited
“LSCL”	Ludhiana Smart City Limited
“MEP”	Mechanical, electrical and plumbing
“MoRTH”	Ministry of Road Transport and Highways
“MTA”	Model Tripartite Agreements
“NHAI”	National Highways Authority of India
“NHDP”	National Highways Development Project
“NHIDCL”	National Highway Infrastructure Development Corporation Limited
“NIP”	National Infrastructure Policy
“NPA”	Non-Performing Asset
“NPCCL”	National Projects Construction Corporation Limited
“PCA”	Punjab Cricket Association
“PERT”	Project Evaluation and Review
“PFMS”	Public Financial Management System
"PIMS"	Project Information Management System
“PPP”	Public Private Partnership
"PRIMAVERA"	A project management software for planning, scheduling, and controlling large-scale projects
“PWD”	Public Work (Roads & Buildings) Department
“PWD Haryana”	Public Work (Roads & Buildings) Department, Haryana
“PWD Punjab”	Public Work (Roads & Buildings) Department, Punjab
“PWD Uttarakhand”	Public Work (Roads & Buildings) Department, Uttarakhand
“PHTPB”	Punjab Heritage and Tourism Promotion Board
“RMC”	Ready-Mix Concrete
“RDSO”	Research Design and Standards Organisation
“ROB”	Road over Bridge
“RUB”	Road under Bridge
“WAPCOS”	WAPCOS Limited

Conventional and General Terms / Abbreviations

Term	Description
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupees.
“AAEC”	Appreciable Adverse Effect on Competition.
“A.Y.” or “AY”	Assessment Year.
“A/C”	Account.
“AGM”	Annual general meeting.
“AIF(s)”	An alternative investment fund as defined in, and registered with SEBI under, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
“AS” or “Accounting Standard”	Accounting Standards as issued by the Institute of Chartered Accountants of India.
“Associate”	A person who is an associate of the issuer and as defined under the Companies Act, 2013.

Term	Description
“Authorized Dealers”	Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000.
“Bn” or “bn”	Billion.
“BSE”	BSE Limited.
“CAGR”	Compound Annual Growth Rate.
“Category I FPI”	FPIs registered as “Category I foreign portfolio investors” under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
“Category II FPI”	FPIs registered as “Category II foreign portfolio investors” under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
“CCI”	Competition Commission of India.
“CDSL”	Central Depository Services (India) Limited.
“CIN”	Corporate Identity Number.
“CMP”	Current Market Price
“Companies Act, 1956”	The erstwhile Companies Act, 1956 along with the relevant rules made thereunder.
“Companies Act, 2013” or “Companies Act”	Companies Act 2013, as amended read with rules, regulations, clarifications and modifications thereunder.
“Competition Act”	Competition Act, 2002, as amended and the rules and regulations made thereunder.
“COVID-19”	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020.
“Consolidated FDI Policy”	The extant consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time.
“Control”	Control as defined under the Takeover Regulations, and the term “Controlled” shall be construed accordingly.
“Copyright Act”	Copyright Act, 1957.
“CPC”	Code of Civil Procedure, 1908
“CrPC”	Code of Criminal Procedure, 1973.
“CSR”	Corporate Social Responsibility.
“CY”	Calendar year.
“Debt to Equity Ratio”	Debt equity ratio is calculated as total borrowings divided by total equity.
“Depositories Act”	The Depositories Act, 1996.
“Depository”	A depository registered with under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
“DIN”	Director Identification Number.
“DPIIT”	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry *(formerly Department of Industrial Policy and Promotion)*, GoI.
“DP ID”	Depository Participant’s identity number.
“EBITDA”	Earnings before interest, taxes, depreciation and Amortization excluding other income.
“EBITDA Margin”	EBITDA Margin is the percentage of EBITDA divided by revenue from operations.
“EGM”	Extraordinary general meeting.
“EMI”	Equated Monthly Instalment
“EPS”	Earnings per share.

Term	Description
“ERP”	Enterprise Resource Planning.
“ESIS”	Employees’ State Insurance Scheme.
“Euro” or “EUR”	Euro, the official single currency of the participating member states of the European Economic and Monetary Union of the Treaty establishing the European Community.
“FCNR”	Foreign currency non-resident account.
“FDI”	Foreign direct investment.
“FDI Circular”	The Consolidated Foreign Direct Investment Policy bearing DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, effective from October 15, 2020, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
“FEMA”	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder.
“FEMA Non-Debt Rules”	Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended.
“Financial Year(s)” or “Fiscal(s)” or “Fiscal Year(s)”	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.
“FPIs”	A foreign portfolio investor who has been registered pursuant to the SEB1 FPI Regulations.
“FVCI”	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI.
“GDP”	Gross Domestic Product.
“GoI” or “Government”	Government of India.
“GST”	Goods and services tax.
“HUF(s)”	Hindu Undivided Family(ies).
“ICAI”	Institute of Chartered Accountants of India, New Delhi.
“ICRA”	ICRA Limited.
“IFRS”	International Financial Reporting Standards of the International Accounting Standards Board.
“IMF”	International Monetary Fund.
“Income Tax Act”	Income-tax Act, 1961, read with the rules framed thereunder.
“Income Tax Rules”	Income-tax Rules, 1962, as amended.
“Ind AS”	The Indian Accounting Standards referred to in the Companies Act, 2013 and Companies (Indian Accounting Standard) Rules, 2015, as amended.
“Indian GAAP”	Generally Accepted Accounting Principles in India.
“INR” or “Rupee” or “₹” or “Rs.”	In Rupee, the official currency of the Republic of India.
“Ind AS 24”	Indian Accounting Standard 24 issued by the ICAI.
“IPC”	Indian Penal Code, 1860, as amended.
“IQF”	Individual Quick Freezing.
“IRDAI”	Insurance Regulatory and Development Authority of India.
“ISO”	International Organization for Standardization.
“IST”	Indian Standard Time.
“IT”	Information Technology.
“KVA”	Kilovolt Ampere.

Term	Description
"MCA"	The Ministry of Corporate Affairs, Government of India.
"Mn"	Million.
"Mutual Funds"	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
"N.A." or "NA"	Not Applicable.
"NACH"	National Automated Clearing House.
"NAV"	Net Asset Value.
"NEFT"	National Electronic Fund Transfer.
"NPCI"	National Payments Corporation of India.
"NRE accounts"	NRI Non-Resident External account.
"NRI" or "Non-resident Indian"	A person resident outside India, who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or an "Overseas Citizen of India" cardholder within the meaning of Section 7(A) of the Citizenship Act, 1955.
"NRO accounts"	Non-Resident Ordinary accounts.
"NSDL"	National Securities Depository Limited.
"NSE"	National Stock Exchange of India 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 beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Offer.
"P/E Ratio"	Price/Earnings Ratio.
"p.a."	Per annum.
"PAN"	Permanent account number.
"PAT"	Profit after tax.
"PCB(s)"	Pollution Control Board(s).
"PPE"	Property Plant Equipment.
"Provident Fund"	Provident fund for employees managed by the Employee's Provident Fund Organisation in India.
"RBI"	Reserve Bank of India.
"RBI Circular dated July 1, 2016"	The RBI Master Directions on Frauds – Classification and Reporting by commercial banks and select FIs bearing number RBI/DBS/2016-17/28
"Regulation S"	Regulation S under the U.S. Securities Act.
"RoC" or "Registrar of Companies"	The Registrar of Companies, Delhi.
"RoNW"	Return on Net Worth.
"RTGS"	Real Time Gross Settlement.
"SCRA"	Securities Contract (Regulation) Act, 1956.
"SCRR"	The Securities Contracts (Regulation) Rules, 1957.
"SCSB"	Self-Certified Syndicate Bank.
"SCORES"	Securities and Exchange Board of India Complaints Redress System.
"SEBI"	Securities and Exchange Board of India established under Section 3 of the SEBI Act, as amended.
"SEBI Act"	Securities and Exchange Board of India Act, 1992, as amended.
"SEBI AIF Regulations"	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.

Term	Description
"SEBI FPI Regulations"	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended.
"SEBI FVCI Regulations"	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended.
"SEBI ICDR Regulations"	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
"SEBI Listing Regulations"	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
"SEBI Merchant Bankers Regulations"	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended.
"SEBI Mutual Fund Regulations"	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
"SEBI RTA Master Circular"	SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023
"Sq. Ft." or "sq. ft."	Square Feet.
"Sq. mtr." or "sq. mtrs."	Square Meter.
"State Government"	The government of a state in India.
"STT"	Securities transaction tax.
"Takeover Regulations"	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
"TAN"	Tax deduction account number.
"TDS"	Tax deducted at source.
TreDS	Trade Receivables Discounting System.
"U.S." or "United States"	The United States of America, together with its territories and possessions, any state of the United States of America and the District of Columbia.
"U.S. Securities Act"	United States Securities Act of 1933, as amended.
"VAT"	Value added tax.
"VCFs"	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be.

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

Certain Conventions

Unless otherwise specified or the context otherwise requires, all references to "India" in this Draft Red Herring Prospectus are to the Republic of India its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time ("**IST**"). Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

In this Draft Red Herring Prospectus, for the purpose of restatement of financial information, the terms "we", "us", "our", "the Company", "our Company", "Issuer", "Issuer Company", unless the context otherwise indicates or implies, refers to "Deepak Builders & Engineers India Limited".

In this Draft Red Herring Prospectus, the terms "we", "us", "our", unless the context otherwise indicates or implies, refers to our Company.

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 Lacs / Lakhs", the word "Crore" means "one hundred lakhs" and the word "billion (bn)" means "one hundred crores". 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.

Financial Data

Unless the context requires otherwise or as otherwise stated, the financial information in this Draft Red Herring Prospectus is derived from our Restated Financial Information, as at and for the seven months period ended October 31, 2023 and as at and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, comprising the restated statement of assets and liabilities as at and for the seven months period ended October 31, 2023 and as at and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, the restated statement of profit and loss and other comprehensive income, the restated statement of cash flows and restated statement of changes in equity for the seven months period ended October 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, the summary statement of significant accounting policies, and other explanatory information prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by the ICAI, as amended from time to time.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. Therefore, all references in this Draft Red Herring Prospectus to a particular Financial Year, Fiscal Year, Fiscal or FY, unless stated otherwise, are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points, unless otherwise stated.

There are significant differences between Indian GAAP, Ind AS, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of IFRS or any other accounting principles or standards. If we were to prepare our financial statements in accordance with such other accounting principles, our results of operations, financial condition and cash flows may be substantially different. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS, see "***Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as US GAAP and International Financial Reporting Standards ("IFRS"), which investors may be more familiar with and***

consider material to their assessment of our financial condition." on page 70. Prospective investors should consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Unless otherwise indicated, any percentage amounts, as set forth in this Draft Red Herring Prospectus, including in the Sections titled ***"Risk Factors", "Our Business"*** and ***"Management's Discussion and Analysis of Financial Condition and Results of Operations"*** on pages 36, 200 and 310, respectively and elsewhere in this Draft Red Herring Prospectus, have been calculated on the basis of the Restated Financial Statements of our Company included in this Draft Red Herring Prospectus.

Currency and Units of Presentation

All references to "**Rupees**", "**Rs.**", "**INR**" or "**₹**" are to Indian Rupees, the official currency of the Republic of India. All references to "**£**" or "**GBP**" are to Great Britain Pound, the official currency of the United Kingdom. All references to "**$**", "**US$**", "**USD**", "**U.S. $**" or "**U.S. Dollars**" are to United States Dollars, the official currency of the United States of America.

All figures in decimals (including percentages) have been rounded off to one or two decimals, or to the nearest whole number. Our Company has presented certain numerical information in this Draft Red Herring Prospectus in "millions" units. One million represents 1,000,000. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off. However, where any figures that may have been sourced from third party industry sources are expressed in denominations other than lakhs in their respective sources, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in such respective sources. In this Draft Red Herring Prospectus, (i) the sum or percentage change of certain 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. Any such discrepancies are due to rounding off.

Non-GAAP Financial Measures

Certain Non-GAAP Measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA Margin, Gross Profit, Gross Profit Margin, PAT Margin, CAGR, Net Asset Value per Equity Share, Return on Net worth, Return on equity, Net worth, EBIT, Capital Employed, Return on Capital Employed and others ("**Non-GAAP Measures**"), 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 financial measures are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP financial measures should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these Non-GAAP financial measures are not standardized terms, hence a direct comparison of these Non-GAAP financial measures between companies may not be possible. 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 standard 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 Ind AS and may not be comparable to similarly titled measures presented by other companies and hence have limited usefulness as a comparative measure. For details, see ***"Risk Factors – We have in this Draft Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other***

companies" on page 69.

Industry and Market Data

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "****Industry Report on Construction Industry in India****" dated March 31, 2024" (the "****D&B Report****") prepared and issued by* Dun & Bradstreet Information Services India Private Limited *("****D&B India****"), appointed by us on January 10, 2024, and exclusively commissioned and paid for by us in connection with the Offer. D&B India is an independent agency which has no relationship with our Company, our Promoters and any of our Directors or KMPs or SMPs. The data included herein includes excerpts from the D&B Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the D&B India and included herein with respect to any particular year refers to such information for the relevant financial] year. A copy of the D&B Report is available on the website of our Company at www.deepakbuilders.co.in until the Bid/Offer Closing Date.*

Unless otherwise indicated, all financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year, refers to such information for the relevant year. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. Although the industry and market data used in this Draft Red Herring Prospectus is reliable, industry sources and publications may base their information on estimates and assumptions that may prove to be incorrect. Further, industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. The extent to which industry and market data set forth in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. For risks in relation to the D&B Report, see ***"Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the D&B Report which have been commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks"*** *on page 60.*

Exchange Rates

This Draft Red Herring Prospectus may contain conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

(in ₹)

Currency	Exchange rate as on October 31, 2023	Exchange rate as on March 31, 2023	Exchange rate as on March 31, 2022	Exchange rate as on March 31, 2021
1 US$	83.27	82.22	75.81	73.50
1 GBP	101.16	89.61	99.55	100.95

Source: www.fbil.org.in and www.fedai.org.in

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the U. S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of each jurisdiction where such offers and sales are made.

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 Bids may not be made, by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "***aim***", "***anticipate***", "***are likely***", "***believe***", "***expect***", "***estimate***", "***intend***", "***likely to***", "***objective***", "***plan***", "***project***", "***propose***", "***will***", "***seek to***", "***will continue***", "***will pursue***" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. All statements in this Draft Red Herring Prospectus that are not statements of historical fact constitute 'forward-looking statements'. All statements regarding our expected financial conditions and results of operations, business plans and objectives, strategies and goals and prospects are forward looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. This could be due to risks or uncertainties associated with expectations relating to, and including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, changes in the incidence of any natural calamities and/ or violence, regulations and taxes and changes in competition in the industries in which we operate. Certain important factors that could cause actual results to differ materially from our expectations include but are not limited to, the following:

- There are certain outstanding litigations involving our Company and our Promoters Directors, which, if determined adversely, may affect our business operations and reputation.
- We derive a significant portion of our revenues from Government clients. The loss of any significant clients may have an adverse effect on our business, financial condition, results of operations, and prospect.
- Inability to qualify for, compete and win projects or identify and acquire new projects;
- We are required to furnish financial and performance bank guarantees and letter of credits as part of our business. Our inability to arrange such guarantees and/or letters of credit may adversely affect our cash flows and financial condition.
- Our revenue is generated from projects undertaken with government entities or agencies, contracts of which usually contain terms that favour the clients. Such project / contracts are awarded on the basis of certain pre-qualification criteria and competitive selection process and are usually in a standard form, restricting our ability to negotiate the terms and conditions. Any change in the government policies or focus and/or we are unable to recover payments in a timely manner, would adversely affect our business and result of operations.
- Liabilities arising from defects or faults during construction;
- Our Order Book may not be representative of our future results and our actual income may be significantly less than the estimates reflected in our Order Book.
- Our projects are exposed to various implementation and other risks, including risks of time and cost overruns, and uncertainties, which may adversely affect our business, financial condition, results of operations, and prospects.
- Inability to comply with any changes in, safety, health, environmental and labour laws and other applicable regulations.

For details regarding factors that could cause actual results to differ from expectations, see "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 36, 200 and 310, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders 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.

Forward-looking statements reflect current views on the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Promoters who are also the Selling Shareholders, our Directors, the BRLM, the Syndicate Members nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company and the BRLM will ensure that the Bidder in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges for the Equity shares pursuant to the Offer.

In accordance with regulatory requirements including requirements of the SEBI and as prescribed under applicable law, the Promoter Selling Shareholders, shall ensure that our Company and Book Running Lead Manager are informed of material developments, in relation to statements and undertakings specifically undertaken or confirmed by it in relation to itself as the Promoter Selling Shareholders and the Offered Shares in the Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. Only statements and undertakings which are specifically confirmed or undertaken by the Promoter Selling Shareholders in relation to itself as a selling shareholder and the Offered Shares, in this Draft Red Herring Prospectus shall be deemed to be statements and undertakings made by such selling shareholder.

SUMMARY OF THE OFFER DOCUMENT

The following is a general summary of the terms of the Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including "***Risk Factors***", "***The Offer***", "***Capital Structure***", "***Objects of the Offer***", "***Industry Overview***", "***Our Business***", "***Restated Financial Statements***", "***Outstanding Litigation and Material Developments***", "***Offer Procedure***", and " ***Description of Equity Shares and Terms of the Articles of Association***" on pages 36, 75, 93, 101, 133, 200, 262, 344, 385 and 410, respectively.

Summary of Business

We are an integrated engineering and construction company, specializing in execution and construction of administrative & institutional buildings, hospitals and medical colleges, industrial building, historical memorial complex, stadium and sports complex, and residential complex. We have diversified in undertaking specialized structural work such as flyovers, approach roads, rail under bridge, rail over bridges and development and redevelopment of railway stations. We undertake Construction & Infrastructure Projects both, as EPC services on a fixed-sum turnkey basis as well as on an item-rate basis/percentage basis. We excute projects on a turnkey basis comprising of architectural & structural, civil, HVAC, MEP, etc.

Summary of Industry

Infrastructure development has remained recurring theme in India’s economic development. As India aims to grow to a USD 5 trillion economy by 2027, Construction sector that include Infrastructure construction will be critical for boosting economic growth as it is the key growth enabler for several other sector. Infrastructure development provides impetus to other sectors like cement, bitumen, iron and steel, chemicals, bricks, paints, tiles, financial services among others. The sector enjoys intense focus from the Government which is well reflection in higher budgetary allocations.
(Source: D&B Report)

Names of our Promoters

Deepak Kumar Singal and Sunita Singal are the Promoters of our Company. For further details, see “***Our Promoters and Promoter Group***” on page 254.

Offer Size

Offer	Up to 14,400,000 Equity Shares aggregating up to ₹ [●] million
of which	
Fresh Issue(1)	Up to 12,000,000 Equity Shares aggregating up to ₹ [●] million
Offer for Sale(2)	Up to 2,400,000 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholders

(1) *The Offer including the Fresh Issue has been authorized by resolution of our Board dated February 9, 2024 and by our Shareholders pursuant to a special resolution passed at their meetings held on March 12, 2024. Further, our Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to its resolution dated March 26, 2024.*

(2) *The Selling Shareholder has confirmed and authorized its participation in the Offer for Sale in relation to the Offered Shares. The Selling Shareholder confirm that the Equity Shares being offered by the Selling Shareholders have been held for a period of at least one year immediately preceding the date of this Draft Red Herring Prospectus with the SEBI, and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For details of authorizations received for the Offer for Sale, see “**The Offer**” or “**Other Regulatory and Statutory Disclosures**” on pages 75 and 359, respectively.*

The Offer shall constitute [●]% of the post-Offer Equity Share capital of our Company. For further details, see “***The Offer***” and “***Offer Structure***” on pages 75 and 93, respectively.

Objects of the Offer

The details for which the Net Proceeds of the Offer shall be utilised are summarised in the table below:

Objects	Amount (₹ in millions)*
Gross Proceeds from the Offer	[●]
Less: Offer related expenses to be borne by our Company**	[●]
Net Proceeds from the Offer (Net Proceeds)	**[●]**

*To be finalised upon determination of the Offer Price and updated in the Prospectus prior to the filing with the RoC
See "*Offer Related Expenses***" on page 113

Utilization of Net Proceeds

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

(₹ in millions)

Objects	Estimated Amount
Repayment/prepayment, in full or part, of certain borrowings availed of by our Company	Upto 300.00
Funding of working capital requirements of the Company	Upto 950.00
General corporate purposes*	[●]
Net Proceeds	**[●]**

**To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds from the Offer.*

For further details, see "***Objects of the Offer***" on page 101.

Aggregate pre-Offer and post-Offer shareholding of our Promoter, Promoter Group and the Selling Shareholders

The aggregate pre-Offer and post-Offer shareholding of our Promoters, Promoter Group and the Selling Shareholders as on the date of the Draft Red Herring Prospectus, as a percentage of the pre-Offer paid-up Equity Share capital of our Company is set out below:

Sr. No.	Name of the Shareholder	Number of Equity Shares pre-Offer	Percentage of the Pre-Offer Equity Share capital (%)*	Number of Equity Shares post-Offer**	Percentage of the Post-Offer Equity Share capital (%)**
Promoters					
1.	Deepak Kumar Singal#	32,305,970	90.04	[●]	[●]
2.	Sunita Singal#	3,564,890	9.93	[●]	[●]
Promoter Group					
1.	Henna Singal	6,200	0.02	[●]	[●]
2.	Akash Singal	3,500	0.01	[●]	[●]
Total		**35,880,560**	**100**	**[●]**	**[●]**

**Rounded off to the closest decimal*
***To be updated at the time of filing of the Prospectus.*
#Also, a Selling Shareholder

Except as disclosed above, none of the members of our Promoter Group hold any Equity Shares in our Company. For further details, see "***Capital Structure***" on page 93.

Summary of Restated Financial Statements

(₹ in millions)

Particulars	As at and for the seven months period ended October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Equity Share capital	358.81	358.81	358.81	358.81
Net Worth	1,116.29	893.47	703.38	540.54

Particulars	As at and for the seven months period ended October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Revenue from Operation	2,494.49	4,334.55	3,630.52	3,107.55
Profit for the period/year	206.28	213.95	176.64	129.28
Basic EPS	5.75*	5.96	4.92	3.60
Diluted EPS	5.75*	5.96	4.92	3.60
Net Asset Value	31.11	24.90	19.60	15.06
Current Borrowing	621.87	633.94	481.51	410.98
Non-Current borrowing	778.18	331.78	314.97	257.35

**Not annualized*

For further details, see **"*Restated Financial Statement*"** and **"*Other Financial Information*"** on pages 262 and 306, respectively.

Auditor's qualifications which have not been given effect to in the Restated Financial Statements

Our Statutory Auditor have not made any qualifications in the audit report that have not been given effect to in the Restated Financial Statements. However, our Statutory Auditor has included an emphasis of matters in the examination report, which is reproduced as below:

"*The Company has placed its reliance upon the Actuarial Valuation on Gratuity obtained for the period ended September 30, 2023 at time of the preparation of Restated Financial Statements for the period ended October 31, 2023. The effect of the same is not material as per Company's Policy on determination of Materiality as there is no material rotation in number of employees during the period ended October 31, 2023.*"

Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, our Directors and our Promoters as on the date of this Draft Red Herring Prospectus is provided below:

Nature of Cases	Number of outstanding cases	Amount Involved* (*₹ in millions*)
Litigation involving our Company		
Criminal proceedings against our Company	4	Not ascertainable
Criminal proceedings by our Company	1	4.16
Material civil litigation against our Company	1	13.01
Material civil litigation by our Company	4	339.51
Actions by statutory or regulatory Authorities	3	Not ascertainable
Direct and indirect tax proceedings	18	94.38
Litigation involving our Directors (other than Promoter)		
Criminal proceedings against our Directors	Nil	Nil
Criminal proceedings by our Directors	Nil	Nil
Material civil litigation against our Director	Nil	Nil
Material civil litigation by our Director	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil
Litigation involving our Promoter		
Criminal proceedings against our Promoter	Nil	Nil
Criminal proceedings by our Promoter	Nil	Nil
Material civil litigation against our Promoter	Nil	Nil
Material civil litigation by our Promoter	2	1.50
Actions by statutory or regulatory authorities	Nil	Nil

Nature of Cases	Number of outstanding cases	Amount Involved* (₹ *in millions)*
Direct and indirect tax proceedings	12	240.30

**To the extent quantifiable.*

For further details on the outstanding litigation proceedings, see "***Outstanding Litigation and Material Developments***" and "***Risk Factors***" on pages 344 and page 36, respectively.

Risk factors

For further details, see "***Risk Factors***" on page 36.

Summary of contingent liabilities

(₹ in millions)

Particulars	As at and for the seven months period ended October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Bank Guarantees Issued	2,429.75	2,749.09	1,375.80	1,265.70

<u>Income Tax Demands</u>

1. The Income Tax Department has raised demand u/s 153(C) r.w.s. 143(3) of the I.T. Act, 1961 for an amount of ₹8.60 Millions relevant to A.Y. 2020-21 and the Company has filed the appeal with the Honourable CIT (Appeal) and the case is yet to be adjudicated.
2. The Income Tax Department has raised demand u/s 143(1)a for ₹4.97 Millions relevant to A.Y. 2023-24 and the Company has filed the rectification, and the same is pending.

For details, see "***Restated Financial Statements***" on page 262.

Summary of Related Party Transactions and balances

The following is the summary of transactions and balance receivable from / (payable) of our Company to related parties as at and for the seven months period ended October 31, 2023 and as at and for Fiscal 2023, Fiscal 2022 and Fiscal 2021, as per Ind AS 24 – Related Party Disclosures as per Restated Financial Statement are set forth in the table below:

S. No.	Name of Related Party	Nature of Relationship
1.	Deepak Kumar Singal	Chairman cum Managing Director
2.	Sunita Singal	Whole-time Director
3.	Akash Singal	Whole-time Director (upto October 12, 2023)
4.	Rishabh Gupta	Chief Financial Officer (w.e.f. June 1, 2023)
5.	Anil Kumar	Company Secretary
6.	Henna Singal	Relative of KMP
7.	Deepak Singal Engineers & Builders Private Limited	Enterprise over which KMP or their Relatives are able to exercise significant influence
8.	Deepak Buildcon Infrastructure, Ludhiana	
9.	Deepak Buildcon, Mohali	
10.	Henna Enterprises Private Limited	
11.	E9 News	
12.	AKS Luxuries Infra	
13.	H & S Infra	

(₹ in millions)

Sr. No.	Particulars	As at and for the seven months ended October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
1.	Key Managerial Personnel				

Sr. No.	Particulars	As at and for the seven months ended October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
(a)	Remuneration				
(i)	Deepak Kumar Singal	5.25	9.00	6.15	3.30
(ii)	Sunita Singal	3.50	6.00	2.40	1.10
(iii)	Rishabh Gupta	0.63	-	-	-
(iv)	Anil Kumar	0.46	0.43	-	-
(b)	Rent Payments				
(i)	Deepak Kumar Singal	0.70	1.20	1.20	-
(ii)	Sunita Singal	-	0.60	0.60	-
(c)	Security Deposit Given				
(i)	Deepak Kumar Singal	70.00	-	50.00	-
(ii)	Sunita Singal	-	-	9.00	-
(d)	Unsecured Loan Accepted				
(i)	Deepak Kumar Singal	12.30	-	25.88	42.73
(e)	Unsecured Loan Repaid				
(i)	Deepak Kumar Singal	-	3.53	25.39	39.70
2.	Relatives of Key Managerial Personnel				
(a)	Remuneration				
(i)	Akash Singal	1.20	2.40	2.40	2.20
(ii)	Henna Singal	-	2.40	2.40	2.20
(b)	Rent Payments				
(i)	Akash Singal	-	0.60	0.60	-
(c)	Security Deposit Given				
(i)	Akash Singal	-	-	9.00	-
3.	Associate Concerns				
(a)	Sales				
(i)	Deepak Singal Engineers & Builders Private Limited	6.38	42.52	70.84	63.20
(b)	Purchases				
(i)	Deepak Singal Engineers & Builders Private Limited	3.44	25.99	1.11	19.84
(c)	Advances Given (Net)				
(i)	Deepak Singal Engineers & Builders Private Limited	6.74	-	-	-
4.	Closing Balances				
(a)	Key Managerial Personnel				
(i)	Deepak Kumar Singal (Cr.)	12.30	-	3.53	3.03
(ii)	Deepak Kumar Singal (Dr.)	120.00	50.00	50.00	-
(iii)	Sunita Singal (Dr.)	9.00	9.00	9.00	-

Sr. No.	Particulars	As at and for the seven months ended October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
(c)	Relatives of KMP				
(i)	Akash Singal (Dr.)	9.00	9.00	9.00	-
(d)	Associate Concerns (Dr.)				
(i)	Deepak Singal Engineers & Builders Private Limited	6.74	10.11	42.38	-
(ii)	Deepak Buildcon Infrastructure (Dr.)	109.64	109.64	109.64	84.54
(iii)	Deepak Buildcon, Mohali (Dr.)	97.77	97.77	97.77	97.07

As certified by our Statutory Auditor - Parmod G Gupta & Associates, Chartered Accountants, pursuant to their certificate dated April 9, 2024.

For further details of the related party transactions and as reported in the Restated Financial Statements, see "***Restated Financial Statements***" on page 262.

Financing Arrangements

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

Details of price at which specified securities were acquired by our Promoters, members of the Promoter Group, Selling Shareholders and Shareholders with right to nominate directors or other rights in the last three years preceding the date of this Draft Red Herring Prospectus

Except as disclosed below, none of the Promoters, members of the Promoter Group and Selling Shareholders acquired specified securitites in the last three years preceding the date of this Draft Red Herring Prospectus. The details of price at which specified securities acquired are as follows. There are no Shareholders with right to nominate directors or other rights.

Name of acquirer/ shareholder*	Nature of the transaction	Nature of specified securities	Face value (in ₹)	Date of acquisition	Number of specified securities	Acquisition price per specified shares (in ₹)^
Deepak Kumar Singal#	Transfer of Equity Shares from Sunita Singal by way of gift	Equity Shares	10	September 4, 2023	400,000	Nil
Akash Singal	Transfer of Equity Shares from Sunita Singal by way of gift	Equity Shares	10	March 28, 2022	3,500	Nil
Henna Singal	Transfer of Equity Shares from Deepak Kumar Singal by way of gift	Equity Shares	10	March 28, 2022	6,200	Nil

**As certified by our Statutory Auditor - Parmod G Gupta & Associates, Chartered Accountants, pursuant to their certificate dated April 9, 2024.*

#Also, a Selling Shareholder

^Since shares received by way of gift

Weighted average price at which the Equity Shares were acquired by our Promoters and Selling Shareholders in the one year preceding the date of this Draft Red Herring Prospectus

Name of the Promoter	Number of equity shares acquired in the one year preceding the date of this Draft Red Herring Prospectus	Weighted average price per Equity Share (₹)
Deepak Kumar Singal#	400,000^	Nil
Sunita Singal#	Nil	Nil

**As certified by our Statutory Auditor - Parmod G Gupta & Associates, Chartered Accountants, pursuant to their certificate dated April 9, 2024*

#Also, a Selling Shareholder

^Since shares received by way of gift

Average cost of acquisition of Equity Shares of our Promoters and Selling Shareholders

The average cost of acquisition of Equity Shares of our Promoters and the Selling Shareholder as on the date of this Draft Red Herring Prospectus is as follows:

Name of the Promoter	Number of Equity Shares held	Average cost per Equity Share (in ₹)*
Deepak Kumar Singal#	32,305,970	9.87
Sunita Singal#	3,564,890	10.00

**As certified by our Statutory Auditor - Parmod G Gupta & Associates, Chartered Accountants, pursuant to their certificate dated April 9, 2024.*

#Also, a Selling Shareholder

Weighted average cost of acquisition of all shares transacted in (i) last one (1) year; (iii) last eighteen (18) months and (iii) last three (3) years preceding the date of this Draft Red Herring Prospectus

Period	Weighted average cost of acquisition (in ₹)	Cap Price is 'X' times the Weighted Average Cost of Acquisition**	Range of acquisition price: lowest price – highest price (in ₹)
Last one (1) year preceding the date of this Draft Red Herring Prospectus	Nil^	[●]	[●]
Last eighteen (18) months preceding the date of this Draft Red Herring Prospectus	Nil^	[●]	[●]
Last three (3) years preceding the date of this Draft Red Herring Prospectus	0.01^	[●]	[●]

**As certified by our Statutory Auditor - Parmod G Gupta & Associates, Chartered Accountants, pursuant to their certificate dated April 9, 2024.*

***To be updated once the price band information is available*

^Since shares received by way of gift

For further details, see "***Capital Structure***" on page 93.

Details of Pre-IPO Placement

Our Company has not undertaken any pre-IPO placement.

An Issue of equity shares for consideration other than cash in the last one year

Our Company has not issued any Equity Shares for consideration other than cash in the last one year preceding the date of this Draft Red Herring Prospectus.

For further details pertaining to Issue of Equity Shares for consideration other than cash, kindly refer to the chapter titled "***Capital Structure***" on page 93.

Split/ Consolidation of equity shares in the last one year

Our Company has not undertaken any split or consolidation of Equity Shares in the last one year preceding the date of this Draft Red Herring Prospectus.

For further details pertaining to split of Equity Shares and other details, see "***Capital Structure***" on page 93.

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

As on the date of this Red Herring Prospectus, our Company has not obtained any exemption from the SEBI from strict compliance with any provisions of securities laws including the SEBI ICDR Regulations.

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SECTION II –RISK FACTOR

An investment in Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this Offer including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment which in some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this Section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or any other risks that are not currently known or are currently deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or any part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

*Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this Section is derived from our Restated Financial Statements prepared in accordance with Ind AS and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this Section in conjunction with "**Our Business**" on page 200, "**Industry Overview**" on page 133 and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on page 310 as well as other financial information contained herein. For capitalized terms used but not defined herein, see "**Definitions and Abbreviation**" on page 3.*

Materiality:

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

- *Some risks may not be material individually but may be material when considered collectively;*
- *Some risks may have an impact which is qualitative though not quantitative; and*
- *Some risks may not be material at present but may have a material impact in the future.*

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this Section is derived from our financial statements under Ind AS, as restated in this Draft Red Herring Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

*Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries. This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates 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. For further details, see "**Forward-Looking Statements**" on page 26.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled **Industry Report on Construction Industry in India**" dated March 31, 2024 (the "**D&B Report**") prepared and issued by Dun & Bradstreet Information Services India Private Limited ("**D&B India**"), appointed by us on January 10, 2024, and exclusively commissioned and paid for by us in connection with the Offer. D&B India is an independent agency which has no relationship with our Company, our Promoters and any of our Directors or KMPs or SMPs. Unless otherwise indicated, financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the D&B Report is available on the website of our Company at www.deepakbuilders.co.in until the Bid/Offer Closing Date.*

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this Section. 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 risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

In this Draft Red Herring Prospectus, any discrepancies in any table between total and sums of the amount listed are due to rounding off.

Unless the context otherwise indicates, all references to "the Company" and "our Company", "DBEIL", "we", "us" or "our" are references to Deepak Builders & Engineers India Limited.

The risk factors are classified as under for the sake of better clarity and increased understanding:

INTERNAL RISK FACTORS:

BUSINESS RELATED RISKS

1. ***Our revenue is majorly concentrated from projects undertaken or awarded by government, semi-government and government-controlled entities. Any adverse changes in the government policies may lead to our contracts being foreclosed, terminated, restructured or renegotiated, which may have a material effect on our business and results of operations.***

   Our business is primarily dependent on projects awarded by government, semi-government and government-controlled entities which comprises of construction and development of, administrative & institutional buildings, hospitals and medical colleges, industrial buildings, historical memorial complex, stadium and sports complex, residential complex, railway stations, flyovers, approach roads, road under bridge, bridges, railway over bridges and other construction activities. We derive majority of our revenues from contracts with a limited number of government and government-controlled entities, namely, Northern Railways, WAPCOS, HSCC, NPCCL, IOCL, PWD Punjab, PWD Haryana, PWD Uttarakhand, GMADA Punjab, LSCL, PCA and PHTPB. As on February 29, 2024, 100% of our order book consist of projects awarded by government, semi-government and government-controlled entities.

   As we rely on undertaking and executing government awarded projects, we may face various issues such as delay in payments due to various reasons including but not limited to issues relating to change in government policies or priorities, change in budgetary allocations for construction and infrastructure development or a downturn in available work in the construction and infrastructure sector, insufficiency of funds for allocated or proposed projects, reassessment of existing awarded and/or other adverse political consideration. While the government is heavily investing in building robust infrastructure across the state *(Source: D&B Report)*, there can be no assurance that the government will continue to place emphasis on the construction and infrastructure development or related sector in the area in which we operate. Additionally, the contracts with government entities may be subject to extensive internal processes, addition of scope of the contract after awarding of contract and any of such adverse situations may lead to lower number of contracts available for bidding or increase in the time gap between invitation for bids and award of the contract or may lead to renegotiation of the terms of such contracts which eventually may lead to a delay in our business operations and adversely affect our business prospects and our financial performance. For instance, the time taken to start the project from the date of award was an average of three (3) to six (6) months.

   Concentration of our business on a few government clients may also have an adverse effect on our results of operations if we do not achieve our expected margins or suffer losses in one or more of these substantial contracts, from government clients. Moreover, due to the inherent nature of the contracts with government authorities, there is also risk of projects getting inordinately delayed or not getting completed, claims or counter claims including to and from government authorities, projects being struck off or getting into litigations or arbitration. For instance, (i) a contract completed by us for PWD Punjab for construction of a national level memorial called the "Jang-E- Azadi Memorial", Jalandhar, is under dispute due to alleged delays and defaults on the part of Punjab Freedom Movement Memorial

Foundation and PWD Punjab which resulted in delay in completion of the project and caused loss to us. The said dispute was referred to Arbitration in which an award was passed in our favour. However, PWD Punjab preferred an appeal for setting aside of arbitral award passed in our favour. The said dispute has resulted in material litigation and is pending before Hon'ble High Court of Punjab and Haryana; (ii) a contract completed by us for PWD Punjab for construction of Hockey Stadium in Sports Complex, Mohali, is under dispute due to alleged delay in completion of work on account of PWD Punjab which resulted in delay in completion of the project and caused loss to us. The said dispute has resulted in material litigation and pending before district court; (iii) contract completed by us for Punjab State Federation of Cooperative Housing Building Societies Limited for construction of flats is under dispute due to alleged delay in execution by us and is presently under an appeal before the Hon'ble High Court of Punjab and Haryana at Chandigarh for setting aside of arbitral award dated March 24, 2015 passed in our favour. The said dispute has resulted in material litigation and is pending before Hon'ble High Court of Punjab and Haryana; (iv) the contract completed by us for PWD Punjab for construction of District Administrative Complex in Mohali, was delayed due to various issues such as delays in site handover, non-clearance of drawings, delayed payments by clients, etc. against which we have filed an arbitration claim petition before the Arbitration Tribunal. The said dispute has resulted in material litigation and pending before the Arbitration Tribunal. For more details, see "***Outstanding Litigation and Other Material Developments – Material Civil Proceedings filed by the Company***" on page 346. Such legal proceedings could divert management time and attention, consume our financial resources in defence or prosecution of such legal proceedings or cause delays in the construction, development or commencement of operations of our projects, or strain our relations with such clients. There can be no assurance that we will be successful in all, or any of such proceedings. We cannot assure you that such instances will not occur in future and such event would not adversely affect our business, results of operation and financial condition.

As long as we are dependent on the government-controlled entities for awarding contracts to us and that they are critical party to the development and ongoing operations of our projects, our business is directly and significantly dependent on projects awarded by them. Any adverse change in the policies adopted by the government regarding award of its projects such as pre-qualification criteria could adversely affect our ability to bid for and/ or win such projects. In addition, any changes in the existing laws and policies governing construction and infrastructure developments projects, could adversely affect our existing projects and opportunities to secure new projects. For details of certain of key regulations and such policies, see "***Key Regulations and Policies in India***" on page 224.

Further, our construction contracts with government entities are usually based on standard terms and conditions set out by the said entities. Thus, we have only limited ability to negotiate the terms of these contracts, which tend to favour our government clients and we may be required to accept unusual or onerous provisions in such contracts in order to be engaged to execute such projects. These onerous conditions forming part of government contracts may have adverse effects on our profitability.

Another factor which may impact the growth of our business is that our government clients may terminate their construction agreements including for the reasons set forth in such agreements or otherwise. If our client terminates any of our construction agreements without any fault of ours, it is generally required to compensate us for the amount, depending on the valuation of the unpaid works and the timing of the termination in relation to the payment milestones associated with the respective projects, unless the agreement is terminated pursuant to applicable law. Such compensation process is likely to be time consuming and the amount to be paid to us may not fully compensate us. We cannot assure you that we would receive such amounts on a timely basis or in an amount equivalent to the value of our investment plus our lost profits.

2. Our portfolio of projects is concentrated in certain large-scale projects. Any delay or impediment to such projects may have adverse impact on our financial position.

As on February 29, 2024, our Company has 11 (eleven) ongoing Construction & Infrastructure Projects comprising of construction and development/redevelopment of four (4) hospitals & medical college building, three (3) railway station, two (2) road, one (1) administrative & institutional building and one (1) industrial building. Our order book, as on February 29, 2024, seven months ended October 31, 2023 and Fiscal 2023, Fiscal 2022 and Fiscal 2021, amounts to ₹12,115.68 million, ₹13,607.09 million,

₹16,578.79 million, ₹7,196.32 million and ₹5,443.40 million, respectively. However, majority of our order book value or portfolio of projects is concentrated in the manner detailed below;

No.	Particular of Work	No. of projects	Amount (₹ in million)	Percentage to total Order Book (%)
1	Hospitals & medical college building	4	1,406.14	11.61
2	Railways	3	6,362.08	52.51
3	Road Projects	2	150.51	1.24
4	Industrial Building	1	3,673.89	30.32
5	Administrative & Institutional building	1	523.06	4.32
	Total	**11**	**12,115.68**	**100.00**

Of the above projects forming part of the Order Book as on February 29, 2024, our top two projects constitute 62.75% of our total order book. Such large concentration of our portfolio, increases the potential volatility of our results of operations. For further details, see "***Our Business – Our Order Book***" on page 214. Managing and executing such large-scale projects may increase the potential relative size of cost overruns and negatively affect our operating margins. In past, we have not experienced any event of cost over run but certain delay in execution and payment of escalation claims, on account of delays in site handover, non-clearance of drawings, delayed payments, etc. on the part of our government clients. However, a few of our escalation claims for completed projects are disputed and are pending before various forum for adjudication and pending the final outcome of adjudication, such escalation claims are not considered as cost overrun. In an event of rejection of our escalation claims, we may experience cost overrun. For further details, see "***History and Certain Corporate Matters – Time/cost overrun***" on page 233 and "***Outstanding Litigation and Other Material Developments***" on page 344. Also see, "***Risk Factor – Our revenue is majorly concentrated from projects undertaken or awarded by government, semi-government and government-controlled entities. Any adverse changes in the government policies may lead to our contracts being foreclosed, terminated, restructured or renegotiated, which may have a material effect on our business and results of operations.***" on page 37. We believe that our contract portfolio will continue to be concentrated to a similar degree in the future. If we do not achieve our expected margins or suffer losses in one or more of these large contracts, our results of operations may be adversely affected.

3. While we have a diversified geographical presence, our project portfolio has historically been concentrated in Punjab, India and any changes affecting the policies, laws and regulations or the political and economic environment in the region may adversely impact our business, financial condition and results of operations.

We started our business operations primarily in Punjab and have gradually expanded to other States such as Haryana, Rajasthan and Uttarakhand and the Union Territory of Chandigarh and the National Capital Territory of Delhi. As on February 29, 2024, our ongoing projects amounts to ₹12,115.68 million out of which ₹5,006.10 million representing 41.32% of our ongoing projects is concentrated in the state of Punjab. Revenue from projects undertaken in the state of Punjab during the seven months period ended October 31, 2023 and Fiscal 2023, Fiscal 2022 and Fiscal 2021 is detailed as below:

(*₹ in million, unless stated otherwise*)

Particulars	For the seven months ended October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Revenue from operations	2,494.49	4,334.55	3,630.52	3,107.55
Revenue from projects in Punjab	746.28	638.23	1,267.22	1,232.19
% of Revenue from operations	29.92%	14.72%	34.90%	39.65%

The concentration of our business in Punjab may subject us to various risks, including but not limited to; (i) vulnerability to change of policies, laws and regulations or the political and economic environment of Punjab; (ii) interruptions on account of regional instability, adverse climatic condition or *force majeure,* etc.; (iii) perception by our potential clients that we are a regional construction company, may hamper us from competing or securing orders for large and complex projects at the national level; (iv) regional slowdown in construction activities in Punjab. While we have and we further strive to diversify across states and reduce our concentration risk, there can be no assurance that the above factors associated with Punjab will not have an adverse impact on our business. If we are unable to mitigate such concentration risk, we may not be able to develop our business effectively and our business operations, financial condition and results of operation could be adversely affected.

4. ***We derive a significant portion of our revenues from a limited number of clients. The loss of any significant clients may have an adverse effect on our business, financial condition, results of operations, and prospects.***

We derive a significant portion of our revenue from a limited number of clients. For the seven months period ended October 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021, our revenue from top five (5) and top ten (10) clients are as follows:

(in ₹ million, unless stated otherwise)

S. No.	Particulars	For the seven months period ended October 31, 2023		Fiscal-2023		Fiscal 2022		Fiscal 2021	
		Revenue	As a % of revenue from operations	Revenue	As a % of revenue from operations	Revenue	As a % of revenue from operations	Revenue	As a % of revenue from operations
1.	Revenue from Top five (5) Clients	2,329.30	93.38	3,094.37	71.39	2,723.38	75.01	2,440.38	78.53
2.	Revenue from Top ten (10) Clients	2,372.53	95.11	3,473.43	80.13	2,999.31	82.61	2,917.73	93.89

For further details, see "***Our Business – Our Order Book***" on page 214.

Significant revenue from a limited number of clients increases the potential volatility of our results and exposure to individual contract risks. We may be required to accept onerous contractual terms in our contracts for projects awarded to us by such clients. While our Company has not experienced any such instances in the past, in the event that our Company is unable to comply with its obligations as per the terms of the contract with such top five (5) clients, it would result in a substantial reduction in the number of contracts awarded by such client in future resulting in an impact on the overall business and revenue generated by the Company from such client. Further, such concentration of our business on selected projects or clients may have an adverse effect on our results of operations. We cannot assure you that we can maintain the same levels of business from our five (5) clients. Furthermore, events such as adverse market conditions, any restructuring or changes in the regulatory regime, could adversely affect our clients and consequently impact our business. While we endeavour to maintain client relationships, considering the nature of our business, we are subject to external factors such as pre-qualification, availability of tender and aggressive price bidding by peers which limits our ability to receive repeated orders from our existing clients.

We belive that our experience in the construction and infrastructure sector and ability to offer efficient completion of work has enabled us to maintain our continued eligibility and qualification for bidding for projects. However, due to certain unforeseen circumstances such as, failure to get requisite clearances and approvals or rights over a land, public interest litigations filed against the projects awarded to us, our clients may either terminate our contracts or may default and fail to pay amounts owed, which may adversely affect our Order Book and in turn, can impact our business and financial condition. During the disclosed financial period, we have not experienced any event wherein public interest litigations was filed against the projects awarded to us. Further, in the event we are unable to complete our projects within the time period prescribed under our contracts or within the extended period of contract, or the quality of our work deteriorates, then our relationship with our clients may get severed and we may not get further orders from our current clients which could adversely affect our business.

5. ***Construction & Infrastructure Projects are typically awarded to us on satisfaction of prescribed qualification criteria and following a competitive bidding process. Our business and our financial condition may be adversely affected if new Construction & Infrastructure Projects are not awarded to us or if contracts awarded to us are prematurely terminated.***

Construction & Infrastructure Projects are typically awarded to us upon satisfaction of prescribed technical and financial qualification criteria following a competitive bidding process. While the track record, experience of project execution, service quality, technical expertise, reputation and sufficiency of financial resources are important considerations in awarding project contracts, there can be no assurance that we would be able to meet such technical and financial qualification criteria. Further, once prospective bidders satisfy the prequalification requirements of the tender, the project is usually awarded on the basis of price competitiveness of the bid. For instance, we are accredited as Class I – (Super) Contractor with Central Public Work Department, Government of India and as on the date of this Draft Red Herring Prospectus, we are pre-qualified to bid independently for single projects up to a tender value of ₹6,500.00 million. For details, see "***Government and Other Approvals***", on page 351. We generally incur costs in the preparation and submission of bids, which are one-time, non-reimbursable costs. We cannot assure you that we would bid for contracts where we have been pre-qualified to submit a bid, or that our bids when submitted, would result in projects being awarded to us.

While we strive to increase our portfolio of government contracts, we majorly face competition from large domestic construction and infrastructure development companies, which are well placed to fulfil the pre-qualification criteria. There may have been instances in the past, wherein bids made by us for Construction & Infrastructure Projects were not accepted on account of a favourable position held by our competitors. There can be no assurance that we would be able to meet such criteria in the future. If we are unable to meet the eligibility criteria and industry expectations in comparison with our competitors, we may not be successful in qualifying to bid for various future projects. Further, even if we meet the pre-qualification criteria, we cannot assure that we will be able to bid for the project/contract in the most competitive manner. These factors may limit us in getting future contracts, which may adversely affect our revenue.

Although we strive to achieve success for every bid we make, there is no guarantee that we would be successful in winning all the projects that we bid for. In case we lose on majority of bids, there could be adverse effect on our business, financial condition, cash flows, results of operations and growth prospects. Our future results of operations and cash flows can fluctuate materially from period to period depending on the timing of contract awards.

In addition, the government conducted tender processes may be subject to change in qualification criteria, unexpected delays and uncertainties. There can be no assurance that the projects for which we bid will be tendered within a reasonable time, or at all. In the event that new projects which have been announced and which we plan to bid for are not put up for tender within the announced time frame, or qualification criteria are modified such that we are unable to qualify, our business, prospects, financial condition, cash flows and results of operations could be materially and adversely affected.

The details of number of bids participated, won and lost for the seven months period ending October 31, 2023 and past three (3) Fiscals are as set out below;

Particulars	For seven months period ending October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
No of Bids Participated	1	14	22	4
No of Bids Accepted	0	4	4	1
No of Bids lost	1	6	14	2
No of Bids cancelled by the government clients	0	4	4	1
Under Evaluation	0	0	0	0

While, in past, we have been awarded projects, based on our technical qualifications and financial resources, there can be no assurance that we will continue to receive such projects in future or achieve projects of higher project value. While reputation and experience and sufficiency of financial resources are important considerations for tendering authorities' decision, there can be no assurance that we would be able to meet such qualification criteria, particularly for larger projects. Further, we are also subject to the risk of single bids where we are the only participant in the tender and as a result of which the bid is cancelled or re-tendering process may be followed. Even if we are selected as the successful bidder and are awarded the contract, our construction contracts with government clients are usually based on standard terms and conditions set out by them. Thus, we have only limited ability to negotiate the terms of these contracts, which tend to favour our government clients and we may be required to accept unusual or onerous provisions in such contracts in order to be engaged to execute such projects. These onerous conditions forming part of government contracts may have adverse effects on our profitability. Further, if payments under our contracts with the government authorities are delayed, our financial condition and result of operations may be affected on account of an effect on our working capital requirements, resulting in additional finance costs and increase in our realization cycle.

Additionally, projects awarded to us may be subject to litigation by unsuccessful bidders. In past, we have experienced such an instance of litigation which is non-material as per our Materiality policy and is ongoing as on date. The facts of the said litigation is that our Company was allotted a contract relating to development of Amritsar Aero City by Amritsar Development Authority and Others. However, a writ petition was filed before the Hon'ble High Court of Punjab and Haryana challenging the tender process and we were impleaded as one of the respondents in the writ petition. Subsequently the project was cancelled. As on date, we have filed a claim petition before the Hon'ble High Court of Punjab and Haryana for amount of work completed and the matter is pending. Also see, "***Risk Factor – Our revenue is majorly concentrated from projects undertaken or awarded by government, semi-government and government-controlled entities. Any adverse changes in the government policies may lead to our contracts being foreclosed, terminated, restructured or renegotiated, which may have a material effect on our business and results of operations.***" on page 36. Such legal proceedings are extensive and time-taking and it cannot be assured that the outcome of such proceedings will be in our favour.

6. We may have certain contingent liabilities and our financial condition and profitability may be adversely affected if any of these contingent liabilities materialize.

As part of our business and as is customary, we are required to provide financial and performance bank guarantees in favour of our clients under the respective contracts for our projects. For our projects, we typically issue bank guarantees to the relevant authority with whom the contractual arrangement has been entered into. These guarantees are typically required to be furnished within a few days of the signing of a contract and remain valid up to the completion of projects or defect liability period prescribed in that contract. The said guarantees are required by our clients to protect them against any potential breach of the contracts executed by us. Such guarantee forms major part of our contingent liability.

Depending on the number of on-going projects, the aggregate outstanding contingent liabilities, may or may not be substantial, from time to time. The details of contingent liabilities for the disclosed financial periods are mentioned below:

(*in ₹ millions*)

Particulars	As at and for the seven months period ended October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Bank Guarantees Issued	2,429.75	2,749.09	1,375.80	1,265.70

<u>Income Tax Demands</u>

3. The Income Tax Department has raised demand u/s 153(C) r.w.s. 143(3) of the I.T. Act, 1961 for an amount of ₹8.60 Millions relevant to A.Y. 2020-21 and the Company has filed the appeal with the Honourable CIT (Appeal) and the case is yet to be adjudicated.
1. The Income Tax Department has raised demand u/s 143(1)a for ₹4.97 Millions relevant to A.Y. 2023-24 and the Company has filed the rectification, and the same is pending..

In the event any such contingent liabilities mentioned above were to materialise or, our business, financial condition and result of operations could be adversely affected. For further details, see ***"Restated***

Financial Statement - Note – 36 - Contingent Liabilities" on page 259.

7. ***Our business is working capital intensive involving relatively long implementation periods. If we experience insufficient cash flows to enable us to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our results of operations.***

Our business requires a high amount of working capital. It is customary in the industry in which we operate to provide bank guarantees or performance bonds, earnest money deposit and security deposit in favour of customers to secure obligations under contracts. In addition, letters of credit are often required to satisfy payment obligations to suppliers and sub-contractors. Majority of the working capital funds of our Company are required for providing margin money for bank guarantee, earnest money deposit, performance deposit and security deposit, letter of credit for our Projects. Further, a certain *percentage* of our invoice amount is subject to retention by our client which is released upon completion of project or against security guarantees as per the terms of the contract. As on October 31, 2023, our Company's net working capital requirement consisted of ₹1,962.14 million. Further, as on March 31, 2023, our Company's net working capital consisted of ₹1,394.07 million as against ₹1,114.99 million as on March 31, 2022 and ₹846.72 million as on March 31, 2021. Our working capital requirements have increased in recent years because we have undertaken a growing number of projects within a similar timeframe and due to the general growth of our business. Further, our working capital requirements may further increase if our payment terms do not include advance payments or such contracts have payment schedules that shift payments toward the end of a project or if there is delayed advance payment or delay in mobilisation funds by our clients may also increase our working capital burdens. For instance, the time taken to initiate a project from the date of award generally varies between three (3) to six (6) months which results in increased net working capital requirements.

Our high working capital requirement requires us to obtain financing through various means. As on the date of this Draft Red Herring Prospectus, we meet our working capital requirements in the ordinary course of its business from capital, internal accruals, unsecured loans, working capital loans from the banks, financial institutions, etc. As on February 29, 2024, our total borrowings stood at ₹4,692.62 million (fund based and non-fund based). For details, see "***Financial Indebtedness***" on page 308. We may incur additional indebtedness in the future. Additional debt financing could increase our interest costs and require us to comply with additional restrictive covenants under our financing agreements. Additional equity financing could dilute our earnings per Equity Share and investors interest in the Company and could adversely impact our Equity Share price.

Furthermore, the objects of the Offer include full or part repayment and/or prepayment of certain outstanding long-term and short-term borrowings availed by our Company. Pursuant to the terms of the borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges as prescribed by the respective lender. Further, the objects of the Offer also include funding the working capital requirements of our Company. For information in relation to our management estimates and assumptions on the Objects of the Offer, see "***Objects of the Offer***" on page 101.

Our working capital requirements may be affected due to factors beyond our control including force majeure conditions, delay or default of payment by our clients, non-availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

In past, our Company has been able to raise funds from banks as and when the need has arisen and has been regular toward its financial commitments. However, any failure to service our indebtedness, perform any condition or covenant or comply with the restrictive covenants could lead to a termination of one or more of our credit facilities which may adversely affect our ability to conduct our business and have a material adverse effect on our financial condition and results of operations. We cannot assure you that we will be able to raise additional financing on acceptable terms in a timely manner or at all. Our failure to renew arrangements for existing funding or to obtain additional financing on acceptable terms and in a timely manner could adversely impact our planned capital expenditure, our business, results of operations and financial condition.

If we are unable to provide sufficient collateral to secure the bank guarantees or performance bonds, earnest money deposit and security deposit, our ability to enter into new contracts or obtain adequate supplies could be limited. We may not be able to continue obtaining new letters of credit, bank guarantees, and performance bonds in sufficient quantities to match our business requirements. Our expansion plans require significant expenditure and if we are unable to obtain necessary funds for expansion, our business may be adversely affected.

8. Our order Book may not be representative of our future results and our actual income may be significantly less than the estimates reflected in our order book, which could adversely affect our business, financial condition, results of operations and prospects

As on February 29, 2024, our order book was ₹12,115.68 million. The projects in our order book are subject to changes in our scope of undertakings as well as adjustments to the costs relating to the contracts. Our order book as of a particular date comprises of anticipated revenues from uncompleted portion of existing contracts including any escalations approved by our clients (signed contract for which all pre-conditions to entry have been met, including letters of intents issued by the client). For information in respect of our ongoing projects, see "***Our Order Book***" on page 214. As on February 29, 2024, for the purposes of calculating the order book value, our Company has not taken into account any change in work scope of our ongoing projects as of the relevant date, or the work conducted by us in relation to any such escalation of change in work scope of such projects until such date, pending approval of our clients. The manner in which we calculate and present our order book is therefore not comparable to the manner in which our revenue from operations is accounted, which takes into account revenue from work executed, revenue relating to escalation or changes in scope of work of our projects, other income, etc. Project delays, modifications in the scope or cancellations may occur from time to time, due to delay in payments by our customers or our own defaults, incidents of force majeure, adverse cash flows, regulatory delays and other factors beyond our control. In view of the above, projects can remain in order book for extended periods of time because of the nature of the project and the timing of the particular undertakings required by the project. Our inability to complete or monetize our work in a timely manner, or at all, may adversely affect our business and results of operations. In past, we have been subject to similar instance such as (i) a contract completed by us for PWD Punjab for construction of a national level memorial called the "Jang-E- Azadi Memorial", Jalandhar is under dispute due to alleged delays and defaults on the part of Punjab Freedom Movement Memorial Foundation and PWD Punjab which resulted in delay in completion of the project and caused loss to us. The said dispute was referred to Arbitration in which an award was passed in our favour. However, PWD Punjab preferred an appeal for setting aside of arbitral award passed in our favour. The said dispute has resulted in material litigation and is pending before Hon'ble High Court of Punjab and Haryana;(ii) a contract completed by us for PWD Punjab for construction of Hockey Stadium in Sports Complex, Mohali is under dispute due to alleged delay in completion of work on account of PWD Punjab which resulted in delay in completion of the project and caused loss to us. The said dispute has resulted in material litigation and pending before Hon'ble High Court of Punjab and Haryana at Chandigarh; (iii) contract completed by us for Punjab State Federation of Cooperative Housing Building Societies Limited for construction of flats is under dispute due to alleged delay in execution by us and is presently under an appeal before the Hon'ble High Court of Punjab and Haryana at Chandigarh for setting aside of arbitral award dated March 24, 2015 passed in our favour. The said dispute has resulted in material litigation and is pending before Hon'ble High Court of Punjab and Haryana; (iv) the contract completed by us for PWD Punjab for construction of District Administrative Complex in Mohali, was delayed due to various issues, such as delays in site handover, non-clearance of drawings, delayed payments by clients, etc. against which we have filed an arbitration claim petition before the Arbitration Tribunal. The said dispute has resulted in material litigation and pending before the Arbitration Tribunal. For more details, see "***Outstanding Litigation and Other Material Developments – Material Civil Proceedings filed by the Company"*** on page 346. Also see, "***Risk Factor - Our revenue is majorly concentrated from projects undertaken or awarded by government, semi-government and government-controlled entities. Any adverse changes in the government policies may lead to our contracts being foreclosed, terminated, restructured or renegotiated, which may have a material effect on our business and results of operations.***" on page 37.

All our projects are executed with government authorities, therefore, the risk of contracts in order book being cancelled or suspended generally is not high. While, there have not been any instances of termination of contracts, on account of our default, in the past, our customers, may due to unforeseen circumstances such as, failure to obtain licenses and approvals or rights over a land, public interest litigations filed against the proposed projects, may either terminate our contracts or may default and fail to pay amounts owed, which may adversely affect our order book and in turn can impact our business and financial condition. Hence, our order book may not be indicative of our future results due to various factors including delays, reduction in scope, cancellation, execution difficulty, payment postponement or payment default in regard to our order book projects or any other incomplete projects, or disputes with customers in respect of any of the foregoing, which could adversely affect our cash flow position, revenues and earnings. For further details, see "***Our Business – Ongoing Projects***" on page 213.

9. Our Company and its Promoters Directors are involved in litigation proceedings that may have a material adverse outcome.

There are outstanding legal proceedings involving our Company and its Promoter Directors. These proceedings are pending at different levels of adjudication before various courts.

A summary of outstanding litigation proceedings involving our Company and its Promoter Directors as on the date of this Draft Red Herring Prospectus is provided below:

(*in ₹ million*)

Nature of Cases	Number of outstanding cases	Amount involved*
Litigation involving our Company		
Criminal proceedings against our Company	4	Not ascertainable
Criminal proceedings by our Company	1	4.16
Material civil litigation against our Company	1	13.01
Material civil litigation by our Company	4	339.51
Actions by statutory or regulatory Authorities	3	Not ascertainable
Direct and indirect tax proceedings	18	94.38
Litigation involving our Directors (other than Promoter)		
Criminal proceedings against our Directors	Nil	Nil
Criminal proceedings by our Directors	Nil	Nil
Material civil litigation against our Director	Nil	Nil
Material civil litigation by our Director	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil
Litigation involving our Promoters (Promoter Directors)		
Criminal proceedings against our Promoters	Nil	Nil
Criminal proceedings by our Promoters	Nil	Nil
Material civil litigation against our Promoters	Nil	Nil
Material civil litigation by our Promoters	2	1.50
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	12	240.30

**To the extent quantifiable.*

Additionally, in past, the Directorate of Enforcement (Jalandhar), Ministry of Finance, Government of India ("**ED**") passed an adjudication order bearing number DD/JL/02/2023/Unit-3/2754 against our Promoter, Deepak Kumar Singal for contravention of Foreign Exchange Management Act, 1999 ("**FEMA**") with respect to purchase of a foreign asset, to the extent of ₹ 31,553,029.50. Upon receipt of requisite documents and communication from Deepak Kumar Singal, penalty amounting to ₹3,100,000 was imposed on Deepak Kumar Singal. Deepak Kumar Singal having acknowledged his contraventions deposited the amount of penalty on February 12, 2024.

Also, our Promoters have been subject to search and inspection from the Income Tax Department in the Fiscal 2014. For details, please see "***Outstanding Litigation and Material Developments - Litigation involving our Promoters - Material civil proceedings - Litigation filed by our Promoters***" on page 348.

We may be required to devote management and financial resources in the defense or prosecution of such legal proceedings. Should any new developments arise, including a change in Indian laws or rulings against us by the appellate courts or tribunals, we may face losses and we may have to make further provisions in our financial statements, which could increase our expenses and our liabilities. Decisions in such proceedings, adverse to our interests, may have a material adverse effect on our business, cash flows, financial condition, and results of operations. Failure to successfully defend these or other claims, or if our current provisions prove to be inadequate, our business and results of operations could be adversely affected. Even if we are successful in defending such cases, we will be subject to legal and other costs relating to defending such litigation, and such costs could be substantial. In addition, we cannot assure you that similar proceedings will not be initiated in the future. Any adverse order or direction in these cases by the concerned authorities, even though not quantifiable, may have an adverse effect on our reputation, brand, business, results of operations and financial condition. For further details, please refer to the section "***Outstanding Litigation and Material Developments***" on page 344.

10. We own and rent equipment and mobilize such equipment at the beginning of each project resulting in increased fixed and operating costs to our Company. In the event we are not able to generate adequate cash flows it may have a material adverse impact on our operation.

We own and rent large and modern construction equipment and mobilize such equipment at the beginning of each project, resulting in increased fixed and operating costs to our Company. As on October 31, 2023, we own and maintain 397 major plant and machineries comprising of RMC, concrete mixer, boom pump, tansit mixer, JCBs, roller, mobile tower crane and containers among others. As on October 31, 2023, the aggregate gross block value of our Company's property, plant and equipment was ₹747.27 million of which gross block of plant and machinery is ₹501.59 million. In the Fiscal 2023, our Company had spent ₹93.63 million, ₹14.67 million in Fiscal 2022 and ₹28.14 million in Fiscal 2021 on plant and machinery purchase.

We also enter in rental arrangement whereby we rent the equipment on the basis of our requirement from local players. As on October 31, 2023, we rented equipment such as, JCB, tractors, cranes, etc. on rent basis as per our requirement. Our rental expense for the seven months period ended October 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 was ₹27.22 million, ₹19.14 million, ₹14.85 million and ₹6.08 million which constituted 1.09%, 0.44%, 0.41% and 0.20% respectively, of our revenue from operations. Further, on an average, we incur significant cost in mobilizing equipment at our project sites. For further details, see "***Our Business – Equipment***" on page 219. Accordingly, the cost of maintaining and mobilizing such equipment in proper working condition constitutes a significant portion of our operating expenses. In the event, we are unable to generate or maintain adequate revenues by successfully bidding for projects or recover payments from our customers in a timely manner or at all, it could have a material adverse effect on our financial condition and operations.

Obsolescence, destruction, theft or breakdowns of our major equipment may significantly increase our equipment purchase cost and the depreciation of our plants and equipment, as well as change the way our management estimates the useful life of our plants and equipment. In such cases, we may not be able to acquire new plants or equipment or repair the damaged plants or equipment in time or at all, particularly where our plants or equipment are not readily available from the market or requires services from original equipment manufacturers. Some of our major equipment or parts may be costly to replace or repair. Our repair expense for the seven months period ended October 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 was ₹8.88 million, ₹9.81 million, ₹6.33 million and ₹4.63 million which constituted 0.36%, 0.23%, 0.17% and 0.15% respectively, of our revenue from operations. We may experience significant price increases towards purchase of equipment due to supply shortages, inflation, transportation difficulties or unavailability of bulk discounts. Such obsolescence, destruction, theft breakdowns, repair or maintenance failures or price increases may not be adequately covered by the insurance policies availed by our Company and may have an adverse effect on our business, cash flows, financial condition and results of operations. However, we have not faced any such instance of material nature in past three (3) Fiscals.

In the event we are unable to maintain adequate number of projects, we may not be able to keep our plants, equipment and vehicles fully utilized and it could also have a material adverse effect on our financial condition and result of operations. Our estimate of the future requirement of equipment depends on, among other things, whether and when we will be awarded new contracts. While our estimates are based upon best judgment, these estimates can be unreliable and may frequently change based upon newly available information. In the case of large-scale projects where timing is often uncertain, it is particularly difficult to predict whether or when we will be awarded the contract. The uncertainty of the contract being awarded and its timing can present difficulties in matching equipment rental with the contract needs. If a contract, is delayed or terminated, our Company could incur costs due to leasing and mobilizing such equipment, which could have a material adverse effect on our profitability, financial condition and results of operations.

11. Our ability to access capital at attractive costs depends on our credit ratings. Non-availability of credit ratings or a poor rating may restrict our access to capital and thereby adversely affect our business and results of operations.

The cost and availability of capital, amongst other factors, is also dependent on our credit ratings. As on date, we have been assigned with CRISIL BBB for long term borrowing and A3 for short term borrowing with stable outlook from CRISL Rating Limited. In past our credit rating has been altered or withdrawn/revised due to various reasons including the reason that '*Issuer not cooperating'.* Any adverse change in credit ratings assigned to our Company or our borrowing limits in the future may impact our ability to raise additional funds and/or the interest cost at which we borrow additional funds and this could have an adverse effect on our business and results of operations.

12. We rely on third parties, including sub-contractors, to complete certain portion of our projects and any failure arising from the non-performance, late performance or below par performance by such third parties, failure by a third-party subcontractor to comply with applicable laws, to obtain the necessary approvals, or provide services as agreed in the contract could affect the completion of our contracts resulting in penalties or other losses.

We are engaged as a principal contractor for our projects and we sub-contract work on certain of such projects. When we are the principal contractor, we rely on third-party subcontractors we hire to perform the work under our contracts. When we sub-contract, payments may depend on the sub-contractor's performance. We also rely on third-party sub-contractors for erection and installation of elevators or escalators for our projects, third-party structural designers, MEP sub-contractors for installation of electrical and plumbing requirements. We also rely on RDSO approved sub-contractors for construction of certain portion of projects involving railways, where there is a specific requirement for supply and construction by a RDSO supplier or contractor. The engagement of subcontractors is subject to certain risks, including difficulties in overseeing the performance of such subcontractors in a direct and effective manner, failure to complete a project where we are unable to hire suitable subcontractors, or losses as a result of unexpected subcontracting cost overrun. As the subcontractors have no direct contractual relationship with our clients, we are subject to risks associated with non-performance, late performance or poor performance by our subcontractors. As a result, we may experience deterioration in the quality of our projects, incur additional costs, or be exposed to liability in relation to the performance of subcontractors under the relevant contracts, which may have an impact on our profitability, financial performance and reputation, and may result in litigation or damages claims.

Further, we may also be subject to claims arising from defective work performed by sub-contractors. While we may attempt to seek compensation from the relevant subcontractors, who may not be able to perform or perform their obligations in a timely manner or performed sub-standard job, we may be required to compensate the clients before receiving compensation from the subcontractors. If no corresponding claim can be asserted against a sub-contractor, or the amounts of the claim cannot be recovered in full or at all from the sub-contractor, we may be required to bear some or all the costs of the claims, in which case our business, financial position, results of operations and prospects could be materially and adversely affected.

13. ***Our ongoing projects are exposed to various implementation risks and uncertainties and may be delayed, modified or cancelled for reasons beyond our control, which may adversely affect our business, financial condition and results of operation.***

As on February 29, 2024, our Company has 11 (eleven) ongoing Construction & Infrastructure Projects comprising of construction and development/redevelopment of four (4) hospitals & medical college building, three (3) railway station, two (2) road, one (1) administrative & institutional building and one (1) industrial building. Our order book, as on February 29, 2024, seven months ended October 31, 2023 and Fiscal 2023, Fiscal 2022 and Fiscal 2021, amounts to ₹12,115.68 million, ₹13,607.09 million, ₹16,578.79 million, ₹7,196.32 million and ₹5,443.40, respectively. For information in respect of our ongoing projects, see "***Our Business – Our Order Book***" on page 214.

Execution of our Projects may be delayed for the reasons beyond the control of our Company such as, delay due to delay in clients' approval on variation, design & drawings, due to extensive revision by clients, delay in handing over the land, increase in scope of work and location of work, outbreak of pendemic such as covid pandemic and nation-wide lockdown, etc..In the seven months period ended October 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021, we have experienced delays in the completion of most of our projects and such delays range between 2 months and 78 months. However, we have not been subject to penal consequences on account of these delays in completion of project.

The execution of our projects involves various implementation risks. Certain implementation risks and uncertainties that we may experience, in the conduct of our business include; (a) significant additional costs due to project delays; (b) clients seeking liquidated damages on account of failure to achieve the project timelines; (c) termination of contracts or rejection in extension of project timelines; (d) inability to avail finance required for the execution of the project at affordable costs; (e) unforeseen issues arising out of engineering designs for the projects; (f) risk of equipment failure or industrial accidents that may cause injury and loss of life, and severe damage to and destruction of property and equipment; (g) availability and price increase in relation to the materials and skilled manpower required for the execution of the project; (h) inability of the relevant authorities to fulfil their obligations, in accordance with the relevant contracts, resulting in unanticipated delays; (i) delays on account of subpar performance of the sub-contractors; (j) disputes with workers, force majeure events and unanticipated costs due to any amendments in plans and specifications, among others. Further, we may also be subject to various risks associated with regulatory approvals and financial requirements for the execution of our projects, which may render the projects unprofitable.

In past we have experienced certain instances of above risks, particularly risk mentioned in above such as (i) costs escalation due to project delays, (ii) inability of the relevant authorities to fulfil their obligations, in accordance with the relevant contracts, resulting in unanticipated delays, in general conduct of our business. For further details, see "***Outstanding Litigation and Material Developments – Litigation against our Company***" on page 344. Also see, "Risk Factor - ***Our revenue is majorly concentrated from projects undertaken or awarded by government, semi-government and government-controlled entities. Any adverse changes in the government policies may lead to our contracts being foreclosed, terminated, restructured or renegotiated, which may have a material effect on our business and results of operations***" on page 36. However, if all or any of these risks materialize, we may suffer significant cost overruns or even losses in our projects, which will materially and adversely affect our business, results of operation and financial condition.

While, our Company avails 'contractor all risk' insurance policies for construction projects awarded to us which provides coverage for the entire contract value, and secures risks arising from certain events such as trigger of escalation clause, third party liabilities, etc. Further, our Company has also obtained insurance for its machineries and vehicles, and have obtained professional indemnity insurance for one of our contracts as per contractual obligations. We cannot assure you that our insurance policies will cover any and all cost escalation or liabilities in connection with the development of such projects. Further, as on date, we have not obtained any insurance for two of our ongoing slow-moving projects i.e. (i) construction of centre for Interfaith Studies in Guru Nanak Dev University; Amritsar, Punjab; and (ii) construction of Two Lane ROB on NH – 74 at Haldwani, Uttarakhand. For details, see "***Risk Factor - Our insurance coverage may not be sufficient or may not adequately protect us against all or any***

hazards, which may adversely affect our business, results of operations and financial condition" on page 57. In past, we have made an insurance claim for damaged caused to girder of flyover during construction of the flyover, in one of our road project i.e. Work Order for the 'Construction of Flyover and Underpass with Service Roads at Atul Kataria Chowk on Old Delhi Jaipur Road in Gurugram' (*presently completed project*) awarded by PWD Haryana. In the said accident there was no loss of life or harm caused to any person, however our company incurred loss due to accident and against which the insurance claim was made and the claim has been honoured. Except the said accident, although there have not been any material events which have led us to claim coverage from our insurance policies, however, any liability in excess of our insurance coverage, could also result in additional costs, which would reduce our profits. If any of these risks materialize, they could adversely affect our profitability, which may in turn have an adverse effect on our overall results of operations.

Further, while our contracts with our clients have clauses which allow us to seek extension of time for completing our projects, we may for unforeseen reasons, not be able to obtain extensions for projects and thereby face delays or time overruns. For details, see "***Outstanding Litigation and Material Development***" on page 344 and "***Risk Factor - Our revenue is majorly concentrated from projects undertaken or awarded by government, semi-government and government-controlled entities. Any adverse changes in the government policies may lead to our contracts being foreclosed, terminated, restructured or renegotiated, which may have a material effect on our business and results of operations***" on page 36. Our clients may, as per the contractual terms, be entitled to invoke penalty provisions and/or terminate the contract in the event of delay in completion of the work if the delay is not on account of any of force majeure clauses or any agreed exceptions. With respect to some of our projects, in the event of termination for any of the aforesaid reasons, we may only receive partial payments under such agreements and such payments may be less than our estimated cash flows from such projects. If any or all of these risks materialize, we may suffer significant cost overruns or time overruns or even losses in these projects due to unanticipated increase in costs as a result of which our business, profits and results of operations will be materially and adversely affected.

14. We are required to furnish bank guarantees as part of our business. Our inability to arrange such guarantees or the invocation of such guarantees may adversely affect our cash flows and financial condition.

As part of our business and as is customary, we are required to provide financial and performance bank guarantees in favour of our clients under the respective contracts for our projects. For our projects, we typically issue bank guarantees to the relevant government authority with whom the contractual arrangement has been entered into.

These guarantees are typically required to be furnished within a few days of the signing of a contract and remain valid up to around sixty days after the completion of contract or defect liability period prescribed in that contract. In addition, letters of credit are often required to satisfy payment obligations to suppliers and sub-contractors. We may not be in a position to continue obtaining new financial and performance bank guarantees in sufficient quantities to match our business requirements. If we are unable to provide sufficient collateral to secure the financial bank guarantees, performance bank guarantees or letters of credit, our ability to enter into new contracts or obtain adequate supplies could be limited and could have a material adverse effect on our business, results of operations and financial condition. Providing security to obtain letters of credit, financial and performance bank guarantees also increases our working capital requirements.

As of October 31, 2023, March 31, 2023, March 31, 2022, and March 31, 2021, we had issued bank guarantees amounting to ₹2,429.75 million, ₹2,749.09 million, ₹1,375.80 million, and ₹1,265.70 million, respectively, towards securing our financial / performance obligations under our ongoing projects. We cannot assure you that we will be able to fulfil any or all of our obligations under the contracts entered into by us in relation to our ongoing projects due to unforeseen circumstances which may result in a default under our contracts resulting in invocation of the bank guarantees issued by us. Such bank guarantees form part of our contingent liabilities. If any or all the bank guarantees are invoked, it may result in a material adverse effect on our business and financial condition. For details, see "***Risk Factor - We may have certain contingent liabilities and our financial condition and profitability may be adversely affected if any of these contingent liabilities materialize"*** on page 42 and also see the ***"Risk***

Factor - Our business is working capital intensive involving relatively long implementation periods. If we experience insufficient cash flows to enable us to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our results of operations." on page 43.

15. We have sustained negative cash flows from operating activities in the past and may experience earnings declines or operating losses or negative cash flows from operating activities in the future.

We have sustained negative cash flow used in operating activities for seven months ended October 31, 2023, attributable to increase in inventory, payment to trade payables, payment against mobilisation advances received, increase in FDRs against bank guarantees issued etc. The following table sets forth certain information relating to our cash flows during the seven months period ended October 31, 2023, and for the Fiscals 2023, 2022 and 2021.

(₹ in million)

Particulars	**For seven months period ended October 31, 2023**	**Fiscal 2023**	**Fiscal 2022**	**Fiscal 2021**
Net cash generated from/ (used in) operating activities	(271.70)	128.82	6.01	58.87

For further details see, "***Management's Discussion and Analysis of Financial Condition and Results of Operations - Cash Flows***" on page 338.

There can be no assurances that cash flows will be positive in the future thereby creating an adverse impact on our ability to meet working capital expenditure, repay loans without raising finance from external resources. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

16. We operate in the construction industry where there are low entry barriers and is highly competitive. Our failure to successfully compete may adversely affect our business, financial condition, results of operations and prospects.

We are an engineering construction and development company. The construction sector is characterized by low barriers to entry, wherein large or small enterprises who may be operating in other sectors can build up pre-qualifications, independently or through joint ventures, and bid and compete with us for projects in this sector. The presence of numerous competitors, including both established and newly qualified entities, may result in heightened competition for projects, contracts, and clients. We compete against various domestic engineering, construction and infrastructure companies. Our competition varies depending on the size, nature and complexity of the project and on the geographical region in which the project is to be executed. For further information concerning our competitors in specific industry and project segments, see "***Industry Overview***" on page 133.

We may be unable to compete with larger infrastructure companies for high-value contracts, as many of them may have greater financial resources, economies of scale and operating efficiencies. If we are unable to bid for and win projects, whether large or small, or compete with larger competitors, we may be unable to sustain or increase, our volume of order intake and our results of operations may be materially adversely affected. While many factors affect our ability to win the projects that we bid for, pricing is a key deciding factor in most of the tender awards. While we have, in the past, been awarded a number of contracts, we cannot assure you that we will continue to be awarded such contracts. Further, in the event that our competitors follow a policy of severely underbidding in the projects that we bid for, our revenues may be adversely affected. Such competitive factors may result in reduced revenues, reduced margins and loss of market share. Failure to compete successfully against current or future competitors could harm our business, operating cash flows and financial condition

17. We do not own the premises where our Registered and Corporate Office are located.

We do not own our Registered Office and Corporate Office. We have taken Registered Office on a ten (10) years lease hold basis with effect from March 20, 2023 and Corporate Office on a lease hold basis for fifteen (15) years which is registeredwith effect from October 1, 2023. We have taken our corporate office on lease from our Promoter, Deepak Kumar Singal. Although, our registered office lease deed contains a provision of lock in for five (5) years, we cannot assure you that the lease arrangement for registered Office and Corporate Office would not be terminated and any such termination could result in any of our offices being shifted. If we are required to relocate our business operations, we may suffer a disruption in our operations. Further, as on October 31, 2023 our outstanding lease deposit against the lease of our corporate office is ₹120.00 million.

Additionally, our Company enters into short-term leave and license or rent agreements for land and buildings to set-up site offices basis the requirements of the projects, storage of raw materials and placement of machinery and equipment as required for the effective execution of work. We cannot assure that the rent agreement for site offices would not be terminated and we would be able to find a new arrangement on commercially acceptable terms. If we are required to relocate our site offices, we may have to pay increased charges for new property and obtain requisite shops and establishment registrations, which could have an adverse effect on our business, financial condition, cash flows and results of operations. For details in relation to our premises, see "***Our Business –Properties***" on page 222

18. Our reliance on raw material suppliers for our business operations exposes us to a variety of risks which could materially disrupt our operations.

The timely and cost-effective execution of our projects is dependent on the adequate and timely supply of key materials. Our construction operations require various bulk construction and engineering materials including steel, cement, sand and aggregates. As a part of our procurement process, we purchase in bulk from our suppliers to avail possible volume-based discounts. However, we have not entered into any long-term contracts or supply arrangements with any of our suppliers and if, for any reason, our primary suppliers should curtail or discontinue their delivery of such materials in the quantities needed, our ability to meet our material requirements for construction contracts could be impaired, construction schedules could be disrupted, and the Company may not be able to complete construction contracts as per schedule or at such costs that were anticipated. We are also dependent upon the quality and timely delivery of our supplies from our suppliers. In past we have faced an incident where we were not provided with requisite order made by us. Our Company placed two orders for the supply of 'Induced Draught Counter Flow Cooling Tower Components' and also made the requisite payments. These orders were placed on the presumption that the supplier had the requisite quality as well as certification from the Cooling Technology Institute for the material/goods to be supplied. However, no material was supplied by the supplier against which our Company has initiated a legal action against the supplier. For further details, see "***Outstanding Litigation and Material Development***" on page 344.

Further, the Company typically uses third-party transportation providers for the supply of most its construction materials. In past, we have witnessed events of transportation strike or disturbance in road transportation due to political or social events like Indian farmers protest during year 2020-2021, however there was no material effect on the business or supplies of the Company. Disruption in transportation, could have in the future, an adverse effect on delivery of supplies. Further, transportation costs have been steadily increasing, which may result in fluctuation in the price of construction materials and may adversely affect us.

Additionally, any increases in the prices or limited availability of such construction and engineering material could have an adverse effect on us. In past, other than in the ordinary course of our business, we have not experienced any substantial increase in the prices or lack of availability of our construction and engineering materials. The cost of construction materials, fuel, labour and equipment constitutes a significant part of our operating expenses. For the seven months period ended October 31, 2023, and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, our cost of material consumed constitutes 51.63%, 66.69%, 68.67%, and 71.52%, respectively, of our revenue from operations.

The prices and supply of materials depend upon factors that are beyond our control, including but not limited to general economic conditions, transportation costs, global and domestic market prices, competition, production levels, import duties, and these prices are cyclical in nature. Our ability to pass on the increases in the purchase price of materials, fuel and other inputs may be limited in the case of contracts having limited price escalation provisions. These variations and other risks generally inherent to the construction industry may result in our profits from a project being less than as originally estimated or may result in our experiencing losses.

Though our procurement process, we may be able to negotiate bulk discounts with our suppliers due to the large sizes of our purchases, we cannot assure you that we will receive bulk discounts in our future purchases. We may need to divide our orders among several suppliers to reduce reliance on a limited number of suppliers, which may result in fewer discounts for us. Our ability to pass on increased costs may be limited under our contracts. If we are unable to pass on such unanticipated price increases to our customers, we may have to absorb such increases and our business, financial condition and results of operations may be adversely affected.

19. We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations.

We require certain approvals, licenses, registrations and permissions for operating our business, some of which may have expired and for which we may have either made or are in the process of making an application for obtaining the approval or its renewal. Additionally, we may need to apply for more approvals in the future and we cannot assure you that we will make these applications and filings on time in the future. There can be no assurance that the relevant authorities will issue such permits or approvals in the time frame anticipated by us or at all. Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have a material adverse effect on our business, results of operations and financial condition. Further, certain permits, licenses and approvals obtained by our Company are conditional in nature. While we endeavour to meet such conditions, we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals.

Any failure by us to apply in time, renew, maintain or obtain the required permits, licenses or approvals, or revocation, cancellation or suspension of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. There can be no assurance that the relevant authorities will issue such approvals in the time limit anticipated by us. Non-receipt of the aforesaid license may result in payment of fines or other penalties under the respective laws.

We are also required to make certain payments to various statutory authorities from time to time, including but not limited to payments pertaining to employee provident fund, employee state insurance, income tax, GST, etc. In past, we have experienced instances of delay in filing of GST and EPF return and payment of provident fiund. For details, see "***There have been instances of delay in filing of GST and EPF returns and in payment of Provident Fund dues***" on page 58. Any failure or delay in payment of such statutory dues may expose us to statutory and regulatory action, as well as significant penalties, and may adversely impact our business, results of operations and financial condition.

20. We are dependent upon the experience and skill of our promoter, management team and key managerial personnel and senior management personnel. Loss of our Promoter or our inability to attract or retain such qualified personnel, this could adversely affect our business, results of operations and financial condition.

We are led by our Promoter and the Chairman cum Managing Director namely, Deepak Kumar Singal who has an extensive experience of more than 30 years in the construction industry and has been intimately involved in our business since incorporation. Our Promoter remains actively involved in our operations and continues to bring his vision, business acumen and leadership to our Company, which has been instrumental in sustaining our business operations and growth. Our Promoter, Deepak Kumar Singal has strong operational knowledge, good relationships with our clients and a successful track record of executing infrastructure projects. We also have dedicated management team with a strong understanding of the industry that enables us to effectively identify and take advantage of market opportunities. We believe that the experience of our senior management team has significantly contributed to our success and growth. We have not witnessed any attrition in our key management and senior management team since their association with us and we therefore believe that our rendition ratio is higher as compared to industry standard.

Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled professionals. The loss of the services of our key personnel or our inability to recruit or train 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.

If we are unable to hire additional qualified key personnel or retain them, our ability to expand our business may be impacted. As we intend to continue to expand our operations and develop new projects, we will be required to continue to attract and retain experienced key personnel. We may also be required to increase our levels of key personnel compensation more rapidly than in the past to remain competitive in attracting suitable key personnel. There can be no assurance that our competitors will not offer better compensation incentives and other perquisites to such skilled personnel.

In addition, as some of our key personnel, namely, Deepak Kumar Singal, Sunita Singal and Harnam Singh Khosa are above the age of 55 years, going forward, we may need to have appropriate succession plans in place and to successfully implement such plans. If we cannot attract and retain qualified personnel or effectively implement appropriate succession plans, it could have a material adverse impact on our business, financial condition, and results of operations. Moreover, we may be unable to manage knowledge developed internally, which may be lost in the event of our inability to retain employees.

Although, one of our Independent Directors is also serving as director on the board of a listed company, engaged in business relating to securities market, our company has no experience of as a public listed company or with the increased compliance and scrutiny of its affairs by shareholders, regulators.

21. ***We may be exposed to liabilities arising from defects during construction, which may adversely affect our business, financial condition, results of operations and prospects.***

Actual or claimed defects in construction quality during the construction of our projects, could give rise to claims, liabilities, costs and expenses. Further, we may not be able to recover such increased costs from our clients in part, or at all, for any defects observed in the projects or damage caused to the project on account of our fault. We may further face delays in the estimated project completion schedule in respect of such projects on account of additional works required to be undertaken towards rectifying such construction faults, and we may have to appoint additional workforce and resources in order to complete the project within the pre-determined time period, which may result in increased expenditure for our Company and we may not be able to pass on to our clients. In the event of any material fault which adversely affect the quality of our project could impact our eligibility to bid for civil Construction & Infrastructure Projects, or in the event of any defects in our construction trigger the extreme circumstances leading to termination or affect public interest, could lead to termination of our contracts or blacklisting of our registration as a civil contractor and therefore could adversely affect our business operations and result of operations. We seek protection by our practice of covering risks through insurance policies such as ‘contractors all risk policies’ and Professional Indemnity policy. However, there can be no assurance that any cost escalation or additional liabilities in connection with the development of such projects would be fully offset by the insurance policies that we maintain. While any of the aforementioned events which could materially impact our projects or business operations, have not occurred in the past, we cannot assure you that any claims in respect of the quality of our construction will not arise in the future and would not affect our business or financial condition.

Any construction faults may result in loss of our goodwill and reputation and may furthermore have a material and adverse impact on our eligibility in respect of future bids made by us towards projects, thereby affecting our future operations and revenues. In addition, if there is a customer dispute regarding our performance, the customer may delay or withhold payment to us. If we were ultimately unable to collect these payments, our profits would be reduced. While there have not been any instances of defect in our construction in the past, we cannot assure that such event may not occur in future.

22. ***Our business is subject to seasonal variations and we may not able to accurately forecast our project schedule which could have an adverse effect on our cash flows, business, results of operations and financial condition*.**

Our construction work is subject to seasonal variations. For example, we typically experience, slower work progress in monsoon season as compared to rest of the year. Due to these factors, comparisons of revenue and operating results between the same periods within a single year, or between different periods in different fiscals, are not necessarily meaningful and should not be relied on as indicators of our performance. We account for this seasonality in work progress and cash flow projections. However, we cannot assure you, that in future, we will always be able to accurately forecast our project schedule. If our estimates materially differ from actual work progress, we may experience either delay or halt in project completion, which in turn could adversely affect our business, results of operations, financial condition and prospects.

23. ***Bidding for a contract involves various management activities such as detailed project study and cost estimations. Inability to accurately estimate the cost may lead to a reduction in the expected rate of return and profitability estimates.***

We enter into contracts through a competitive bidding process. Our clients typically advertise for potential projects on government portal such as e-procurement/e-tenders and in leading national newspapers. Prior to making a bid for a particular project and participating in a tender, we undertake various activities such as discussion on the scope of work, geographic location of the project, the degree of complexity in executing the project in such location, evaluation of eligibility, our current and projected workload, the likelihood of additional work, the contract value and profitability estimates and our competitive advantage relative to other likely bidders. For details, see "***Our Business – Our Business Operations***" on page 215.

Accordingly, all of the bid amounts are based on estimates of the contract value, the fluctuation of which, either marginally or substantially, may impact our margins adversely. Further, we may incorrectly or inadequately estimate the contract value leading to lower bid amount affecting our profitability in case the project is awarded to us. Our actual expense in executing a project may vary substantially from the assumptions underlying our bid for various reasons, including, unanticipated increases in the cost of construction materials, fuel, labour or other inputs, unforeseen construction conditions, including the inability of the client to obtain requisite environmental and other approvals resulting in delays and increased costs, delays caused by local weather conditions and suppliers' failures to perform. Our ability to pass on increases in the purchase price of raw materials and other inputs may be limited in the case of contracts with limited or no price escalation provisions and we cannot assure you that these variations in cost will not lead to financial losses to us. Excess estimation of costs may lead to higher bid amount by us owing to which, we may not be awarded a contract which may substantially impact our results of operations and financials.

24. ***We may not be able to collect receivables due from our clients, in a timely manner, or at all, which may adversely affect our business, financial condition, results of operations and cash flows.***

There may be delays in the collection of receivables, from our clients. For the seven months period ended October 31, 2023, March 31, 2023, March 31, 2022, and March 31, 2021, 54.92%, 26.26%, 28.21% and 18.77% of our total trade receivables, constituting ₹375.84 million, ₹256.10 million, ₹270.27 million and ₹202.21, respectively had been outstanding for a period exceeding six months from their respective due dates. For further details, see "***Restated Financial Statements***" on page 262. Of the aforesaid outstanding trade receivables an amount of ₹207.41 million, ₹207.41 million, ₹207.41 million, and ₹181.61 million is receivable from the proprietorship firm of our Promoter respectively, for the aforesaid period. We cannot assure you that we will be able to collect our third-party receivables in time or at all which may have an adverse effect on our cash flows, business, results of operations and financial condition.

In addition, we may, at times, be required to claim additional payments from our clients for additional work and costs incurred in excess of the contract price or amounts not included in the contract price. However, our clients may interpret such additional work and costs restrictively and dispute our claims, resulting in lengthy arbitration, litigation or other dispute resolution proceedings, which we cannot assure that we can recover adequately. Further, we may incur substantial costs in collecting against our debtors and such costs may not be recovered in full or at all from the debtors. We require significant working capital requirements in our business operations and such delayed collection of receivables or inadequate recovery on our claims could materially and adversely affect our business, cash flows, financial condition and results of operations

25. Delays in the completion of our projects or cost overruns, could have an adverse effect on our cash flows, business, results of operations and financial condition.

Our projects are required to achieve commercial operation no later than the scheduled commercial operation dates specified under the project contract, or by the end of the extension period, if any, granted by our clients. We furnish bank guarantee and performance security for completion of the construction of our projects within a specified timeframe. Subject to certain customary exceptions such as (i) occurrence and continuance of *force majeure* events that are not within the control of the concessionaire, or (ii) delays that are caused due to reasons solely attributable to clients, failure to adhere to contractually agreed timelines or extended timelines could require us to pay liquidated damages as may be stipulated in the project contract or lead to encashment and appropriation of the bank guarantee or performance security. The client may also be entitled to terminate the project contract in the event of delay in completion of the work if the delay is not on account of any of the agreed exceptions and deny payment on account of escalation. In such an event, we may only receive partial payments under such agreements and such payments may be less than our estimated cash flows from such projects. Further, we may not be able to obtain extensions for projects on which we face delays or time overruns could have an adverse effect on our cash flows, business, results of operations and financial condition.

26. We are exposed to the risks of malfunctions or disruptions of information technology systems.

We depend on information technology systems and accounting systems to support our business processes, including designing, planning, execution, procurement, inventory management, quality control, product costing, human resources and finance. Although these technology initiatives are intended to increase productivity and operating efficiencies, they may not achieve such intended results. These systems may be potentially vulnerable to outages due to fire, floods, power loss, telecommunications failures, natural disasters, computer viruses or malware, break-ins and similar events. Effective response to such disruptions or malfunctions will require effort and diligence to avoid any adverse effect to our information technology systems.

27. Our business is manpower intensive and any unavailability of our employees or shortage of contract labour may have an adverse impact on our cash flows and results of operations.

We are dependent on our workforce for the operation of our projects. We also employ contractual labour, which provides us with readily available labours as per the requirements. We hire contract labourers depending on various factors like the location, size, duration, etc. and have several contractors providing skilled and unskilled labour at competitive prices. For further details, see "***Our Business – Human Resource***" on page 221. The expenses incurred by our Company towards our employees, other than remuneration payable to our directors (comprising salaries and wages, staff welfare expenses and contribution to the employees' provident fund and other funds) for the seven months ended October 31, 2023 and for the Fiscals 2023, 2022 and 2021 was ₹162.26 million, ₹189.33 million, ₹156.10 million and ₹203.60 million.

The number of contract labourers employed by us varies from time to time based on the nature and extent of work we are involved in. Our dependence on such contract labour may result in insignificant risks for our operations, relating to the availability and skill of such contract labourers, as well as contingencies affecting availability of such contract labour during peak periods in labour intensive sectors such as ours. There can be no assurance that we will have adequate access to skilled workmen at reasonable rates and in the areas in which we execute our projects. As a result, we may be required to incur additional costs to ensure timely execution of our projects.

We maintain a workforce based upon our current and anticipated workloads. If our Company does not receive future contract or if these contracts are delayed, it could incur significant costs in the interim. Our estimate of the future performance depends on, among other things, whether and when we will be awarded new contracts. While our estimates are based upon best judgment, these estimates can be unreliable and may frequently change based upon newly available information. In the case of large-scale projects where timing is often uncertain, it is particularly difficult to predict whether or when we will be awarded the contract. The uncertainty of the contract being awarded and its timing can present difficulties in matching workforce size with contract needs. If a contract, which we expect will be awarded, is delayed or not received, our Company could incur costs due to maintaining under-utilized staff and facilities, which could have a material adverse effect on our profitability, financial condition and results of operations and financial condition.

We cannot assure that the attrition of employees will not be higher in the future and we may face attrition risk in respect of our employees. Due to the nature of our work, we employ large number of employees at our project sites from the local population. Upon completion of the project at the respective sites, many employees do not wish to be relocated at our new sites and they leave for other opportunities in their local area. Due to this, we usually have to consistently appoint new employees at our new project sites who may or may not have prior experience within the industry and need to be trained.

If we are unable to retain talent required for our business or hire employees with similar talents and experience in the same cost, we may incur additional costs or we may face difficulties in our operations and performance due to lack of skilled and experienced workforce which could have a material adverse effect on our profitability, financial condition and results of operations. Additionally, unavailability or shortage of such a pool of workmen or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing contractual labour may have an adverse impact on our cash flows and results of operations.

28. Our funding requirements and the deployment of Net Proceeds are based on management estimates and have not been independently appraised. Any variation in the utilisation of Net Proceeds of the Fresh Issue as disclosed in this Draft Red Herring Prospectus shall be subject to compliance requirements, including prior shareholders' approval.

We propose to utilize the Net Proceeds as stated under "***Objects of the Offer***" on page 101. As per section 27 of the Companies Act, the objects of utilization of the Net Proceeds from the Fresh Issue as disclosed in this Draft Red Herring Prospectus can only be varied after obtaining the shareholders' approval vide a special resolution. In the event, the Company wishes to vary the objects for which the Net Proceeds from the Fresh Issue are required to be varied, our Company may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. Therefore, we may not be able to undertake variation of Objects of the Fresh Issue to use any unutilized proceeds of the Offer, if any, even if such variation is in the interest of our Company. This may restrict our ability to respond to any change in our business or financial condition, and thus, adversely affecting our business and results of operations.

Further, our Promoters would be required to provide an exit opportunity to Shareholders who do not agree with our proposal to change the Objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters to provide an exit opportunity to such dissenting shareholders may deter our Promoters from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI. In light of these factors, we may not be able to undertake variation of Objects of the Offer to use any unutilized proceeds of the Offer, if any, or vary the terms of any contract referred to in the Draft Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

Further, we will be required to appoint a monitoring agency for monitoring the utilisation of proceeds of the Offer in accordance with Regulation 41 of the SEBI ICDR Regulations and the monitoring agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations.

29. Our operations may be adversely affected in case of industrial accidents, physical hazards and similar risks at our construction sites, which could expose us to material liabilities, loss in revenues and increased expenses.

While construction companies, including us, conduct various scientific and site studies during the course of bidding for projects, there are always anticipated or unforeseen risks that may arise due to weather conditions, geological conditions, specification changes and other reasons. Additionally, our operations are subject to hazards inherent in providing engineering and construction services, such as risk of equipment failure, work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage. Use of heavy machineries, handling of sharp parts of machinery by labourers during construction activities etc. may result in accidents, causing injury to our labourers, employees or other persons on the site and may prove fatal. Our Company has not faced any such instances of material accidents, causing grave injury to any employee on the construction sites in past three Fiscal. Further, our insurance policies of covering risks may not always be effective and thus any such event may have a material adverse effect on our reputation, business, financial condition and results of operation.

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

We maintain insurance policies to cover risks related to our projects in accordance with the terms of our contracts/ projects and industry practices. Our insurance policies include policies such contractors all risk policy, professional indemnity insurance policy and workmen’s compensation policy. Our policies are subject to standard limitations. Further, our insurance policies are subject to annual review, and we cannot assure that we will be able to renew these policies on similar or otherwise acceptable terms, or at all. We cannot assure that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all material losses. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, that is not covered by insurance or exceeds our insurance coverage, the loss would have to be borne by us and in such cases our cash flows and results of operations and subsequently, our financial performance could be adversely affected

As on date of this Draft Red Herring Prospectus, all our projects are insured with contractors all risk policy and workmen’s compensation policy, except for two of our slow moving ongoing projects i.e. (i) construction of centre for Interfaith Studies in Guru Nanak Dev University; Amritsar, Punjab and (ii) construction of two Lane ROB on NH – 74 at Haldwani, Uttarakhand (*the project work has been completed and final bill is pending*). While we have internally embarked certain reserve or back up guarantee against the loss if incurred against these two projects, we cannot assure you that if we were to incur a serious uninsured loss, it could have an adverse effect on our financial condition, results of operations and cash flows. While we believe that insurance coverage will be available in the future, we cannot assure you that such coverage will be available at costs and terms acceptable to us or that such coverage will be adequate with respect to future claims that may arise. Further, our inability to obtain requisite insurances against the above stated two projects, may amount to non-complaince with the terms of the project contract and consequently entitle our clients to undertake adverse action against us.

Further, in the future, we may experience difficulty in obtaining insurance coverage for new projects at favourable prices, which could require us to incur greater costs. If we are not able to adequately insure against the risks we face, or the insurance coverage we have taken is inadequate to cover our losses, our business, financial condition and results of operations could be adversely affected. For instance, a third-party insurance claim on account of alleged road accident by one of our employees are under dispute by the insurance company and in case the dispute is decided in favour of the insurance company, we may be required to pay compensation to the victim, as may be required. Additionally, if our projects are inadequately insured or not insured at all, we may face action from government authorities/bodies by way of penalties for non-compliance of contract terms. Any such action or non-compliance may affect our bids for future projects.

31. ***There may have been certain instances of non-compliances with respect to certain corporate actions taken by our Company in the past. Consequently, we may be subject to regulatory actions and penalties.***

There were certain instances of secretarial non-compliances in our Company, such; (i) delay in filing of e-form DPT - 3 in Fiscal 2019 to 2023; (ii) delay filing of e-form MGT-7 and e-AOC- 4 from Fiscal 2019 to Fiscal 2022. However, our Company has made all the requisite filings with payment of additional fees to the Ministry of Corporate Affairs, as applicable. Further, there can be no assurance that there will be no delays with the filing of certain documents in the future. Further, our Company had made inadvertent typographical error in recording the date of a few of the Board meetings in e-form MGT-7 filed for Fiscal 2018 to 2023 and has made typographical error in recording the folio number of transferor and transferee in MGT - 7 for the Fiscal 2018. While we shall strive to avoid making typographical errors in future, we cannot assure you that we would not be subject to any penalties by regulatory authorities for aforesaid typographical error.

Further, in past our Company availed certain financing facilities for purchasing of commercial equipment from HDFC Bank Limited. Such financing facilities were secured by way of hypothecation of assets. In compliance with the applicable provision of Companies Act, 2013, our Company was required to create charge by way of filing e-form CHG-1. Our Company, in order to create charge, filed e-form CHG-1 with the RoC. Subsequently the loan was repaid by the Company and the Company was required to obtain NOC from HDFC Bank for release of assets charged for satisfaction of charge. However, during the same time, new financing facility were availed by the Company from HDFC Bank. HDFC Bank Limited inadvertently created the charge over the assets which were to be released and thus is unable to provide the NOC to our Company which ultimately disabled the Company to file form CHG-4 for satisfaction of charge. Although, we believe that our Company had followed the spirt of law, we cannot assure you that no regulatory actions will be initiated against us in future with respect to such non filing. Further, our Company has availed certain secured loan from HDFC Bank, against which our Company has inadverterently not filed form for creation of charge with the ROC for which, we may be subject to penalty or proceedings. We cannot assure you that any such proceedings will not have a material adverse effect on our financial condition or reputation. Further, in past our Company has also filed two forms i.e. INC-22A Active and DIR-12 under Company Fresh Start Scheme, 2020 and obtained immunity from payment of penalties in respect of the said forms.

In past, there has also been certain instances of non-compliances under Companies Act, such as (i) delay in appointment of cost auditor under section 148 (1) of the Companies Act 2013 read with Rule 4 of the Companies (Cost Record and Cost Audit), Rules 2013, under which Company was required to appoint a cost auditor within prescribed time limit of 180 days from the succeeding fiscal if the company's turnover crosses ₹ 1,000 million. The turnover of the Company during the Fiscal 2018 exceeded the prescribed threshold and accordingly our Company was required to appoint a cost auditor within 180 days from the commencement of the succeeding Fiscal i.e. 2019, however, our Company appointed Cost Auditor for the cumulativce period of Fiscal 2019, Fiscal 2020 and Fiscal 2021 on September 6, 2022, with delay; (ii) delay in appointment of company secretary under section 203 of the Companies Act 2013 read with Rule 8A of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, under which our Company was required to appoint a whole time company secretary, since the paid up capital of the Company exceeded ₹ 50 million (*which was subsequently revised in September 2018 to ₹100 million*). The paid-up share capital of our Company exceeded the statutory threshold in year 2018, however our Company appointed the Company Secretary on August 17, 2020. Our Company has, therefore, *suo moto* filed separate adjudication applications before the Registrar of Companies, Delhi for adjudicating the penalties for the aforesaid non-compliances under the Companies Act, 2013 and the same are pending as on date. While we have not been subject to any penalties by regulatory authorities, there can be no assurance that we would not be subject to such penalties or fines in the future. Further, there can be no assurance that there will be no delays or non-compliances with the filing of certain documents in the future.

32. ***There are certain instances of delays in payment of statutory dues. Any delay in payment of statutory dues or non-payment of statutory dues in dispute may attract financial penalties from the respective***

government authorities, which may have an adverse impact on our financial condition and cash flows.

There have been certain instances on delay in payment of statutory dues during six months ended September 30, 2023, and in last three FYs fiscals, which *inter-alia* include, goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, which as on the date of this Draft Red Herring Prospectus has been deposited with relevant authorities. For instance, please see below instances of delay/ irregularity in payment of provident fund dues, ESIC and GST for the periods indicated:

The following table depicts the delays in filing of GST returns by the Company

For the Financial Year Ended	Return Type	Total number of returns filed	Delayed filings
FY 2022-23	GSTR-1	72	-
FY 2021-22	GSTR-1	64	15
FY 2020-21	GSTR-1	60	48
Seven months period ended October 31, 2023	GSTR-1	42	-
FY 2022-23	GSTR-3B	72	1
FY 2021-22	GSTR-3B	64	17
FY 2020-21	GSTR-3B	60	57
Seven months period ended October 31, 2023	GSTR-3B	42	-

Governing Tax law	Number of cases			
	For the seven months period ended October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Employees Provident Fund and Miscellaneous Provisions Act, 1952	7	10	9	9
Employee State Insurance Corporation Act, 1948	7	5	-	-

There can be no assurance that such delays may not arise in future. This may lead to financial penalties from respective government authorities which may have a material adverse impact on our financial condition and cash flows.

33. The Board of Directors of our Company comprises of the Promoters.

The Board of Directors of our Company consists of our Promoters Deepak Kumar Singal and Sunita Singal as Chairman cum Managing Director and Whole-time Director, respectively. Therefore, our Promoters are in a position to control composition of the Board and decision making on account of having majority representation on the Board. For further details see "**Our Management**" beginning of page 238 of this Draft Red Herring Prospectus. Further, the Promoters will hold a majority of the shareholding of the Company even post completion of the Issue.

The trading price of the Equity Shares of the Company could be adversely affected if potential investors are disinclined to invest in the Company on account of their perception that the business and policy decisions of the Company would largely be decided by the Promoters. We cannot assure you that such perception will not have an adverse effect on our future financial performance or the price of our Equity Shares.

In addition, on account of their majority shareholding and representation on the Board of Directors of the Company, the Promoter Family will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

34. Certain sections of this Draft Red Herring Prospectus disclose information from the D&B Report which have been commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.

Certain sections of this Red Herring Prospectus include information based on, or derived from, the report titled ***Industry Report on Construction Industry in India***" dated March 31, 2024 prepared and issued by Dun & Bradstreet Information Services India Private Limited ("**D&B India**"), appointed by us on January 10, 2024, and exclusively commissioned and paid for by us in connection with the Offer. D&B India has been appointed pursuant to engagement letter dated January 10, 2024. A copy of the D&B Report is available on the website of our Company at www.deepakbuilders.co.in until the Bid/Offer Closing Date.

Further, D&B Report are prepared based on information as of specific dates and may no longer be current or reflect current trends. Certain information in the D&B Report is subject to limitations and is also based on estimates, projections, forecasts and assumptions that may prove to be incorrect. Industry sources do not guarantee the accuracy, adequacy or completeness of the data. Furthermore, the D&B Report is not a recommendation to invest/ disinvest in any company covered in the D&B Report. Accordingly, Investors should not place undue reliance on, or base their investment decision solely on this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Offer pursuant to reliance on the information in this Draft Red Herring Prospectus based on, or derived from, the D&B Report. You should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the D&B Report before making any investment decision regarding the Offer. For further details, see "***Industry Overview***" on page 133.

35. Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company after the Offer, which will allow them to determine the outcome of matters submitted to shareholders for approval.

After completion of the Offer, our Promoters and members of the Promoter Group will collectively own a majority of the Equity Shares of our Company. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our AoA. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

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

Employee misconduct, errors or frauds could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such employee misconduct includes breach in security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes, and improper use of confidential information. While we have not faced any such instances in past, it may not always be possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which may result in write-off of such amounts.

37. ***We may not be able to successfully manage the growth of our operations and execute our growth strategies which may have an adverse effect on our business, financial condition, results of operations and future prospects.***

As we continue to grow, we must continue to improve our managerial, technical and operational knowledge and allocation of resources, and implement an effective management information system. In order to fund our ongoing operations and future growth, we need to have sufficient internal sources of liquidity or access to additional financing from external sources, including debt or equity. For further details on our strategies, see "***Our Business – Strategies***" on page 209. Further, we will be required to manage relationships with a number of clients, suppliers, contractors, service providers, lenders and other third parties. We will need to further strengthen our internal control and compliance functions to ensure that we will be able to comply with our legal and contractual obligations and minimize our operational and compliance risks. There can be no assurance that we will not suffer from capital constraints, operational difficulties or difficulties in expanding existing business and operations and training an increasing number of personnel to manage and operate the expanded business. There can be no assurance that we will be able to successfully manage our growth, strategies or that our expansion plans will not adversely affect our existing operations and thereby have an adverse effect on our business, financial condition, results of operations and prospects.

Further, we could also encounter difficulties and delays in executing our growth strategies due to a number of factors, including, unavailability of human and capital resources, inability to develop adequate systems, infrastructure and technologies, delayed payments or non-payments by clients, failure to implement bidding strategy, failure to correctly identify market trends, increase in cost of raw material, fuel, labour etc. There can be no assurance that we will be able to execute our growth strategy on time and within the estimated costs, or that we will meet the expectations of our clients.

38. ***We are subject to restrictive covenants under our financing agreements that could limit our flexibility in managing our business or to use cash or other assets.***

Our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of actions, any of which could adversely affect our business and financial condition. Our Company is required to obtain prior approval from and provide prior information to our lenders for, among other things, change in control of our Company, change in capital structure or constitutional documents, or any change in the general nature of the business. We have intimated/applied to all the relevant lenders for their consent/no objection certificate to undertake the Offer. As on date of this Draft Red Herring Prospectus, we have received no objection certificate from the lenders from whom we have obtained term loans, being, HDFC Bank Limited, PNB Bank, Aditya Birla Finance Limited, Protium Finance Limited and SMFCG India Credit Co. Limited. However, we are yet to receive consents from some of our unsecured lenders and lenders from whom we have obtained term loans, being Moneywise Financial Services Private Limited (SMC Finance), IDFC First Bank Limited, Fedbank Financial Services Limited, Tata Capital Financial Services Limited, Shriram Finance Limited, Axis Bank Limited, ICICI Bank Limited and Kisetsu Saison Finance (India) Private Limited. Although, we have intimated such lenders regarding the proposed Offer, however, undertaking the Offer without such consents may constitute a non-compliance of covenant under the relevant financing agreements. Such non-compliance may entitle them to call up the entire outstanding amount and make it payable forthwith at their discretion. We cannot provide any assurance that our lenders from whom we are yet to receive consents/no objection certificates will not enforce their rights relating to our breach of covenants, or grant us waivers with respect to any such breaches. The occurrence of any of the events mentioned above can adversely affect our business, results of operations and financial condition. Further, our Company intends to utilize ₹3,000 million from the Net Proceeds towards pre-payment or repayment of all, or a portion, of the principal amount on certain loans availed by our Company from lenders from whom we have received consent/no objection certificate. Pursuant to the terms of the borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges. Such pre-payment charges, as may be applicable, along with other related costs, will be made from the internal accruals of our Company. For Details, see "***Objects of the Issue***" on page 101.

Any failure in the future to satisfactorily comply with any condition or covenant under our financing agreements may lead to a termination of one or more of our credit facilities, immediate repayments of our credit facilities or disclose our name or of our Directors as defaulters, any of which may adversely affect our business, financial condition and results of operations. Although, we have not defaulted on our financial obligations and have been in compliance with covenants in the past, we cannot assure you that we will be able to comply with all such financial obligations and covenants in the future. Further, we have granted security interests over certain of our assets, including charge on our present and future current assets and on our present and future movable and immovable fixed assets, in order to secure our borrowings, and any failure to satisfy our obligations under such borrowings could lead to the forced sale and seizure of such assets, which may adversely affect our business, financial condition and results of operations. For further details of our indebtedness, see "***Financial Indebtedness***" on page 308.

39. We are subject to risks arising from interest rate fluctuations, which could reduce the profitability of our projects and adversely affect our business, financial condition and results of operations.

Interest rates for borrowings have been volatile in India in recent periods. Our operations are funded to a significant extent by debt and increases in interest rate and a consequent increase in the cost of servicing such debt may have an adverse effect on our results of operations and financial condition. Changes in prevailing interest rates affect our interest expense in respect of our borrowings and our interest income in respect of our interest on short term deposits with banks. Our current debt facilities carry interest at variable rates as well as fixed rates. We may be unable to pass any increase in interest expense to our customers. Any increase in interest expense may have a material adverse effect on our business, prospects, financial condition and results of operations. Furthermore, if we decide to enter into agreements to hedge our interest rate risk, there can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties will perform their obligations, or that these agreements, if entered into, will protect us fully against our interest rate risk.

40. Our Promoters have been categorised as co-borrower for loans availed by us, and in the event the same is enforced against our Promoters, it could adversely affect our Promoters' ability to manage the affairs of our Company.

Our Promoters have given categorised as co-borrower in relation to certain borrowings availed by our Company. In the event of default on such borrowings, these guarantees may be invoked by our lenders thereby adversely affecting our Promoters' ability to manage the affairs of our Company and this, in turn, could adversely affect our business, prospects, financial condition and results of operations.

41. Our Promoters and members of the Promoter Group, have mortgaged their personal properties and provided personal guarantee for our borrowings to secure our credit facilities. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoter in connection with our Company's borrowings.

Our Promoters and members of the Promoter Group have mortgaged their personal properties and provided personal guarantees for our borrowings to secure our credit facilities. For further details, see "***Financial Indebtedness***" on page 308. While we have not faced any revocation of such guarantees in the last three (3) Fiscals, if any of these guarantees are revoked, our lenders may require alternative guarantees or collateral or cancellation of such facilities, entailing repayment of amounts outstanding under such facilities. If we are unable to procure alternative guarantees satisfactory to our lenders, we may need to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, or to agree to more onerous terms under our financing agreements, which may limit our operational flexibility. Accordingly, our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantee provided by our Promoter and Promoter Group in connection with our Company's borrowings.

42. We have entered into certain credit facilities that are repayable on demand. Any unexpected demand for repayment of such facilities by the lenders may adversely affect our business, financial condition, cash flows and results of operations.

Some of our borrowings are repayable on demand in accordance with their respective terms of such facility agreement. For further details, see "***Financial Indebtedness***" on page 308. Any failure to service such indebtedness, comply with a requirement to obtain lender consent or otherwise perform such obligations under such financing agreements (including unsecured borrowings) may lead to such borrowing being repayable on demand, termination of one or more of our credit facilities or penalties and acceleration of amounts due under such credit facilities, which may adversely affect our business, financial condition, results of operations and prospects. While there have been no instances in the past of any loans or facilities being recalled by lenders, nor a failure to comply with covenants in financing agreements, we cannot guarantee that we will be able to service our loans or comply with such covenants or other covenants in the future.

43. We may not be able to adequately protect our intellectual property, which could harm the value of our brand and services.

Generating and maintaining recognition for our brand is critical to our business. The success of our business depends on our ability to use our trademarks in order to compete effectively in existing markets and increase penetration and awareness for our brand and further promote our business in existing and newer markets. As on the date of this Draft Red Herring Prospectus, our Company has registered the following trademark with the Registrar of Trademarks under the Trademarks Act, 1999:

Date of Issue	Trademark Holder	Trademark Number	Class	Trademark
March 9, 2023	Deepak Builders and Engineers Limited	5841356	36	Deepak Builders
March 7, 2023	Deepak Builders and Engineers Limited	5838707	37	

However, as on date of this Draft Red Herring Prospectus, our Company is not the registered owner of logo that we are using and has made application for registration of some of our trademarks including our logo with the Registrar of Trademarks under the Trademarks Act, 1999. Out of three application made, two of them are objected and remaining one i.e. application for registration of our logo is pending for approval.

The details of application made which are objected and pending for registration are detailed below;

Date of Application	Trademark	Class	Application Number	Status
March 7, 2023	Device	36	5838706	Objected
March 9, 2023	Deepak Builders	37	5841357	Objected
March 29, 2024		37	10376839	Pending

If we are unable to register our trademark for any reasons including our inability to remove objections to any trademark application, or if any of our unregistered trademark are registered in favour of or used by a third party in India or abroad, we may not be able to claim registered ownership of such trademark and consequently, we may not be able to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities, causing damage to our business prospects, reputation and goodwill. Apart from this, any failure to register or renew registration of our registered trademark may affect our right to use such trademark in future. Further, our efforts to protect our intellectual property may not be adequate and any third-party claim on any of our unprotected intellectual property may lead to erosion of our business value and our reputation, which could adversely affect our operations. Third parties may also infringe or copy our registered brand name which has been registered by us in India. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks in India and abroad.

Further, it is possible that we may not be aware of misuse of our trademarks which could potentially cause loss of our reputation and impact our business and may even affect our goodwill. While we have endeavoured to register most of the trademarks that we use or have used in the past, the use of a deceptively similar or identical third-party mark may result in a loss/injury to us. Although our company has not encountered any unauthorized use of our intellectual property in the past, we may not be able to ensure protection of the same in future. For further details, please see "***Government and Other Statutory Approvals***" on page 351.

44. Our Company will not receive any proceeds from the Offer for Sale.

The Offer comprises an Offer for Sale by the Selling Shareholders. The Selling Shareholders will receive the entire proceeds from the Offer for Sale (after deducting applicable Offer related expenses) and our Company will not receive any part of the proceeds of the Offer. For further information, see "***The Offer***" and "***Objects of the Offer***" on pages 75 and 101, respectively.

45. Our Promoter Directors are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses.

Our Promoter Directors are interested in our Company to the extent of their respective shareholding in our Company as well as to the extent of any dividends, bonus or other distributions on such Equity Shares and rent received for the use of the Corporate Office of our Company and to the extent of deposit received against the said property. We cannot assure you that our Promoter Directors will exercise their rights as shareholders to the benefit and best interest of our Company. Further, our Promoters Directors holding Equity Shares may take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders. For further information on the interest of our Promoters and Directors, other than reimbursement of expenses incurred or normal remuneration or benefits, see "***Our Management***" and "***Our Promoters and Promoter Group***" on pages 238 and 254, respectively.

46. Our in-house integrated model may fail which may affect our operations, reputation and profitability.

We undertake our construction business in an integrated manner as we have the key competencies and in-house resources to deliver a project from its conceptualization to completion. Our in-house integrated model reduces dependence on third parties for designing and engineering, procurement of key materials and availability of machineries required to execute our projects. Our integrated business model facilitates execution of projects within scheduled timelines. Our in-house resources include a dedicated engineering department, procurement team, owned fleet construction equipment and machineries and light transportation vehicles, etc. We rely on our in-house integrated model for timely and efficient execution of our projects. Any unscheduled or prolonged disruption due to any reason including but not limited to failure of our equipment, lack of coordination between procurement team and engineering department, etc. may adversely affect our in-house integrated model and consequently have an adverse effect on our operations and profitability.

47. The average cost of acquisition of Equity Shares by our Promoters could be lower than the floor price.

Our Promoters' average cost of acquisition of Equity Shares in our Company could be lower than the Floor Price of the Price Band as may be decided by the Company in consultation with the Book Running Lead Manager. The average cost of acquisition of Equity Shares acquired by our Promoters is set out below:

Promoters	Average cost of acquisition per Equity Share (in ₹)
Deepak Kumar Singal	9.87
Sunita Singal	10.00

As certified by our Statutory Auditor- Parmod G Gupta & Associates, Chartered Accountants, pursuant to their certificate dated April 9, 2024

For more details regarding weighted average cost of acquisition of Equity Shares by our Promoter and built-up of Equity Shares by our Promoter in our Company, see "***Capital Structure***" on page 93.

48. If we are unable to establish and maintain an effective internal controls and compliance system, our business and reputation could be adversely affected.

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis so that our operations adhere to our policies, compliance requirements and internal guidelines. We periodically test and update our internal processes and systems and there have been no past material instances of failure to maintain effective internal controls and compliance system. However, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances.

We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports and prevent financial fraud. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error. Any lapses in judgment or failures that result from human error can affect the accuracy of our financial reporting, resulting in a loss of investor confidence and a decline in the price of our Equity Shares.

Further, our operations are subject to anti-corruption laws and regulations. These laws generally prohibit us and our employees and intermediaries from bribing, being bribed or making other prohibited payments to government officials or other persons to obtain or retain business or gain some other business advantage. We participate in collaborations and relationships with third parties whose actions could potentially subject us to liability under these laws or other local anti-corruption laws. If we are not in compliance with applicable anti-corruption laws, we may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on our business, financial condition and results of operations. Likewise, any investigation of any potential violations of anti-corruption laws by the relevant authorities could also have an adverse impact on our business and reputation.

49. Our operations are subject to environmental, health and safety laws and regulations

Being in the infrastructure segment, we are required to comply with various laws and regulations relating to the environment, health and safety. Our project operations are subject to local environmental laws and regulations. There can be no assurance that non-compliance with such environmental laws and regulations will not result in a curtailment of operations, or a material increase in the costs of operations, or otherwise have a material adverse effect on the financial condition and results of our operations. For further details, see "***Key Regulations and Policies***" on page 224. While as of the date of this Draft Red Herring Prospectus, we are not subject to any environmental legal proceedings, we may be impleaded in such legal proceedings in the course of our business. Such legal proceedings could divert management time and attention and consume financial resources in defense or prosecution of such legal proceedings or cause delays in the construction, development or commencement of operations of our projects. No assurance can be given that we will be successful in all, or any, of such proceedings.

50. Our inability to maintain Class I- (Super) contractor registrations in connection with our business may adversely affect our operations and profitability

Our ability to continue undertaking projects from CPWD largely depends on our ability to maintain our Class I (Super) Contractor registrations issued by CPWD. In past we have undertaken and successfully executed various projects granted by CPWD. For details, see "***Our Business***", on page 200. We believe that our Class I (Super) Contractor with CPWD provide us competitive edge over non-registered competitors. In order to maintain the Class I (Super) Contractor, we are required to comply with certain conditions such as requirement of complying with sound financial capacity, requirement of certain machinery and equipment, etc. While we endeavours to meet such conditions, we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the regulatory authorities, which may lead to the downgrading to a lower class of registration, cancellation, revocation or suspension of our name from the list of registered contractors indefinitely or for a period as decided by registration authority after issue of show cause notice and being heard in person. Although, we have not experienced any such event in past, any adverse action including demotion, revocation, cancellation or suspension of any our Class I (Super) Contractor may have an adverse effect on our reputation and business.

51. Our Promoter holds interest in the Promoter Group entities some of which is authorised to undertake business activities which are similar to the business conducted by our Company.

Some of our Promoter Group Entity, including Deepak Singal Engineers and Builders Private Limited, Deepak Buildcon Infrastructure (Proprietorship), Deepak Buildcon (Proprietorship) and Deepak Builders (Partnership), are authorised to undertake business activities which are similar to the business conducted by our Company. As on date, Deepak Builders (Partnership) is not carrying any operations, however it is authorised to undertake business activities which are similar to the business conducted by our Company. Our Company has entered into non-compete agreement with Deepak Singal Engineers and Builders Private Limited, Deepak Buildcon Infrastructure (Proprietorship) and Deepak Builders (Partnership). However, we cannot assure you that there will be no conflict of interest in allocating business opportunities between us and the Promoter Group entity or that we will be able to suitably resolve any such conflict without an adverse effect on our business and financial performance. For details, see, "***Our Promoter and Promoter Group - Entities forming part of our Promoter Group***" at page 257.

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

As of October 31, 2023, we have entered into a related party transaction, which are in compliance with the Companies Act, 2013 and other applicable laws. In addition, we have also entered into transactions with other related parties in the past. We confirm that the transactions with Related Parties entered into by our Company in the preceding three years have been carried out at arms' length price and are not prejudicial to the interest of our Company.

While we believe that all our related party transactions have been conducted on an arm's length basis, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future. For further details, see "***Summary of Offer Document - Summary of Related Party Transactions" and*** "***Restated Financial Statements***" on page 31 and 262.

53. Our Company has not declared any dividends in the three Fiscal preceding the date of this Draft Red Herring Prospectus. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures.

Our Company has not paid any dividend on its Equity Shares during the last three Fiscals. The amount of future dividend payments, if any, will depend upon a number of factors, including our future earnings, financial condition, cash flows, working capital requirements, contractual obligations, applicable Indian legal restrictions and capital expenditures. Our business model involves substantial upfront (or periodic) payments to statutory authorities towards bids awarded to us and some capital expenditure and the recovery of the same (especially for long term contracts) is spread over a number of years. There is no assurance that we would have sufficient profitability and cash flow to pay dividends to the Shareholders.

54. Certain corporate records and documentary evidence are not traceable.

Certain corporate records and regulatory filings, including partnership agreement with respect to formation of partnership firm in year 1990 and correspondent amendment agreement, if any is not traceable. For ascertaining the year of formation of partnership firm, we have relied on the copy of the PAN Card issued at the time of formation of partnership and for reconstitution of partnership firm, we have relied on amendment agreement to partnership deed carried in the year 2012. We cannot assure you that such corporate records would be retrieved in the future. For details, see "***History and Other Corporate Matters***" on page 231

55. There are entities in India using the name "Deepak" that are unrelated to our Company. Any failure to differentiate between our Company and other unrelated entities by third parties may have an adverse effect on our business.

Certain other entities in India using the name "Deepak" that are unrelated to our Company. We have no relationship with such companies. Any litigation involving such companies may lead to confusion in the Investors, which may affect our brand image. Any failure to differentiate between our Company and other unrelated entities by third parties may have an adverse effect on our business.

56. Our Statutory Auditor has included an emphasis of matters in our Restated Financial Statements.

Our Statutory Auditor have not made any qualifications in the audit report that have not been given effect to in the Restated Financial Statements. However, our Statutory Auditor has included one emphasis of matters in the examination report, which is reproduced as below:

"*The Company has placed its reliance upon the Actuarial Valuation on Gratuity obtained for the period ended September 30, 2023 at time of the preparation of Restated Financial Statements for the period ended October 31, 2023. The effect of the same is not material as per Company's Policy on determination of Materiality as there is no material rotation in number of employees during the period ended October 30, 2023*."

While the said emphasis of matter do not require any adjustments to the Restated Financial Statements, there is no assurance that our audit reports for any future Fiscals will not contain qualifications, matters of emphasis or other observations which could subject us to additional liabilities due to which our reputation and financial condition may be adversely affected.

OFFER SPECIFIC RISKS

57. Subsequent to the listing of the Equity Shares, we may be subject to surveillance measures, such as the Additional Surveillance Measures and the Graded Surveillance Measures by the Stock Exchanges in order to enhance the integrity of the market and safeguard the interest of investors

Subsequent to the listing of the Equity Shares, we may be subject to Additional Surveillance Measures ("**ASM**") and Graded Surveillance Measures ("**GSM**") by the Stock Exchanges and the Securities and Exchange Board of India. These measures have been introduced to enhance the integrity of the market and safeguard the interest of investors. The criteria for shortlisting any security trading on the Stock Exchanges for ASM is based on objective criteria, which includes market-based parameters such as high low-price variation, concentration of client accounts, close to close price variation, market capitalization, average daily trading volume and its change, and average delivery percentage, among others. A scrip is subject to GSM when the share price is not commensurate with the financial health and fundamentals of the company. Specific parameters for GSM include net worth, net fixed assets, PE, market capitalization and price to book value, among others. Factors within and beyond our control may lead to our securities being subject to GSM or ASM. In the event our Equity Shares are subject to such surveillance measures implemented by SEBI and 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.

58. 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 does 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 through a book-building process 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.

59. The Offer price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Offer and the market price of our Equity Shares may decline below the Offer Price and you may not be able to sell your Equity Shares at or above the Offer Price.

The Offer Price of our Equity Shares will be determined by the book-building method. This price is based on numerous factors and may not be indicative of the market price of our Equity Shares after the Offer. For details, see "***Basis for Offer Price***" on page 117. The market price of our Equity Shares could be subject to significant fluctuations after the Offer and may decline below the Offer Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer Price. Among the factors that could affect our share price include without limitation. The following:

- Quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

60. Any future issuance of Equity Shares, or convertible securities or other equity linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoters or members of our Promoter Group may adversely affect the trading price of the Equity Shares.

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. Any sale of our Equity Shares by our Promoters or major shareholders or future equity issuances, by us may adversely affect the trading price of our Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. We cannot assure you that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

61. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

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

62. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.

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

63. QIB and Non-Institutional Investors 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.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors 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. Retail Individual Investors can revise their Bids during the Bid/ Offer Period and withdraw their Bids until Bid/ Offer Closing Date. While our Company is required to complete Allotment pursuant to the Offer within such time period as may be applicable from the Bid/ Offer Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidders ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

64. We have in this Draft Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the India industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. We compute and disclose such non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of Indian retailing industry, many of which provide such non-GAAP financial measures and other industry related statistical and operational information. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited financial statements as reported under applicable accounting standards disclosed elsewhere in this Draft Red Herring Prospectus. These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other companies.

EXTERNAL RISK FACTORS:

65. Significant differences exist between Ind AS and other accounting principles, such as US GAAP and International Financial Reporting Standards ("IFRS"), which investors may be more familiar with and consider material to their assessment of our financial condition.

Our Restated Financial Statements have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the Ind AS Rules and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on "**Reports in Company Prospectuses (Revised 2019)**" issued by the ICAI.

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. US GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Restated Financial Statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS 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.

66. There is a lack of specificity around one of the proposed objects of the Offer and we have not specifically earmarked the use of the Net Proceeds under the head of the Objects of the Offer.

We intend to utilize the Net Proceeds of the Offer as set forth "***Objects of the Offer***" on page 101. Our Company proposes to deploy a certain portion from the Net Proceeds towards general corporate purposes as approved by our Board from time to time. Although we have identified broad aspects based on which we intend to utilize the Net Proceeds towards this object, we have not identified the specific projects or acquisitions which will be undertaken by our Company and accordingly, there are no definitive arrangements with the parties that our Company has entered into towards general corporate purposes. Such initiatives will depend upon our business plans, market conditions, our Board's analysis of economic trends and business requirements, competitive landscape, regulatory conditions as well as general factors affecting our results of operations, financial condition and access to capital. Inability to finalize such activities in a timely manner may delay our deployment of the Net Proceeds and adversely affect our business and future growth. For further information, see "***Objects of the Offer – General Corporate Purposes***" on page 113.

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

The regulatory and policy environment in India is evolving and subject to change. Such changes in applicable law and policy in India, may adversely affect our business, financial condition, results of operations, performance and prospects in India, to the extent that we are not able to suitably respond to and comply with such changes.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

68. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.

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

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company would be diluted

69. Investors may not be able to enforce judgments obtained in foreign courts against us.

We are a public limited company under the laws of India. All of our directors and officers are Indian nationals and all or a significant portion of the assets of all of the directors and officers and a substantial portion of our assets are located in India. As a result, it may be difficult for investors to effect service of process outside India on us or on such directors or officers or to enforce judgments against them obtained from courts outside India, including judgments predicated on the civil liability provisions of the United States federal securities laws.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes the United Kingdom, United Arab Emirates, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Indian Code of Civil Procedure, 1908 (the "**Civil Code**"). The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgment is rendered may bring a fresh suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with public policy in India. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the Reserve Bank of India to repatriate any amount recovered pursuant to the execution of the judgment.

70. We are a public limited company under the laws of India. Many of our directors and officers are Indian nationals and all or a significant portion of the assets of all of the directors and officers and a substantial portion of our assets are located in India. As a result, it may be difficult for investors to effect service of process outside India on us or on such directors or officers or to enforce judgments against them obtained from courts outside India, including judgments predicated on the civil liability provisions of the United States federal securities laws Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the infrastructure sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, and our business, prospects, financial condition and results of operations, in particular.

71. We are subject to regulatory, economic and social and political uncertainties and other factors beyond our control.

We are incorporated in India and we conduct our corporate affairs and our business in India. Our Equity Shares are proposed to be listed on the BSE and the NSE, subject to the receipt of the final listing and trading approvals from the Stock Exchanges. Consequently, our business, operations, financial performance and the market price of our Equity Shares will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Factors that may adversely affect the Indian economy, and hence our results of operations may include:

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- political instability, terrorism, military conflict, epidemic or public health issues in India or in countries in the region or globally, including in India’s various neighbouring countries;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- Instability in financial markets and volatility in, and actual or perceived trends in trading activity on, India’s principal stock exchanges;
- decline in India’s foreign exchange reserves which may affect liquidity in the Indian economy;
- downgrading of India’s sovereign debt rating by rating agencies;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.
- changes in India’s tax, trade, fiscal or monetary policies; and
- other significant regulatory or economic developments in or affecting India or its logistics sector.

Moreover, a fall in the purchasing power of our customers, for any reason whatsoever, including rising consumer inflation, availability of financing to our customers, changing governmental policies and a slowdown in economic growth may have an adverse effect on our customers’ revenues, savings and could in turn negatively affect their demand for our products. In addition, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

72. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.

Inflation rates in India have been volatile in recent years, and such volatility may continue. India has experienced high inflation relative to developed countries in the recent past. Continued high rates of inflation may increase our expenses related to costs of raw material, rent, salaries or wages payable to our employees or any other expenses. There can be no assurance that we will be able to pass on any additional expenses to our customers or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

73. 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 falls 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.

74. Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.

Any adverse revisions to India's credit ratings for international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

75. Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.

India has experienced natural calamities such as floods, landslides, tsunamis, earthquakes, 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. The occurrence of natural or man-made disasters may adversely affect our business, financial condition, results of operations and cash flows.

The occurrence of natural disasters, including hurricanes, floods, tsunamis, earthquakes, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, may adversely affect our financial condition or results of operations. In addition, any deterioration in relations between India and its neighbouring countries might result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. The potential impact of a natural disaster on our results of operations and financial position is speculative and would depend on numerous factors. In addition, an outbreak of a communicable disease in India or in the particular region in which we have projects would adversely affect our business and financial conditions and the results of operations. We cannot assure prospective investors that such events will not occur in the future or that our business, financial condition, results of operations and cash flows will not be adversely affected.

77. Our ability to raise foreign capital may be constrained by Indian law.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

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

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

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SECTION III – INTRODUCTION

THE OFFER

The following table summarizes the Offer details:

Particulars	Details of Equity Shares
Offer of Equity Shares by Our Company(1)(2)	Offer of up to 14,400,000* Equity Shares of face value of ₹10 each fully paid up for cash, at a price of ₹[●] per Equity share, aggregating ₹[●] million
of which	
Fresh Issue(1)	Up to 12,000,000 Equity Shares, aggregating up to ₹[●] million
Offer for Sale(2)	Up to 2,400,000 Equity Shares, aggregating up to ₹[●] million
The Offer consists of:	
A) QIB Portion(3)(4)(5)	Not more than [●]* Equity Shares, aggregating up to ₹ [●] million
Of which:	
(i) Anchor Investor Portion(3)	Up to [●]* Equity Shares
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Up to [●]* Equity Shares
Of which:	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)(3)	[●]* Equity Shares
(b) Balance for all QIBs including Mutual Funds	[●]* Equity Shares
B) Non – Institutional Portion(6)(7)	Not less than [●]* Equity Shares, aggregating up to ₹ [●] million
Of which:	
(a) One-third of the Non-Institutional Portion available for allocation to Bidders with an application size more than ₹2,00,000 and up to ₹10,00,000	[●]* Equity Shares
(b) Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹10,00,000	[●]* Equity Shares
C) Retail Portion(3)	Not less than [●]* Equity Shares, aggregating up to ₹ [●] million
Pre-Offer and Post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as on the date of this Draft Red Herring Prospectus)	35,880,860 Equity Shares of face value of ₹10 each
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of Net proceeds	For details about the use of Net Proceeds, please see *"**Objects of the Offer**"* on page 101.

**Subject to finalisation of the Basis of Allotment.*

Notes:

(1) The Offer has been authorized by a resolution of our Board dated February 9, 2024 and has been authorized by a special resolution of our Shareholders, dated March 12, 2024. Further, our Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to its resolution dated March 26, 2024.

(2) Each Selling Shareholder has, severally and not jointly, specifically confirmed that its respective portion of the Offered Shares are eligible to be offered for sale in the Offer in accordance with the SEBI ICDR Regulations. The details of such authorisations are provided below:

Name of the Selling Shareholder	Maximum number of Equity Shares offered in the Offer for Sale	Date of consent letter	Date of board resolutions recording the consent of Selling Shareholder
Deepak Kumar Singal	*2,160,000*	*February 9, 2024*	*March 26, 2024*
Sunita Singal	*240,000*	*February 9, 2024*	*March 26, 2024*

*(3) Our Company 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. The QIB portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds only, 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-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added back to the Net QIB Portion. 5% of the Net QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion (excluding Anchor Investor Portion) will be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids having being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, 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 see "**Offer Procedure**" on* page 385.

*(4) Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from other categories or a combination of categories. In the event of under-subscription in the Offer, the Equity Shares will be allocated in the manner specified in "**Terms of the Offer**" on page 373 .*

(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, as applicable, at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange, subject to applicable laws.

*(6) Allocation to Bidders in all categories, other than Anchor Portion, Retail Individual Portion and Non-Institutional Portion, shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. One-third of the Non-Institutional Portion shall be reserved for applicants with application size of more than ₹0.20 million and up to ₹1.00 million, two-thirds of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than ₹1.00 million and the unsubscribed portion in either of the above sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Bidders. The Allocation to each Non-Institutional Investor shall not be less than the minimum application size viz. ₹0.20 million, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis, in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations. For details, please see "**Offer Procedure**" on page 385.*

(7) SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹0.50 million shall use UPI. Individual Investors bidding under the Non-Institutional Portion for more than ₹0.20 million and up to ₹0.50 million, using the UPI Mechanism, shall provide their UPI ID the Bid cum Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

For further details, including grounds for rejection of bids, please see *"**Terms of the Offer**"*, *"**Offer Structure**"* and *"**Offer Procedure**"* on pages 373, 381, and 385 respectively.

SUMMARY FINANCIAL STATEMENTS

RESTATED STATEMENT OF ASSETS AND LIABILITIES

Sr. No.	Particular	Notes	As at October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
I	**ASSETS**					
1	**Non-Current Assets**					
(a)	Property, Plant & Equipment and Intangibles Assets (i) Property, Plant and Equipment	3	532.07	508.63	509.03	506.46
	(ii) Right of Use Asset	3(a)(i)	108.93	-	-	-
(b)	Financial Assets (i) Investments	4	-	-	0.67	0.67
	(ii) Other Financial Assets	5	720.73	676.77	472.64	298.26
(c)	Other Non-Current Assets	6	349.66	268.21	220.34	36.27
	Sub-total		**1,711.39**	**1,453.61**	**1,202.68**	**841.66**
2	**Current Assets**					
(a)	Inventories	7	2,070.10	1,700.00	691.12	246.25
(b)	Financial Assets -					
	(i) Trade Receivable	8	684.37	975.08	958.00	1,077.35
	(ii) Cash & Cash Equivalents	9	2.34	31.70	2.38	47.83
(c)	Current Tax Asset (Net)	10	-	-	18.31	6.87
(d)	Other Current Assets	11	445.37	332.59	349.35	211.73
	Sub-Total		**3,202.18**	**3,039.37**	**2,019.16**	**1,590.03**
	Total Assets		**4,913.57**	**4,492.98**	**3,221.84**	**2,431.69**
II	**Equity & Liabilities**					
1	**Equity**					
(a)	Equity Share Capital	12	358.81	358.81	358.81	358.81
(b)	Other Equity	13	847.28	646.62	488.38	324.31
	Sub-Total		**1,206.09**	**1,005.43**	**847.19**	**683.12**
2	**Liabilities**					
(a)	**Non-Current Liabilities**					
(i)	Financial Liabilities 1. Borrowings	14	778.18	331.78	314.97	257.35
	2. Lease Liabilities	3(a)(ii)	35.13	-	-	-
	3. Other Financial Liabilities	15	14.65	15.47	9.89	9.30
(ii)	Provisions	16	6.67	6.55	4.78	-
(iii)	Other Non-Current Liabilities	17	792.14	1,031.34	395.91	328.61
(iv)	Deferred Tax Liabilities (Net)	18	20.82	23.54	44.69	48.19
	Sub-Total		**1,647.59**	**1,408.68**	**770.24**	**643.45**
(b)	**Current Liabilities**					
(i)	Financial Liabilities					
	1. Borrowing	19	621.87	633.94	481.51	410.98
	2. Lease Liabilities	3(a)(ii)	1.15	-	-	-
	3. Trade Payable	20				
	A. Dues to MSME		521.09	752.57	37.52	28.33
	B. Dues to Other than MSME		611.03	419.80	786.02	613.06

Sr. No.	Particular	Notes	As at October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
	4. Other Financial Liabilities	21	108.87	81.00	43.49	36.04
(ii)	Provisions	16	2.32	2.23	0.48	-
(iii)	Other Current Liabilities	22	158.90	185.72	255.39	16.71
(iv)	Current Tax Liabilities (Net)	23	34.66	3.61	-	-
	Sub-Total		**2,059.89**	**2,078.87**	**1,604.41**	**1,105.12**
	Total Equity & Liabilities		**4,913.57**	**4,492.98**	**3,221.84**	**2,431.69**

RESTATED STATEMENT OF PROFIT AND LOSS

S. No.	Particulars	Notes	For the seven months period October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
	Continuing Operations					
I	Income					
1	Revenue from Operations (Gross)	24	2,943.32	5,073.40	4,160.01	3,510.48
	1.1Less - GST		448.83	738.85	529.49	402.93
1.2	**Revenue from Operations (Net)**		**2,494.49**	**4,334.55**	**3,630.52**	**3,107.55**
2	Other Income	25	21.46	20.05	19.35	12.83
	Total Income		**2,515.95**	**4,354.60**	**3,649.87**	**3,120.38**
II	**Expenses**					
1	Cost of Material Consumed	26	1,287.90	2,890.76	2,493.17	2,222.44
2	Construction Expenses	27	502.96	671.37	494.80	303.21
3	Employee Benefits Expenses	28	171.01	204.33	164.65	208.00
4	Finance Costs	29	166.03	185.97	165.26	138.81
5	Depreciation and Amortization Expense	30	46.57	55.70	35.99	32.80
6	Other Expenses	31	60.17	59.21	58.54	34.79
	Total Expenses		**2,234.64**	**4,067.34**	**3,412.41**	**2,940.05**
III	**Profit before Tax & Exceptional Items from Continuing Operations (I - II)**		281.31	287.26	237.46	180.33
IV	Exceptional Items		-	-	-	-
V	**Profit before Tax from Continuing Operations (III - IV)**		281.31	287.26	237.46	180.33
VI	**Tax Expense for Continuing**					

S. No.	Particulars	Notes	For the seven months period October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
	Operations					
1	Current Tax	10	75.18	75.73	60.09	44.69
2	Deferred Tax	18	(0.83)	(2.42)	0.73	6.36
3	Tax Adjustments relating to Previous Years		0.68	-	-	-
	Total Tax Expense		**75.03**	**73.31**	**60.82**	**51.05**
VII	**Profit for the year from Continuing Operations (V - VI)**		**206.28**	**213.95**	**176.64**	**129.28**
VIII	**Other Comprehensive Income**	32				
1	**Items that will not to be reclassified to Statement of Profit or Loss**					
(a)	Re-Measurement Gain / (Losses) on Defined Benefit Plans		1.50	(0.90)	(3.51)	-
(b)	Re-Measurement Gain / (Losses) on PPE		(9.01)	(73.54)	(13.30)	180.80
(c)	Income Tax Effect		1.89	18.73	4.23	(38.22)
	Net Comprehensive Income not to be reclassified to Statement of Profit or Loss in the Subsequent Periods		**(5.62)**	**(55.71)**	**(12.58)**	**142.58**
2	**Other Comprehensive Income for the Year, net of Tax**		**(5.62)**	**(55.71)**	**(12.58)**	**142.58**
IX	**Total Comprehensive Income of the**		**200.66**	**158.24**	**164.06**	**271.86**

S. No.	Particulars	Notes	For the seven months period October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
	Year, net of Tax (VII + VIII)					
X	**Earnings per Share for Continuing Operations**					
1	Basic (In ₹)		5.75	5.96	4.92	3.60
2	Diluted (In ₹)		5.75	5.96	4.92	3.60
	Summary of Significant Accounting Policies	2				

RESTATED STATEMENT OF CASH FLOW

S. No.	Particulars	For the seven months period ended October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
I	**Cash Flow from Operating Activities**				
	Profit before Tax from Continuing Operations	281.31	287.26	237.46	180.33
A	**Adjustment to Reconcile Profit before Tax to Net Cash Flows**				
	Non-Cash Adjustments				
1	Depreciation and Amortisation Expenses	46.57	55.70	35.99	32.80
2	Interest Cost	117.40	137.71	127.75	100.17
3	Interest on Lease Liability	2.29	-	-	-
4	(Profit) / Loss on Sale of Fixed Assets	(1.11)	2.19	-	0.66
5	Allowances For Expected Credit Loss	0.69	1.02	6.30	-
6	Adjustment in Reserves	-	-	-	(34.15)
7	Asset written off	0.24	-	-	-
8	Investment Written Off	-	0.67	-	-
9	Preliminary expenses	-	0.91	0.43	0.43
10	Gain on Valuation of Financial Instruments	(1.75)	-	-	-
B	**Operating Profit before Working Capital Changes**	**445.64**	**485.46**	**407.93**	**280.24**
	Adjustments				
1	(Increase) / Decrease in Trade Receivables	290.71	(17.08)	119.35	(520.99)
2	(Increase) / Decrease in Inventories	(370.10)	(1,008.88)	(444.87)	442.11
3	(Increase) / Decrease in Other Assets	(194.92)	(14.30)	(321.54)	(16.52)
4	(Increase) / Decrease in Other Financial Assets	(120.71)	(204.56)	(174.38)	37.71
5	Increase / (Decrease) in Trade Payables	(40.25)	348.83	182.15	94.36
6	Increase / (Decrease) in Other Liabilities	(266.02)	565.76	305.98	(238.37)
7	Increase / (Decrease) in Other Financial Liabilities	27.05	43.09	8.04	31.89
8	Increase / (Decrease) in Provisions	1.71	2.62	1.75	-
C	**Cash Generated from Operations**	(226.89)	200.94	84.41	110.43
1	Income Tax Paid	44.81	72.12	78.40	51.56
	Net Cash Generated from Operating Activities (I)	(271.70)	128.82	6.01	58.87
II	**Cash Flows from Investing Activities**				

S. No.	Particulars	For the seven months period ended October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
1	Purchase of Plant, Property and Equipment	(96.86)	(134.42)	(51.86)	(35.12)
2	Proceeds from Sale of Property, Plant & Equipments	23.60	3.39	-	1.20
	Net Cash Generated / (Used In) Investing Activities (II)	**(73.26)**	**(131.03)**	**(51.86)**	**(33.92)**
III	**Cash Flows from Financing Activities**				
1	Proceeds from Long Term Borrowings including current maturity (Net)	208.35	112.73	151.71	134.88
2	Proceeds from Short Term Borrowings (Net)	225.98	56.51	(23.56)	(19.41)
3	Payment of lease liability	(1.33)			
4	Interest Cost	(117.40)	(137.71)	(127.75)	(100.17)
	Net Cash Generated / (Used In) Financing Activities (III)	**315.60**	**31.53**	**0.40**	**15.30**
D	**Net Increase in Cash and Cash Equivalents (I + II + III)**	(29.36)	29.32	(45.45)	40.25
E	Cash and Cash Equivalents at the beginning of the year	31.70	2.38	47.83	7.58
F	**Cash and Cash Equivalents at year end**	2.34	31.70	2.38	47.83

GENERAL INFORMATION

Registered Office

Deepak Builders & Engineers India Limited
Ahluwalia Chambers, 1st floor
Plot No. 16 & 17, Local Shopping Centre
Madangir, near Pushpa Bhawan
South Delhi, New Delhi – 110 062, India
Telephone: +91 98759 09241
Email Id: investor@deepakbuilders.co.in
Website: www.deepakbuilders.co.in

Corporate Office

Deepak Builders & Engineers India Limited
Near Lodhi Club, Shaheed Bhagat Singh Nagar
Ludhiana – 141012, Punjab, India
Telephone: +91 98759 09240

Company Registration Number and Corporate Identity Number

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

Registration number: 323467

Corporate identity number: U45309DL2017PLC323467

Registrar of Companies

Our Company is registered with the RoC, Delhi and Haryana at the following address:

Registrar of Companies
4th floor, IFCI tower
61, Nehru Place
New Delhi – 110 019, India
Tel: +91 11- 2623 5703

OUR BOARD OF DIRECTORS

Details regarding our Board as on the date of this Draft Red Herring Prospectus are set forth below:

Name	DIN	Address
Deepak Kumar Singal *Chairman cum Managing Director*	01562688	H. No. 629-B, Aggar Nagar, Ludhiana – 141 012, India
Sunita Singal *Whole-time Director*	01534585	H. No. 629-B, Aggar Nagar, Ludhiana – 141 012, India
Inder Dev Singh *Independent Director*	00825892	H. No. 1591, ESIC Society, Sector 51-B, Chandigarh – 160 047, India
Kashish Mittal *Independent Director*	06975800	H. No. 2251, Phase 7, Sector 61, S.A.S Nagar, Mohali – 160 062, India
Vinod Kumar Kathuria *Independent Director*	06662559	Poonam Heights, Flat 1403, Wing B, S. V Road, Udyog Nagar, Goregaon West, Mumbai – 400 104, Maharashtra, India

For further details of our Directors, please see ***"Our Management"*** on page 238.

Company Secretary and Compliance Officer

Anil Kumar is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

Near Lodhi Club, Shaheed Bhagat Singh Nagar
Ludhiana – 141 012, Punjab, India
Telephone: +91 98759 09242
Email Id: cs@deepakbuilders.co.in

Investor Grievances

Investors may contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of Allotment Advice, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, investors may also write to the BRLM.

All Offer-related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for Retail Individual Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary(ies) in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications and grievances of ASBA Bidders.

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 if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centers, as the case may be, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

All grievances relating to the UPI mechanism may be addressed to the Registrar to the Offer with a copy to the relevant Sponsor Bank or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centers, as the case may be, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the UPI ID of the UPI ID Linked Bank Account in which the amount equivalent to the Bid Amount was blocked.

All grievances relating to Bids submitted through the Registered Broker and/or a Stock Broker may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Book Running Lead Manager

Fedex Securities Private Limited
B 7, 3rd Floor, Jay Chambers
Dayaldas Road, Vile Parle (East)
Mumbai, Maharashtra - 400 057, India
Tel: +91 81049 85249
E-mail: mb@fedsec.in
Website: www.fedsec.in
Investor Grievance E-mail: mb@fedsec.in
Contact Person: Saipan Sanghvi / Prashant Patankar
SEBI Registration No.: INM000010163

Statement of responsibilities

Fedex Securities Private Limited is the sole Book Running Lead Manager to the Offer and all the responsibilities relating to co-ordination and other activities in relation to the Offer shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

Legal Counsel to the Offer

Vidhigya Associates, Advocates
Address:501, 5th Floor, Jeevan Sahakar Building
Sir P M Road, Homji Street
Fort, Mumbai - 400 001
Maharashtra, India
Correspondence Address: 105, A Wing
Kanara Business Centre
Ghatkopar East, Mumbai – 400 075
Maharashtra, India
Telephone: +91 84240 30160
Email: rahul@vidhigyaassociates.com
Contact Person: Rahul Pandey

Advisor to the Company

K. K. B. Management Consultants Private Limited
House No. 16-17, Block – B
Raghunath Enclave, Canal Road
Ludhiana – 141 012, Punjab, India
Tel. No.: +91 75270 74270
Email: info@kkbector.com
Contact Person: Ritin Maheshwari

Registrar to the Offer

Kfin Technologies Limited *(formerly known as KFin Technologies Private Limited)*
Selenium Tower B
Plot No. 31 and 32, Financial District
Nanakramguda, Serilingampally
Hyderabad - 500 032
Telangana, India
Tel: +91 40 6716 2222/18003094001
Email: deepakbuilders.ipo@kfintech.com
Website: www.kfintech.com
Investor Grievance Email: einward.ris@kfintech.com

Contact Person: M. Murali Krishna
SEBI Registration No.: INR000000221

Statutory Auditors to our Company

Parmod G Gupta & Associates, Chartered Accountants
Unique Tower, 3rd floor
Adjoining BOB & UBOI Bank
Pakhowal Road, Ludhiana - 141 002
Punjab, India
Tel: +91 98151 18193
Email: parmodg.ca@gmail.com
ICAI Firm Registration Number: 018870N
Peer Review Number: 013791
Contact Person: Pramod Gupta

Changes in the Auditors

Except as stated below, there have been no changes in the statutory auditors of our Company during the three years immediately preceding the date of this Draft Red Herring Prospectus.

Name of Auditor	Address and E-mail	Date of Appointment/ Cessation	Reason
Parmod G Gupta & Associates, Chartered Accountants *Firm Registration Number: 018870N* *Peer Review Number: 013791*	Unique Tower, 3rd floor, Adjoining BOB & UBOI Bank, Pakhowal Road, Ludhiana - 141 002, Punjab, India *Email:* *parmodg.ca@gmail.com*	September 30, 2023	Appointment as Statutory Auditor
Krishan Goel & Associates *Firm Registration Number: 009607N*	SCO 17-18B Gurudwara Shaheedan Pheruman Market, opp. Manju Cinema G.T.Road, Ludhiana - 141 003, Punjab, India	September 30, 2023	Completion of tenure

Bankers to our Company

Punjab National Bank
Large Corporate Branch
PNB House, First Floor,
Miller Ganj, Ludhiana -141 003
Contact person: Nitish Gupta/Sandeep Kumar
Telephone: +91 97172 88663 / 99833 98246
E-mail: bo4451@pnb.co.in
Website: www.pnbindia.in

HDFC Bank Limited
HDFC Bank Limited, The Mall Road Branch
Ludhiana
Contact person: Bikramdeep Singh
Telephone: +91 87279 01403
E-mail: bikramdeep.singh@hdfcbank.com
Website: www.hdfcbank.com

Bankers to Offer, Escrow Collection Bank, Public Offer Bank, Refund Bank and Sponsor Bank

The Bankers to the Offer will be appointed prior to filing of the Red Herring Prospectus with the RoC.

Syndicate Members

The Syndicate Members will be appointed prior to filing of the Red Herring Prospectus with the RoC.

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes on the SEBI website, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which a Bidder (other than an Anchor Investor and RIB using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 on the SEBI website, and at such other websites as may be prescribed by SEBI from time to time.

SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, Retail Individual Bidders bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, which may be 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.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time or any such other website as may be prescribed by SEBI 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 www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx? and www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Grading of the Offer

No credit agency registered with SEBI has been appointed for grading for the Offer.

Expert

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

Our Company has received written consent dated March 26, 2024 from Parmod G Gupta & Associates, Chartered Accountants, to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of (i) examination report, dated March 26, 2024 on our Restated Financial Statements in this Draft Red Herring Prospectus (ii) Statement of Special Tax Benefits dated March 26, 2024 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated March 27, 2024, from Er. Abhishek Tiwari, Independent Chartered Engineer, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in his capacity as the Independent Chartered Engineer.

However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning under the U.S. Securities Act, as amended (the **"U.S. Securities Act"**).

The above-mentioned consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Monitoring Agency

In accordance with Regulation 41 of the SEBI ICDR Regulations, our Company will appoint a monitoring agency for monitoring the utilisation of Gross Proceeds prior to filing of the Red Herring Prospectus with the RoC, as the proposed Offer exceeds ₹1,000 million.

Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose the utilization of the Gross Proceeds, including interim use under a separate head in its balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and other applicable laws or regulations, clearly specifying the purposes for which the Gross Proceeds have been utilized. Our Company will disclose and continue to disclose details of all monies utilized out of the Offer till the time any part of the Gross Proceeds remains unutilized, under an appropriate head in the balance sheet of our Company. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Gross Proceeds that have not been utilized, if any, of such currently unutilized Gross Proceeds. 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 this Draft Red Herring Prospectus and place it before the Audit Committee and also 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 statement shall be certified by the statutory auditor of our Company. 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 Offer from the objects of the Offer as stated above; and (ii) details of category wise variations in the actual utilization of the proceeds of the Offer from the objects of the Offer as stated above.

Appraising Entity

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

For details, see "***Risk Factors - Our funding requirements and the deployment of Net Proceeds are based on management estimates and have not been independently appraised. Any variation in the utilisation of Net Proceeds of the Fresh Issue as disclosed in this Draft Red Herring Prospectus shall be subject to compliance requirements, including prior shareholders' approval***" on page 56.

Credit Rating

As the Offer is only of Equity Shares, credit rating is not required.

Debenture trustees

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

Green Shoe Option

No green shoe option is contemplated under the Offer.

Filing of this Draft Red Herring Prospectus

A copy of this Draft Red Herring Prospectus has been uploaded on the SEBI Intermediary Portal at https://siportal.sebi.gov.in, in accordance with regulation 25 (8) of SEBI ICDR Regulations and SEBI Master Circular dated June 21, 2023 and shall be submitted to SEBI on cfddil@sebi.gov.in in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to "Easing of Operational Procedure – Division of Issues and Listing – CFD". It will also be filed with SEBI at the following address:

Securities and Exchange Board of India
Corporation Finance Department Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, 'G' Block
Bandra Kurla Complex, Bandra (E)
Mumbai 400 051, Maharashtra, India

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 and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be filed with the RoC through the electronic portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from Bidders on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band which will be decided by our Board, as applicable, in consultation with the BRLM, and the minimum Bid lot, which will be decided by our Board or the IPO Committee and the Selling Shareholders, as applicable, in consultation with the BRLM, and if not disclosed in the Red Herring Prospectus, will be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi being the regional language newspaper of Delhi 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 Stock Exchanges for the purposes of uploading on their respective websites. The Offer Price shall be determined by our Board or the IPO Committee and Selling Shareholders in consultation with the BRLM, after the Bid/Offer Closing Date. For further details, see ***"Offer Procedure"*** on page 385.

All Bidders (other than Anchor Investors) shall mandatorily participate in this Offer only through the

ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or Sponsor Bank, as the case may be. In addition to this, the UPI Bidders may participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or using the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bid/ Offer Period. Allocation to QIBs (other than Anchor Investors) and Non-Institutional Investors will be on a proportionate basis while allocation to Anchor Investors will be on a discretionary basis. Pursuant to SEBI circular no. (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, all individual investors applying in initial public offerings whose application amount is up to ₹0.50 million shall use UPI Mechanism. Individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹0.20 million and up to ₹ 0.50 million, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. RIBs bidding in the Retail Portion 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. Except for Allocation to RIBs, Non-Institutional Bidders and the Anchor Investors, Allocation in the Offer will be on a proportionate basis. Allocation to the Anchor Investors will be on a discretionary basis.

The Book Building Process under the SEBI ICDR Regulations and the Bidding Process are subject to change. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Each Bidder will be deemed to have acknowledged the above restrictions and the terms of the Offer, by submitting their Bid in the Offer.

Bidders should note the Offer is also subject to (i) filing of the Prospectus with the RoC; and (ii) obtaining final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment within three Working Days of the Bid/Offer Closing Date or such other time period as prescribed under applicable law.

For further details on method and process of Bidding, see "***Offer Procedure***" and "***Offer Structure***" on pages 385 and 381, respectively.

Illustration of Book Building Process and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see "***Terms of the Offer***" and "***Offer Procedure***" on pages 373 and 385, respectively.

Underwriting Agreement

After the determination of the Offer Price, but prior to allocation of Equity Shares and filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into the Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer, who shall be merchant bankers or stock-brokers registered with SEBI. The extent of underwriting obligations and the Bids to be underwritten by BRLM shall be as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus. Specific details below have been intentionally left blank and will be filled in before, and this portion will be applicable upon the execution of the Underwriting Agreement and filing of the Prospectus with the RoC, as applicable)

(₹ in million)

Name, address, telephone number and e-mail address of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount underwritten
[●]	[●]	[●]

The abovementioned amounts are provided for indicative purposes only and would be decided after the pricing and actual allocation and subject to the provisions of Regulation 40(2) of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with Stock Exchange(s). Our Board/IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation amongst the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to Investors procured by them in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

Details of the share capital of our Company, as on the date of this Draft Red Herring Prospectus, are set forth below.

(in ₹, except share data)

Sr. No.	Particulars	Aggregate value at face value	Aggregate value at Offer Price*
A.	**AUTHORIZED SHARE CAPITAL**		
	55,000,000 Equity Shares of face value of ₹10 each	550,000,000	-
B.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	35,880,860 Equity Shares of face value of ₹10 each	358,808,600	-
C.	**PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS#**		
	Offer of up to 14,400,000 Equity Shares of face value of ₹10 each aggregating to ₹[●]	[●]	[●]
	Of which:		
	Fresh Issue of up to 12,000,000 Equity Shares aggregating up to ₹ [●] million	[●]	[●]
	Offer for Sale of up to 2,400,000 Equity Shares by the Selling Shareholders aggregating up to ₹ [●] million	[●]	[●]
D.	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER*^**		
	[●] Equity Shares of face value ₹10 each	[●]##	-
E.	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer		-
	After the Offer		[●]

* *Details to be included upon finalization of Offer Price*

** *For details in relation to the changes in the authorised share capital of our Company, see "**History and Certain Corporate Matters – Amendments to our Memorandum of Association**" on page 231.*

\# *The Fresh Issue has been authorised by our Board of Directors and our Shareholders pursuant to the resolutions passed at their meetings dated February 9, 2024 and March 12, 2024, respectively. Further, our Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to its resolution dated March 26, 2024.*

^ *Selling Shareholders confirm that the Offered Shares have been held by such Selling Shareholders for a period of at least one year prior to filing of this Draft Red Herring Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations and accordingly, are eligible for the Offer in accordance with the provisions of the SEBI ICDR Regulations. The Selling Shareholders has confirmed and approved its participation in the Offer for Sale as set out below:*

S. No.	*Selling Shareholders*	*Number of Equity Shares offered in the Offer for Sale##*	*Date of consent letter*	*Date of board resolutions recording the consent of Selling Shareholder*
1.	*Deepak Kumar Singal*	*2,160,000*	*February 09, 2024*	*March 26, 2024*
2.	*Sunita Singal*	*240,000*	*February 09, 2024*	*March 26, 2024*

\#\# *Subject to finalization Basis of Allotment.*

Notes to Capital Structure

I. Share Capital History of our Company

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

1. **Equity Share Capital**

The history of the Equity Share capital of our Company is set forth in the table below:

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Offer Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
At the time of incorporation	20,000	10	10	Cash	Subscription to MOA[(1)]	20,000	200,000
March 31, 2018	35,860,860	10	10	Other than cash	Preferential Allotment[(2)]	35,880,860	358,808,600

(1) Allotment of 10,000 Equity Shares to Deepak Kumar Singal and 10,000 Equity Shares to Sunita Singal pursuant to subscription of MOA.

(2) Allotment of of 31,895,970 Equity Shares to Deepak Kumar Singal and 3,964,890 Equity Shares to Sunita Singal pursuant to the acquisition of business of M/s Deepak Builders.

2. **Preference Share Capital**

As on the date of this Draft Red Herring Prospectus, our Company does not have any preference share capital.

II. Issue of shares for consideration other than cash or out of revaluation of reserves

Except as set out below, our Company has not issued any Equity Shares for consideration other than cash or out of revaluation of reserves at any time since incorporation.

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Reason for allotment	Benefits accrued to our Company
March 31, 2018	35,860,860	10	10	Allotment pursuant to the acquisition of business of M/s Deepak Builders	N.A.

(1) Allotment of of 3,18,95,970 Equity Shares to Deepak Kumar Singal and 39,64,890 Equity Shares to Sunita Singal pursuant to the acquisition of business of M/s Deepak Builders.

III. Issue of Equity Shares pursuant to schemes of arrangement

Our Company has not allotted any Equity Shares pursuant to a scheme of amalgamation approved under Section 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act, 2013.

IV. Issue or transfer of Equity Shares under employee stock option schemes

The Company does not have any employee stock option schemes under which any equity shares of the Company is granted. Accordingly, no Equity Shares have been issued or transferred by our Company pursuant to the exercise of any employee stock options.

V. Issue of shares at a price lower than the Offer Price in the last year

The Offer Price for the Equity Shares is ₹[●]. For details of the allotments made in the last one year, see "***Capital Structure – Share Capital History of Our Company – Equity Share capital***" on page 94 of this Draft Red Herring Prospectus.

Shareholding Pattern of our Company

The table below presents the equity shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus.

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B + C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class: Equity Shares	Class: Others	Total								
(A)	Promoters and Promoter Group	4	35,880,560	-	-	35,880,560	100	35,880,560	-	35,880,560	100	-	-	-	-	-	-	35,880,560
(B)	Public	3	300	-	-	300	-	300	-	300	-	-	-	-	-	-	-	300
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-
	Total (A+B+C)	**7**	**35,880,860**	**-**	**-**	**35,880,860**	**100**	**35,880,860**	**-**	**35,880,860**	**100**	-	-	-	-	-	-	**35,880,860**

Other details of shareholding of our Company

As on the date of the filing of this Draft Red Herring Prospectus, our Company has 7 Shareholders.

Set forth below are the details of the build-up of our Promoters' shareholding in our Company since incorporation:

Date of allotment/ acquisition/ transfer	Number of Equity Shares allotted/ transferred	Face value per Equity Share (₹)	Issue Price/Consideration per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	% of Pre-Offer capital (₹)*	% of Post-Offer capital (₹)
Deepak Kumar Singal								
At the time of incorporation	10,000	10	10	Cash	Subscription to MOA	10,000	0.03	[●]
February 28, 2018	6,200	10	N.A.	Gift	Transfer of Equity Shares from Sunita Singal	16,200	0.02	[●]
March 31, 2018	31,895,970	10	10	Other than cash	Preferential Allotment	31,912,170	88.89	[●]
March 28, 2022	(6,200)	10	N.A.	Gift	Transfer of Equity Shares to Henna Singal	31,905,970	0.05	[●]
September 4, 2023	400,000	10	N.A.	Gift	Transfer of Equity Shares from Sunita Singal	32,305,970	1.11	[●]
Sub-total (A)	**32,305,970**						**90.04**	**[●]**
Sunita Singal								
At the time of incorporation	10,000	10	10	Cash	Subscription to MoA	10,000	0.03	[●]
February 28, 2018	(6,200)	10	N.A.	Gift	Transfer of Equity Shares to Deepak Kumar Singal	3,800	0.02	[●]
March 31, 2018	3,964,890	10	10	Other than cash	Preferential Allotment	3,968,690	11.05	[●]
March 28, 2022	(3,500)	10	N.A.	Gift	Transfer of Equity Shares to Akash Singal	3,965,190	0.01	[●]
March 28, 2022	(100)	10	18	Cash	Transfer of Equity Shares to Harnam Singh Khosa	3,965,090	Negligible	[●]
March 28, 2022	(100)	10	18	Cash	Transfer of Equity Shares to Ashok Kumar	3,964,990	Negligible	[●]
March 28, 2022	(100)	10	18	Cash	Transfer of Equity Shares to Jaswant Lal Verma	3,964,890	Negligible	[●]
September 4, 2023	(400,000)	10	N.A.	Gift	Transfer of Equity Shares to	3,564,890	1.11	[●]

Date of allotment/ acquisition/ transfer	Number of Equity Shares allotted/ transferred	Face value per Equity Share (₹)	Issue Price/Consideration per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	% of Pre-Offer capital (₹)*	% of Post-Offer capital (₹)
					Deepak Kumar Singal			
Sub-total (B)	**3,564,890**						**9.93**	[●]
Total (A + B)	**35,870,860**						**99.97**	[●]

The figures in the row have been rounded-off to the closest decimal.

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, as on the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%)*
1.	Deepak Kumar Singal	32,305,970	90.04
2.	Sunita Singal	3,564,890	9.93
Total		**35,870,860**	**99.97**

Rounded off to the closest decimal

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, as of 10 days prior to the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%)*
1.	Deepak Kumar Singal	32,305,970	90.04
2.	Sunita Singal	3,564,890	9.93
Total		**35,870,860**	**99.97**

Rounded off to the closest decimal

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, on a fully diluted basis, as of one year prior to the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%)*
1.	Deepak Kumar Singal	31,905,970	88.92
2.	Sunita Singal	3,964,890	11.05
Total		**35,870,860**	**99.97**

Rounded off to the closest decimal

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, on a fully diluted basis, as of two years prior to the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%)*
1.	Deepak Kumar Singal	31,905,970	88.92
2.	Sunita Singal	3,964,890	11.05
Total		**35,870,860**	**99.97**

Rounded off to the closest decimal

The aggregate shareholding of the Promoters and Promoter group

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Pre-Offer Equity Share capital (%)*	Percentage of the Post-Offer Equity Share capital (%)
Promoters				
1.	Deepak Kumar Singal	32,305,970	90.04	[●]
2.	Sunita Singal	3,564,890	9.93	[●]
Promoter Group				
1.	Henna Singal	6,200	0.02	[●]
2.	Akash Singal	3,500	0.01	[●]
Total		**35,880,560**	**100**	[●]

**Rounded off to the closest decimal*

The number of specified securities purchased or sold by the Promoter Group and/ or by the Directors of our Company and their relatives in the preceding six months.

None of the members of our Promoter Group, our Promoters, our Directors, or any of their respective relatives, as applicable, have purchased or sold any securities of our Company during the period of six (6) months immediately preceding the date of this Draft Red Herring Prospectus.

Details of lock-in

Deepak Kumar Singal and Sunita Singal are the Promoters of our Company in terms of the SEBI ICDR Regulations and the Companies Act, 2013. Accordingly, in terms of Regulation 14(1) of the SEBI ICDR Regulations, the said Promoters have complied with the requirement of minimum promoter's contribution in this Offer and in terms of Regulation 16(1)(a) the following Equity Shares are locked in for a period of 18 months pursuant to the Offer.

Name of Promoters	Number of Equity Shares locked-in	Date of allotment of Equity Shares and when made fully paid-up	Nature of transaction	Face Value per Equity Share (₹)	Issue / Acquisition price per Equity Share (₹)	Percentage of the pre-Offer paid-up capital (%)	Percentage of the post-Offer paid-up capital (%)	Date up to which Equity Shares are subject to lock-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	**[●]**				**[●]**	**[●]**	**[●]**	

The shareholding of the Promoters in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of 6 months from the date of Allotment.

Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoter's contribution in terms of Regulation 15 of the SEBI ICDR Regulations.

In this connection, please note that:

The Equity Shares issued for Promoter's contribution do not include (i) Equity Shares acquired in the three immediately preceding years for consideration other than cash and revaluation of assets or capitalisation of intangible assets was involved in such transaction, (ii) Equity Shares resulting from bonus issue by utilisation of revaluation reserves or unrealised profits of our Company or bonus shares issued against Equity Shares, which are otherwise ineligible for computation of minimum Promoter's contribution.

The minimum Promoter's contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being issued to the public in the Offer.

As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters is pledged.

All the Equity Shares held by our Promoters is in dematerialised form.

The Equity Shares held by any person and locked-in for a period of six (6) months from the date of Allotment in the Offer may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with the Takeover Regulations.

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

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.

Except for the allotment of Equity Shares pursuant to the Offer, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.

There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, undersubscription etc., as the case may be.

Our Company, our Directors and the Book Running Lead Manager have no existing buy-back arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

All Equity Shares offered pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. Further, our Promoters have not pledged any of the Equity Shares that they hold in our Company.

As on the date of this Draft Red Herring Prospectus, the Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

There are no outstanding convertible securities, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.

No person connected with the Offer, including, but not limited to, the Book Running Lead Manager, the members of the Syndicate, our Company and Directors shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Investor for making an Application.

There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

Our Company shall ensure that all transactions in securities by the promoter and promoter group between the date of filing of the draft offer document or offer document, as the case may be, and the date of closure of the issue shall be reported to the stock exchange(s), within twenty-four hours of such transactions.

OBJECTS OF THE OFFER

The Offer comprises of the Fresh Issue of upto 12,000,000 Equity Shares, aggregating to ₹[●] million# by our Company and an Offer for Sale of upto 2,400,000 Equity Shares aggregating to ₹[●] million# by the Selling Shareholders.
#Subject to finalisation of Basis of Allotment

Offer for Sale

The proceeds of the Offer for Sale shall be received by the Selling Shareholders. Our Company will not receive any proceeds from the Offer for Sale. Each of the Selling Shareholders will be entitled to the Offer Proceeds, to the extent of the Equity Shares offered by them in the Offer, net of their respective share of the Offer related expenses. For further details of the Offer for Sale, see "***The Offer***" on page 75.

Objects of the Fresh Issue

Our Company proposes to utilize the Net Proceeds from the Fresh Issue towards funding the following objects:
1. Repayment/prepayment, in full or part, of certain borrowings availed by our Company;
2. Funding of working capital requirements of our Company; and
3. General corporate purposes.

(collectively, the "**Objects**")

The main objects and objects incidental and ancillary to the main objects as set out in the Memorandum of Association enables (i) to undertake our existing business activities; (ii) to undertake the activities proposed to be funded from the Net Proceeds and (iii) and to undertake the activities towards which the loans proposed to be repaid from the Net Proceeds were utilised.

In addition, we expect to achieve the benefits of listing of the Equity Shares on the Stock Exchanges, including enhancing our visibility and our brand image among our existing and potential customers and creation of a public market for our Equity Shares in India.

Net Proceeds

The following table sets forth details of the Net Proceeds:

Particulars	Estimated Amount (₹ in million)(2)
Gross Proceeds from the Offer **(A)**	[●]
Less: Offer Related Expenses to be borne by our Company(1) **(B)**	[●]
Net proceeds from the Fresh Issue after deducting the Offer related expenses to be borne by our Company ("**Net Proceeds**") **(A-B)**	**[●]**

*(1) For details with respect to sharing of fees and expenses amongst our Company and the Selling Shareholders, please refer to the heading "**Objects of the Offer - Offer Related Expenses**" at page 113.*
(2) Subject to finalisation of Basis of Allotment

Utilisation of Net Proceeds

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

(₹ in million)

Particulars	Estimated Amount
Repayment/prepayment, in full or part, of certain borrowings availed by our Company	Upto 300.00
Funding of working capital requirements of our Company	Upto 950.00
General corporate purposes*	[●]
Net Proceeds	**[●]**

**To be finalised upon determination of Offer Price and updated in the Prospectus prior to filing with the RoC. The amount to be utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds as set forth in the table below:

(₹ in million)

Particulars	**Amount to be funded from Net Proceeds**	**Estimated amount to be deployed from the Net Proceeds in Fiscal 2025**	**Estimated amount to be deployed from the Net Proceeds in Fiscal 2026**
Repayment/prepayment, in full or part, of certain borrowings availed of by our Company	Upto 300.00	Upto 300.00	NIL
Funding of working capital requirements of the Company	Upto 950.00	Upto 950.00	Nil
General corporate purposes *(1)*	[●]	[●]	[●]
Net Proceeds *(1)*	[●]	[●]	[●]

(1)To be finalised upon determination of Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

The above stated fund requirements, deployment of funds and the intended use of the Net Proceeds as described in this Draft Red Herring Prospectus are based on our current business plan, management estimates, prevailing market conditions and other commercial considerations. However, such fund requirements and deployment of funds have not been appraised by any external agency or any bank or financial institution or any other independent agency. For further information on factors that may affect our internal management estimates, see *"**Risk Factors - Our funding requirements and the deployment of Net Proceeds are based on management estimates and have not been independently appraised. Any variation in the utilisation of Net Proceeds of the Fresh Issue as disclosed in this Draft Red Herring Prospectus shall be subject to compliance requirements, including prior shareholders' approval**"* on page 56. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, our business and growth strategies, our ability to identify and implement inorganic growth initiatives (including investments and acquisitions), competitive landscape, general factors affecting our results of operations, financial condition and access to capital and other external factors such as changes in the business environment or regulatory climate and interest, which may not be within the control of our management. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. See "***Risk Factors – Our funding requirements and the deployment of Net Proceeds are based on management estimates and have not been independently appraised. Any variation in the utilisation of Net Proceeds of the Fresh Issue as disclosed in this Draft Red Herring Prospectus shall be subject to compliance requirements, including prior shareholders' approval*** on page 56.

Our Company proposes to deploy the entire Net Proceeds towards the Objects in the manner as specified and as per the schedule provided in the table above. In the event that the estimated utilization is not completed as per the aforementioned schedule, due to the reasons stated above, such funds shall be utilised in the next Fiscals, as may be determined by our Company, in accordance with applicable law. Depending upon such factors, we may have to reduce or extend the utilisation period for any of the stated Objects beyond the estimated time period, at the discretion of our management, in accordance with applicable law. Further, such factors could also require us to advance the utilisation before the scheduled deployment as disclosed above towards any particular or all Objects. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds. In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by our internal accruals, additional equity and/or debt arrangements, as required. Subject to compliance with applicable laws, if the actual utilisation towards any of the Objects, including issue related expenses is lower than the proposed deployment such balance will be used for funding other existing Objects, if necessary and/or towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations.

DETAILS OF THE OBJECTS OF THE ISSUE

1. Repayment/prepayment, in full or part, of certain borrowings availed of by our Company

Our Company has entered into various financing arrangements with banks and financial institutions, which include term loans, working capital facilities, including fund based and non-fund based borrowings and vehicle & equipment finance. For details of our Company's outstanding financial indebtedness, see '***Financial Indebtedness***' on page 308.

As on February 29, 2024, our Company had sanctioned facilities (fund based and non-fund based) aggregating to ₹6,050.15 million and outstanding facilities aggregating to ₹4,680.32 million from banks and financial institutions. Our Company proposes to utilise an estimated amount of ₹300.00 million from the Net Proceeds towards full or partial repayment or pre-payment of certain borrowings availed by our Company. Given the nature of these borrowings and the terms of repayment or pre-payment, the aggregate outstanding amounts under these borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of their existing borrowings or avail of additional credit facilities. If at the time of the Red Herring Prospectus, any of the below-mentioned loans are repaid in part or full or refinanced or if any additional credit facilities are availed or drawn down or if the limits under the working capital borrowings are increased, then our Company may utilise the Net Proceeds for part or full pre-payment / repayment of any such refinanced facilities or repayment of any additional facilities obtained by our Company and details of such borrowings will be included in the Red Herring Prospectus. However, the aggregate amount to be utilised from the Net Proceeds towards repayment or pre-payment of certain of our borrowings (including refinanced or additional facilities availed, if any), in part or full, would not exceed ₹300.00 million. We believe that such repayment/ pre-payment will help reduce our Company's outstanding indebtedness and debt servicing costs and enable utilisation of our Company's internal accruals for further investment in our Company's business growth and expansion. Additionally, our Company believes that the leverage capacity of our Company will improve its ability to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business.

The selection of borrowings proposed to be repaid/ prepaid out of the borrowings provided below, shall be based on various factors including (i) cost of the borrowings to our Company, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our Company's ability to prepay the borrowings and time taken to fulfil such requirements, (ii) receipt of consents for prepayment or waiver from any conditions attached to such prepayment from our respective lenders, prior to completion of the Offer; (iii) terms and conditions of such consents and waivers, (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any law, rules, regulations governing such borrowings, and (vi) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan.

The following table provides details of certain of the borrowings availed by our Company, which are currently proposed to be fully or partially repaid (earlier or scheduled) or pre-paid from the Net Proceeds*:

Sr. No.	Name of the lender	Nature of loan	Purpose	As on February 29, 2024 (in ₹ million)		Rate of Interest/ Commission	Tenor and repayment schedule	Prepayment terms / penalty	Whether loan is for capital expenditure requirements
				Amount sanctioned	Amount outstanding				
1.	Kotak Mahindra Bank	Business Loan	Working Capital	7.50	4.17	15.00%	August 1, 2025	Lock-in for 12 months and thereafter 5% floor rate (taxes as applicable) on the principal outstanding as on the date of prepayment	No
2.	Kotak Mahindra Bank	Business Loan	Working Capital	10.00	9.30	14.67%	November 10, 2026	No prepayment Charges	No
3.	Aditya Birla Finance Limited	Loan Against Property	Working Capital	175.30	169.32	11.00%	April 15, 2035	3% plus applicable taxes	No
4.	IDFC First Bank Limited	Business Loan	Working Capital	10.00	9.56	15.50%	December 3, 2026	5% of principal outstanding	No
5.	Kisetsu Saison Finance India Private Limited	GECL	Working Capital	5.00	4.44	16.50%	November 3, 2025	Tenor between 12 and 17 months 5% of the outstanding principal amount +GST Tenor between 18 and 24 months 4% of the outstanding principal amount +GST Tenor between 25 and 36 months 3% of the outstanding principal amount +GST	No
6.	Protium Finance Limited	Business Loan	Working Capital	5.00	4.73	17.00%	January 5, 2026	Not allowed in the first 12 months of the loan start date or 6% of the principal outstanding Post 12 months- 5% of principal outstanding	No
7.	Fedbank Financial Services Limited	Business Loan	Working Capital	3.01	2.84	16.00%	June 2, 2026	4% + applicable taxes of outstanding amount	No
8.	Fullerton India Credit Company Limited	Business Loan	Working Capital	7.50	6.96	16.00%	August 5, 2025	Upto 17 EMI 7% of principal loan amount outstanding 18-23 EMI 5% of principal loan amount outstanding 24-35 EMI 3% of principal loan amount	No

Sr. No.	Name of the lender	Nature of loan	Purpose	As on February 29, 2024 (in ₹ million)		Rate of Interest/ Commission	Tenor and repayment schedule	Prepayment terms / penalty	Whether loan is for capital expenditure requirements
				Amount sanctioned	Amount outstanding				
								outstanding No prepayment charges after repayment of 36 EMI	
9.	Tata Capital Limited	Business Loan	Working Capital	7.50	7.17	16.00%	December 3, 2026	2.25% on the principal outstanding at the time of foreclosure Foreclosure will not be levied if the new rate is lower than the existing rate	No
10.	Shri Ram Finance Limited	Business Loan	Working Capital	5.00	4.80	16.50%	December 31, 2027	2.25% on the principal outstanding at the time of foreclosure Foreclosure will not be levied if the new rate is lower than the existing rate No foreclosure will be allowed in first 9 months 6.5% will be charged if foreclosed in first 9 months	No
11.	Moneywise Financial Services Private Limited (SMC Finance)	Business Loan	Working Capital	6.00	5.76	16.50%	December 5, 2026	4% of the loan amount outstanding as on date of pre-payment/ pre-paid amount	No
12.	HDFC Bank Limited	Business Loan	Working Capital	80.00	57.14	10.33%	May 31, 2025	4% of the total credit facility amount	No
13.	HDFC Bank Limited	Business Loan	Working Capital	120.00	120.00	10.33%	June 13, 2025	4% of the total credit facility amount	No
14.	HDFC Bank Limited	Business Loan	Working Capital	120.00	120.00	10.33%	November 30, 2025	4% of the total credit facility amount	No

Note: In accordance with paragraph 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, our Statutory Auditors by way of their certificate dated April 9, 2024, have confirmed that our Company has utilised the loans for the purposes for which they were availed.

**Includes interest amount, wherever applicable*

For the purposes of the Offer, our Company has obtained the necessary consent from our lenders as is required under the relevant facility documents for undertaking activities in relation to the Offer, including any consequent actions.

Given the nature of these borrowings and the terms of prepayment, the aggregate outstanding amounts may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to Allotment. In light of the above, post filing of this Draft Red Herring Prospectus, any of the abovementioned loans or facilities may be repaid, in part or full, or refinanced.

Further, we may be subject to the levy of pre-payment penalties or premiums, depending on the facility being repaid/prepaid, the conditions specified in the relevant documents governing such credit facility and the amount outstanding/being pre-paid/repaid, as applicable. In the event that there are any prepayment penalties required to be paid under the terms of the relevant financing arrangements, the amount of such prepayment penalties shall be paid by us out of our internal accruals. We will take such provisions also into consideration while deciding repayment and/ or pre-payment of loans from the Net Proceeds. In addition to the above, we may, from time to time, enter into further financing arrangements and draw down funds thereunder. In such cases or in case any of the above loans are prepaid, repaid, redeemed (earlier or scheduled), refinanced or further drawn down prior to the completion of the Offer, we may utilise Net Proceeds towards prepayment, repayment or redemption (earlier or scheduled), including any recoupment and / or of such additional indebtedness availed by us.

2. Funding working capital requirements of our Company

Our Company proposes to utilise up to ₹950.00 million from the Net Proceeds towards funding its working capital requirements in Fiscal 2025. We have significant working capital requirements, and we fund our working capital requirements in the ordinary course of business from our internal accruals/equity and financing facilities from various banks, financial institutions, non-banking financial companies and related parties. Our Company requires working capital for funding its present and future growth requirements. For details of the working capital facilities availed by us, see "***Financial Indebtedness***" on page 308.

Basis of estimation of working capital requirement

We propose to utilize up to ₹950.00 million from the Net Proceeds to fund the working capital requirements of our Company in the Fiscal 2025. The balance portion of our working capital requirement will be arranged from existing equity, internal accruals, borrowings from banks, financial institutions, non-banking financial companies and related parties.

The details of our Company's working capital as at the seven months period ended October 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021, and the source of funding, derived from the financial statement of our Company, as certified by our Statutory Auditors, Parmod G Gupta & Associates, Chartered Accountants, through their certificate dated April 9, 2024 are provided in the table below:

(₹ in million)

Particulars*	As at seven months period ended October 31, 2023	As on March 31, 2023	As on March 31, 2022	As on March 31, 2021
Current assets				
Trade receivables	684.37	975.08	958.00	1,077.35
Inventories	2,070.10	1,700.00	691.12	246.25
Other Current Assets including other financial assets (excluding cash and cash equivalents)	445.37	332.59	367.66	218.60
Other Financial assets				
- Fixed deposit towards Bank Guarantee Fixed deposit towards Bank Guarantee & Retention amount**	569.52	516.38	316.40	215.70

Particulars*	As at seven months period ended October 31, 2023	As on March 31, 2023	As on March 31, 2022	As on March 31, 2021
- Earnest Money Deposit	78.28	83.59	80.71	76.16
Other Non-Current Assets (Retention Amount)	343.51	262.70	219.91	35.41
Total Current Assets (A)	**4,191.15**	**3,870.34**	**2,633.8**	**1,869.47**
Current liabilities				
Trade payables	1,132.12	1,172.37	823.54	641.39
Other financial liabilities, other current liabilities, Provisions and income tax liabilities (excluding current lease liabilities)	304.75	272.56	299.36	52.75
Other Non-Current Liabilities (Mobilisation advance)**	792.14	1,031.34	395.91	328.61
Total Current Liabilities (B)	**2,229.01**	**2,476.27**	**1,518.81**	**1,022.75**
Net working capital (A – B)	**1,962.14**	**1,394.07**	**1,114.99**	**846.72**
Sources of funds				
Borrowings	1,216.18	830.98	682.12	479.92
Internal accruals / Equity	745.96	563.09	432.87	366.80
Total Means of Finance	**1,962.14**	**1,394.07**	**1,114.99**	**846.72**

***Non-current assets being margin money and retention amount is considered as current assets and mobilisation advance is considered as current liabilities for the purpose of determining working capital requirements*

Expected working capital requirements

In addition to the receivables, inventories and payables, we are required to provide 3% to 5% of the project tender amount as performance bank guarantee and upto 5% to 6% of project tender amount as retention money / security deposit till the project is completed. Further the performance bank guarantee is to be continued till the period of on an average 12 months from the date of completion of the respective project as per the defect liability period clause. Further to obtain Bank Guarantee, the Company maintains fixed deposits ranging between 10% and 25% of the guarantee amount as Margin Money. As on October 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 amount outstanding towards retention amount, earnest money deposit and bank deposit towards margin money as stated herein under:

(₹ in million)

Particulars	As at and for the seven months period ended October 31, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount	% of Order Book	Amount	% of Order Book	Amount	% of Order Book	Amount	% of Order Book
Earnest Money Deposit	78.28	0.58%	83.59	0.50%	80.71	1.12%	76.16	1.40%
Inventories	2,070.10	15.24%	1,700.00	10,25%	69.12	9.60%	246.25	4.52%
Bank deposit for margin money	569.52	4.19%	516.38	3.11%	316.40	4.40%	215.70	3.96%
Retention amount	342.89	2.52%	263.36	1.59%	220.46	3.06%	35.41	0.65%
Retention Money - Credit Impaired	8.63	0.06%	6.66	0.04%	5.75	0.08%	-	0.00%
(-) Allowances for Expected Credit Loss	(8.01)	-0.06%	(7.32)	-0.04%	(6.30)	-0.09%	-	0.00%
(-) mobilisation advance	(792.14)	-5.82%	(1,031.34)	-6.22%	(395.91)	-5.50%	(328.61)	-6.04%

Particulars	As at and for the seven months period ended October 31, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount	% of Order Book	Amount	% of Order Book	Amount	% of Order Book	Amount	% of Order Book
Amount held towards project	2,269.27	16.68%	1,531.33	9.24%	912.23	12.68%	244.91	4.50%
Outstanding Bank Guarantee	2,429.75	17.86%	2,749.09	16.58%	1,375.80	19.12%	1,265.70	23.25%
Order Book	₹13,607.09	100.00%	₹16,578.79	100.00%	₹7,196.32	100.00%	₹5,443.40	100.00%

Key parameters determining the working capital requirements such as growth in revenue, % of net working capital to revenue are as under:

(₹ in million)

Particulars	As at and for the seven months period ended October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Revenue from Operations	2,494.49	4,334.55	3,630.52	3,107.55
Net working capital	1,962.14	1,394.07	1,114.99	846.72
Percentage of Net working capital to Revenue	78.66%	32.16%	30.71%	27.25%
Growth in revenue from operations	-	19.39%	16.83%	-

** As certified by by our Statutory Auditor - Parmod G Gupta & Associates, Chartered Accountants by way of their certificate dated April 9, 2024.*

Hence, we have significant working capital requirement in the nature of trade receivables, inventory of raw material and finished goods, FDRs against bank guarantees, earnest money deposit, retention money etc. which we fund in the ordinary course of business from our internal accruals/equity and financing facilities from various banks, financial institutions and related parties. The higher working capital requirement of 78.66% for the seven months period ended October 31, 2023 would get normalised by year end.

Based on the contracted projects in hand and expected schedule of completion of projects, the Company will require approximately ₹3,391.55 million to meet the working capital requirement for Fiscal 2025. The working capital requirement will be met through the Bank Borrowing, Owned Funds and the Net Proceeds of the Issue. Accordingly, on the basis of the existing and estimated working capital requirement of our Company and assumptions for such working capital requirements, our Board pursuant to its resolution dated March 26, 2024, has approved the estimated working capital requirements as set forth below:

(₹ in million)

Particulars*	Fiscal 2025 (Projected)	Fiscal 2024 (Estimated)	As on March 31, 2023
Current assets			
Trade receivables	1.543.03	1,117.10	975.08
Inventories	2.465.75	1,679.43	1,700.00
Other Current Assets including other financial assets (excluding cash and cash equivalents)	616.44	419.86	332.59
Other Financial assets			
- Fixed deposit towards Bank	829.91	595.06	516.38

Particulars*	Fiscal 2025 (Projected)	Fiscal 2024 (Estimated)	As on March 31, 2023
Guarantee & Retention amount**			
- Earnest Money Deposit	173.00	100.00	83.59
Other Non-Current Assets (Retention Amount)	913.92	598.92	262.70
Total Current Assets (A)	**6,541.66**	**4,510.38**	**3,870.34**
Current liabilities			
Trade payables	1,849.32	1,259.58	1,172.37
Other financial liabilities, other current liabilities, Provisions and income tax liabilities (excluding current lease liabilities)	410.96	279.91	272.56
Other Non-Current Liabilities (Mobilisation advance)**	889.83	692.14	1,031.34
Total Current Liabilities (B)	**3,150.10**	**2,231.62**	**2,476.27**
Net working capital (A – B)	**3,391.55**	**2,278.76**	**1,394.07**
Sources of funds			
Borrowings	1,150.00	1,450.00	830.98
Internal accruals / Equity	1,291.55	828.76	563.09
IPO Proceeds	950.00	-	-
Total Means of Finance	**3,391.55**	**2,278.76**	**1,394.07**

[*]As certified by by our Statutory Auditor - Parmod G Gupta & Associates, Chartered Accountants by way of their certificate dated April 9, 2024, have compiled and confirmed the working capital estimates and working capital projections.
[**]Non-current assets being margin money and retention amount is considered as current assets for the purpose of determining working capital requirements.

The table below sets forth the details of holding levels (in days) for the seven months period ended October 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 as well as the estimated holding levels (in days) for Fiscals 2024 and Fiscal 2025:

Days	Fiscal 2025 (Projected)	Fiscal 2024 (Estimated)	October 31, 2023 (Actual)	Fiscal 2023 (Actual)	Fiscal 2022 (Actual)	Fiscal 2021* (Actual)
Trade receivables	75	80	59	82	96	126
Inventories	120	120	178	143	69	29
Other Current Assets including other financial assets	30	30	38	28	37	26

Days	Fiscal 2025 (Projected)	Fiscal 2024 (Estimated)	October 31, 2023 (Actual)	Fiscal 2023 (Actual)	Fiscal 2022 (Actual)	Fiscal 2021* (Actual)
(excluding cash and cash equivalents)						
Fixed deposit towards Bank Guarantee & Retention amount	40	43	49	43	32	25
Earnest Money Deposit	8	7	7	7	8	9
Other Non-Current Assets (Retention Amount)	44	43	29	22	22	4
Trade payables	90	90	97	99	83	75
Other financial liabilities, other current liabilities, Provisions and income tax liabilities (excluding current lease liabilities)	20	20	26	23	30	6
Other Non-Current Liabilities (Mobilisation advance)	43	49	68	87	40	39

The above details of holding levels as well as projections have been certified by our Statutory Auditor - Parmod G Gupta & Associates, Chartered Accountants, pursuant to their certificate dated April 9, 2024.

Notes:

1. *Holding period (in days) is calculated as respective current asset or current liability divided by revenue from operations multiplied by number of days (see note 2 below). Estimated holding days for Fiscal 2024 and 2025 have been rounded to the nearest number.*
2. *The holding period has been computed over three hundred sixty-five (365) days for each fiscal year and two hundred and fourteen (214) days for the seven months period ended October 31, 2023.*

Key assumptions for working capital projections made by our Company

The table below sets forth the key assumptions for our working capital projections:

Particulars	Justification
Inventories	Inventory comprises majorly of construction work in progress and construction materials such as steel, cement, sand, aggregator, etc. Inventory level during a year depends on the project under execution and the likely date for completion of the project. Our Company had maintained inventory holding period of 29 days in Fiscal 2021, 69 days in Fiscal 2022, 143 days in Fiscal 2023 and 178 days in October 31, 2023. The inventory level has witnessed an

Particulars	Justification
	increase over the disclosed financial period primarily due to being awarded new projects and the level of work on existing projects. For instance, the Order Book increased from ₹5,443.40 million in Fiscal 2021 to ₹16,578.79 million in Fiscal 2023. In view of the Order Book of ₹12,115.68 million as of February 29, 2024, the estimated time to complete these projects and new project win, we have considered the inventory level to be maintained around 120 days for Fiscal 2024 and Fiscal 2025.
Trade receivables	The holding levels of trade receivables were at 126 days in Fiscal 2021, 96 days in Fiscal 2022, 82 days in Fiscal 2023 and 59 days in October 31, 2023. Trade receivables represents receivable from clients primarily being government, semi-government and government-controlled entities. Our trade receivable days from these clients is around 105 days in Fiscal 2021, 75 days in Fiscal 2022, 65 days in Fiscal 2023 and 41 days in October 31, 2023. Further, trade receivables also include receivables from the proprietorship firm of one of our Promoter, Deepak Kumar Singal of ₹207.41 million, ₹207.41 million, ₹207.40 million and ₹181.61 million for the seven months period ended October 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively. In case of EPC projects invoicing is done based on percentage of work completed and in case of item-rate based / percentage-based projects invoice is done based on the material supplied. On an average we realise our invoice within a period of 30 to 60 days subject to the stage of the project, the payment cycle followed by our clients, acceptance of escalation claims, budgetary allocation available, etc. Additionally, the terms of the contract for some of the projects awarded to us stipulates the timeline within which payment shall be disbursed by our client from the date of acceptance of our invoice. Accordingly, we have estimated that our receivable days will be around 80 days for Fiscal 2024 and 75 days in Fiscal 2025.
Other Current Assets including other financial assets (excluding cash and cash equivalents)	Other current assets mainly comprise of GST receivables, advance to vendors, sub-contractors, employees, etc. Other Current Assets days is around 26 days in Fiscal 2021, 37 days in Fiscal 2022, 28 days in Fiscal 2023 and 38 days in October 31, 2023. We expect the holding level to stay around 30 days for Fiscal 2024 and Fiscal 2025
Fixed deposit towards Bank Guarantee & Retention amount	As our Company is engaged in construction and infrastructure development projects, our Company is required to provide bank guarantees such as performance bank guarantee, guarantee towards mobilisation accounts, etc. As per the terms of the sanction letter our Company is required to maintain margin money in the form of bank fixed deposit. The margin requirement is around 10% to 25% of the guarantee amount which is is based on the limit utilized and the issuing bank. Our fixed deposit requirements to our revenue from operations in number of days is around 25 days in Fiscal 2021, 32 days in Fiscal

Particulars	Justification
	2022, 43 days in Fiscal 2023 and 49 days in October 31, 2023. The margin requirement increases with increase in number of projects awarded to us and the revenue we book during the accounting period from our construction activities. Based on the value of projects in hand and time to complete the projects, our bank FDR to revenue from operation in days will be around 43 days in Fiscal 2024 and 40 days in Fiscal 2025.
Earnest Money Deposit (EMD)	EMD represent the deposit that is made by bidders while participating in a tender. The EMD amount is refunded once the outcome of the tender is declared, unless forfeited by the tendering party. The EMD is in the range of 2% of the contract value.
Retention amount in days	Retention money is the amount withheld by the client from the payment made to contractor as security for their performance. The retention money is refunded after the completion of the project or held as security deposit till the end of the defect liability period. The retention amount is around 5% of the invoice raised. Our Company had maintained holding level of retention amount at 4 days in Fiscal 2021, 22 days in Fiscal 2022, 22 days in Fiscal 2023 and 29 days in October 31, 2023. We have estimated retention amount days to be maintained around 43 days and 44 days for Fiscal 2024 and Fiscal 2025, respectively.
Trade payables	Our Company had maintained holding level of trade payables at 75 days in Fiscal 2021, 83 days in Fiscal 2022, 99 days in Fiscal 2023 and 97 days in October 31, 2023. Our trade payables mainly comprise of suppliers of raw materials such as steel, cement, sand, fixtures, payables to sub-contractors, etc. We would maintain our trade payable days around the historical level of 90 days for Fiscal 2024 and at 90 days for Fiscal 2025.
Other financial liabilities, other current liabilities, Provisions and income tax liabilities (excluding current lease liabilities)	It includes payables to employees, statutory liabilities, advances from customers, provision for warranty, provision for gratuity, and current tax liabilities. Our Company had maintained holding level of other financial liabilities, other current liabilities, current tax liabilities (net) and provisions (excluding current lease liabilities) at 6 days in Fiscal 2021, 30 days in Fiscal 2022, 23 days in Fiscal 2023 and 26 days in October 31, 2023. We would maintain the holding level around 20 days for Fiscal 2024 and Fiscal 2025.
Mobilisation Advance	Mobilisation Advance are the initial payment made to the contractor against mobilization of equipment and resources as per the terms of the contract. Mobilisation Advance received by us stood at 39 days in Fiscal 2021, 40 days in Fiscal 2022, 87 days in Fiscal 2023 and 68 days in October 31, 2023. Further, our Company has raised bank finance against projects, we believe that this would rationalize mobilization advance with competitive bank loans, we believe that this would maintain the holding level around 49 days for Fiscal 2024 and 43 days for Fiscal 2025.

Justification for working capital requirements:

We expect that our working capital requirement will increase in line with the increase in our revenue from operations and would be around the current percentage of our net working capital to our revenue from operations.

Accordingly, while the net working capital has increased in absolute terms corresponding to the increase in the revenue from operations of our Company, the working capital as days such as inventory days, trade receivable days, fixed deposits towards bank guarantee in days, other current assets in days and trade payable in days is line with the historical trends.

3. General Corporate Purposes

Our Company proposes to deploy the balance of the Net Proceeds aggregating ₹ [●] million towards general corporate purposes and subject to such utilization not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which we propose to utilise the Net Proceeds include expenses towards strategic initiatives, funding growth opportunities, strengthening marketing capabilities and brand building exercises, general corporate contingencies, acquisition of fixed assets, capital expenditure, business development initiatives and as approved periodically by our Board or a duly constituted committee thereof from to time, subject to compliance with applicable law, including the necessary provisions of the Companies Act.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board based on the permissible amount actually available under the head 'General Corporate Purposes' and the business requirements of our Company, from time to time. Our Company's management, in accordance with the policies of our Board, shall have flexibility in utilising surplus amounts, if any. In the event our Company is unable to utilise the entire amount that is currently estimated for use out of Net Proceeds in a Fiscal, our Company will utilise such unutilised amount in the next Fiscal.

Bridge Financing

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Means of Finance

The entire requirements of the objects detailed above are intended to be funded from the Net Proceeds and internal accruals. Accordingly, we confirm that there is no need for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue under Regulation 7(1)(e) of the SEBI ICDR Regulations and Paragraph 9(C)(1) of Part A of Schedule VI of the SEBI ICDR Regulations. Subject to applicable laws, in case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals and/or seeking additional debt from existing and/or other lender.

Offer Related Expenses

The total expenses of the Offer are estimated to be approximately ₹[●] million. The expenses of this Offer include, among others, underwriting and management fees, printing and distribution expense, advertisement expenses, legal fees and listing fees. The estimated Offer expenses are as under:

Expenses*	Estimated expense* (₹ in million)	As a % of the total estimated Offer expenses	As a % of the total Offer Size
Fees payable to the BRLM	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Bank(s) and Bankers to the Offer and fee payable to the Sponsor Bank for Bids made by RIBs. Brokerage, underwriting commission and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, CRTAs and	[●]	[●]	[●]

Expenses*	Estimated expense* (₹ in million)	As a % of the total estimated Offer expenses	As a % of the total Offer Size
CDP(1)(2)(3)(4)			
Advertising and marketing expenses	[●]	[●]	[●]
Fee payable to auditors, consultants, Advisors to the Company and market research firms, commissions (including underwriting commission, brokerage and selling commission).	[●]	[●]	[●]
Fees to regulators, including Stock Exchanges	[●]	[●]	[●]
Others (i) Listing fees, SEBI, BSE and NSE processing fees, book building software fees and other regulatory expenses; (ii) Printing and distribution of stationery; (iii) Fees payable to the Registrar to the Offer; (iv) Fees payable to legal counsels; (v) Monitoring Agency; and (vi) Miscellaneous.	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

**Offer expenses excludes applicable taxes, where applicable. Offer expenses will be incorporated at the time of filing of the Prospectus. Offer expenses are estimates and are subject to change*

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

*Portion for Retail Individual Bidders**	*[●] % 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.*

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

No processing fees/uploading charges shall be payable by our Company to the SCSBs on the applications directly procured by them.

SCSBs will be entitled to a processing fee for processing the ASBA Form procured by the members of the Syndicate (including their sub-syndicate members), CRTAs or CDPs from Retail Individual Investors and Non-Institutional Bidders and submitted to the SCSBs for blocking as follows:

*Portion for Retail Individual Bidders**	*₹[●] per valid ASBA Forms (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹[●] per valid ASBA Forms (plus applicable taxes)*

**Based on valid ASBA Forms*

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

(2) The processing fees for applications made by UPI Bidders using the UPI Mechanism would be as follows: Sponsor Bank will be entitled to processing fee of ₹[●] per valid ASBA Form for Bids made by RIIs using the UPI Mechanism. The Sponsor Bank shall be responsible for making payments to third parties such as the remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, amendments, the Syndicate Agreement and other applicable laws.

- Members of the Syndicate / RTAs / CDPs (uploading charges): ₹[●] per valid Bid cum Application Form (plus applicable taxes)

Notwithstanding anything contained above, the total Bid uploading charges/processing fees for applications made by RIIs (up to ₹200,000), Non-Institutional Bidders (for an amount more than (from ₹200,000 to ₹500,000) using the UPI Mechanism would not exceed ₹[●] million (plus applicable taxes), and if the total Bid uploading charges/processing fees exceeds ₹1.00 million (plus applicable taxes), then Bid uploading charges/processing fees using UPI Mechanism will be paid on a pro-rata basis except the fee payable to Sponsor Banks (plus applicable taxes).

(3) Brokerage, selling commission on the portion for UPI Bidders (using the UPI Mechanism), RIIs and NIIs which are procured by the members of the Syndicate (including their sub-syndicate members), CRTAs, CDPs, RTAs or for using 3-in1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their sub-syndicate members) would be as follows:

*Portion for Retail 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 Syndicate/ sub-syndicate members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / sub-syndicate member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate/ sub-syndicate member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate/ sub-syndicate member.

For Non-Institutional Bidders (Bids above ₹500,000) on the basis of the Syndicate ASBA Form bearing SM Code and the Sub-Syndicate code of the application form submitted to SCSBs for blocking of the fund and uploading on the Stock Exchanges' platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number/series of a Syndicate / sub-Syndicate Member, is bid by an SCSB, the selling commission will be payable to the Syndicate/sub-Syndicate Members and not the SCSB

The payment of selling commission payable to the sub-brokers / agents of sub-syndicate members are to be handled directly by the respective sub-syndicate member.

The selling commission payable to 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.

Uploading charges/ processing charges of ₹[●]/- per valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, CRTAs and CDPs:

- *for applications made by Retail Individual Investors using the UPI Mechanism Uploading Charges/ Processing Charges of ₹[●]/- per valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, CRTAs and CDPs:*
- *for applications made by Retail Individual Investors using 3-in-1 type accounts*
- *for Non-Institutional Investor Bids using Syndicate ASBA mechanism / using 3- in -1 type accounts, The Bidding/uploading charges payable to the Syndicate/Sub-Syndicate Members, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE Notwithstanding anything contained above, the total processing fee payable under this clause will not exceed ₹500,000 (plus applicable taxes), and if the total processing fees exceeds ₹[●] million (plus applicable taxes), then processing fees will be paid on a pro-rata basis.*

(4) *Selling commission/Bid uploading charges payable to the registered brokers on the portion for Retail Individual Investors and Non-Institutional Investors which are directly procured by the Registered Brokers and submitted to SCSB for processing would be as follows: Portion for Retail Individual Investors and Non-Institutional Investors: ₹[●]/- per valid ASBA Form (plus applicable taxes) based on valid applications.*

For avoidance of doubt, notwithstanding anything mentioned in any of the aforementioned clauses, the total cost to the Company shall not exceeds ₹4.00 million (plus applicable taxes) for uploading and/or processing of the Bids. If the total cost to the Company exceeds ₹4.00 million, then the amount of ₹[●] million (plus applicable taxes) shall be distributed on a pro-rata basis in the manner stipulated above, so that the total cost of the Company shall not exceed ₹[●] million (plus applicable taxes).

The processing fees for applications made by the UPI Bidders 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 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable).

Interim Use of Funds

Our Company, in accordance with the policies established by the Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Offer Proceeds for the Objects of the Offer described above, our Company shall deposit the funds only with one or more Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilisation of the proceeds of the Offer as described above, it shall not use the funds from the Offer Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

Appraising agency

None of the objects of the Offer for which the Net Proceeds will be utilized have been appraised by any bank, financial institution, or any other agency.

Monitoring of utilization of funds

In accordance with Regulation 41 of the SEBI ICDR Regulations, our Company will appoint a monitoring agency for monitoring the utilisation of Gross Proceeds prior to filing of the Red Herring Prospectus with the RoC, as the proposed Offer exceeds ₹1,000 million.

Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose the utilization of the Gross Proceeds, including interim use under a separate head in its balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and other applicable laws or regulations, clearly specifying the purposes for which the Gross Proceeds have been utilized. Our Company will disclose and continue to disclose details of all monies utilized out of the Offer till the time any part of the Gross Proceeds remains unutilized, under an appropriate head in the balance sheet of our Company. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Gross Proceeds that have not been utilized, if any, of such currently unutilized Gross Proceeds. 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 this Draft Red Herring Prospectus and place it before the Audit Committee and also 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 statement shall be certified by the statutory auditor of our Company. 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 Offer from the objects of the Offer as stated above; and (ii) details of category wise variations in the actual utilization of the proceeds of the Offer from the objects of the Offer as stated above.

Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the Objects of the Offer without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "**Postal Ballot Notice**") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to 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

No part of the proceeds of the Offer will be paid by us to the Promoters and Promoter Group, the Directors, Associates, Key Management Personnel, Senior Management Personnel or Group Companies, except in the normal course of business and in compliance with the applicable law. There are no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with our Promoters, Promoter Group, Directors, Key Managerial Personnel and/or Senior Management Personnel.

BASIS FOR THE OFFER PRICE

The Price Band and the Offer Price will be determined by our Company in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of quantitative and qualitative factors as described below, in compliance with the SEBI ICDR Regulations. The face value of the Equity Shares is ₹10 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Investors should also refer to the **"*Risk Factors*", "*Summary Financial Statements*", "*Our Business*", "*Restated Financial Statement*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*"** on pages , 36, 71, 200, 262 and 310, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are:
1) Established presence and proven track record;
2) Decent order book with a government client base;
3) Continuous Focus on equipment ownership;
4) Strong financial performance; and
5) Experienced Promoters and Strong Senior Management Expertise.

For details, see "***Our Business – Our Strengths***" on page 207.

Quantitative Factors

Some of the information presented below, relating to us, is derived from the Restated Financial Statement. For details, see "***Restated Financial Statement***" **and** "***Other Financial Information***" on pages 262 and 306, respectively.

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

1. Basic and Diluted Earnings Per Share ("EPS"):

Year / Period ended	Basic EPS and Diluted EPS** (Pre-Bonus)	Weights
March 31, 2023	5.96	3
March 31, 2022	4.92	2
March 31, 2021	3.60	1
Weighted Average	**5.22**	
For seven months period ended October 31, 2023*	5.75	NA

**Not annualized*

Notes:

(1) Earnings per Equity Share (Basic & Diluted) = Restated profit for the period/year attributable to the Equity Shareholders /number of Equity Shares outstanding during the period/year.

(2) Earnings per share calculations are in accordance with Ind AS - 33 (earnings per share) prescribed by the Companies (Indian Accounting Standards) Rules, 2015

(3) The above statement should be read with significant accounting policies and notes on Restated Financial Statement as appearing in the Restated Financial Statement.

(4) The face value of the Equity Shares is ₹10 each.

(5) The figures disclosed above are derived from the Restated Financial Statement.

2. **Price/Earning ("P/E") ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:**

Particulars	P/E at the Floor Price (no. of times)	P/E at the Cap Price (no. of times)
Based on basic and diluted EPS for the year ended March 31, 2023	[●]	[●]

Industry P/E ratio

Particulars	Industry P/E (no. of times)	Name of the peer company	Face value per equity shares (₹)
Highest	45.06	ITD Cementation Limited	1
Lowest	19.70	PSP Projects Limited	10
Average	32.48	NA	NA

Note: *The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average of P/E for industry peer set disclosed in this section. All the financial information for listed industry peers mentioned above is sourced from the audited financial statements of the relevant companies for Fiscal 2023, as available on website of stock exchanges.*

3. **Return on Net worth (RoNW)**

Return on Net Worth (RoNW) derived from the Restated Financial Statement:

Year Ended	RONW (%)	Weight
March 31, 2023	26.80	3
March 31, 2022	28.40	2
March 31, 2021	26.22	1
Weighted Average	**27.24**	
For seven months period ended October 31, 2023*	20.53	NA

**Not annualised*

Note:

(1) Net worth attributable to the Equity Shareholders of our Company has been defined as the average aggregate value of the paid-up equity share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, including legal reserve and after deducting, if any the aggregate value of the accumulated losses, prepaid expenses, deferred expenditure and miscellaneous expenditure not written off as per the Restated Financial Statement, but does not include reserves created out of revaluation of assets and write-back of depreciation as on March 31, 2021, March 31, 2022, March 31, 2023 and seven months period ended October 31, 2023 in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations, as amended.

(2) Return on Net worth attributable to the Equity Shareholders of our Company (%) = Restated net profit for the period/year attributable to Equity Shareholders of our Company / Restated Average Net worth attributable to the Equity Shareholders of our Company as at the end of the period/year. Return on Net worth attributable to the Equity Shareholders of the company is a non-GAAP measure.

(3) Weighted average = Aggregate of year-wise weighted Return on Net worth attributable to the Equity Shareholders of our Company divided by the aggregate of weights i.e. (Return on Net worth attributable to the Equity Shareholders of our Company x Weight) for each period/year / Total of weights

(4) The figures disclosed above are derived from the Restated Financial Statement of our Company

4. **Net Asset Value per Equity Share of face value of ₹10 each, as adjusted (NAV)(i)**

Particulars	(₹)
As on March 31, 2023	24.90
As on March 31, 2022	19.60
As on March 31, 2021	15.06
As on October 31, 2023	31.11
After the Offer (ii)	
-At Floor Price	[●]
-At Cap Price	[●]
Offer Price per equity share	[●]

Notes:

(i) *Net Asset Value per Equity Share is calculated as net worth attributable to the Equity Shareholders of our Company as at the end of financial period/year divided by the number of Equity Shares used in calculating basic earnings per share. "Net Worth attributable to the Equity Shareholders of our Company" means the aggregate value of the paid-up equity share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, including legal reserve and after deducting, if any the aggregate value of the accumulated losses, prepaid expenses, deferred expenditure and miscellaneous expenditure not written off as per the Restated Financial Statement, but does not include reserves created out of revaluation of assets and write-back of depreciation as on March 31, 2021, March 31, 2022, March 31, 2023 and seven months period ended October 31, 2023 in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations, as amended. It also excludes OCI, NCI and deeply subordinate debt.*

(ii) *To be decided upon finalisation of Offer Price per Equity Share*

5. Comparison of accounting ratios with listed industry peers

Following is the comparison with our peer group companies listed in India:

Companies (As on March 31, 2023)	CMP*	EPS (Basic in ₹)	EPS (Diluted in ₹)	PE Ratio	RONW (%)	NAV (Per Share)	Face Value
Deepak Builders & Engineers India Limited(ii),(iv)(vi)	[●]	5.96	5.96	[●]	26.80%	24.90	10.00
Peer Group							
IRCON International Limited	230.05	8.26	8.26	27.85	15.85%	55.06	2.00
Ahluwalia Contracts (India) Limited	1,080.10	28.98	28.98	37.31	17.13%	183.59	2.00
PSP Projects Limited	727.85	36.95	36.95	19.70	17.92%	222.17	10
ITD Cementation Limited	325.75	7.23	7.23	45.06	10.50%	72.04	1

**Offer Price of our Company is considered as CMP*

Source: All the financial information for listed industry peers mentioned above is on a standalone basis and is sourced from the filings made with stock exchanges, available on www.bseindia.com for the Fiscal 2023.

Notes:

(i) *Considering the nature and size of the business of our Company the peers are not strictly comparable. However, above company is included for broad comparison.*

(ii) *The figures for Deepak Builders & Engineers India Limited are based on the restated financial statements for the year ended March 31, 2023.*

(iii) *The figures for the peer group are for the year ended March 31, 2023 and are based on their respective financial statements filed with BSE Ltd.*

(iv) *NAV is computed as the closing net worth divided by the closing outstanding number of equity shares. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserves) and as attributable to the owners of the Company.*

(v) *P/E Ratio for the peer has been computed based on the closing market price of respective equity shares as on April 9, 2024 sourced from website of Stock Exchange as divided by the Basic/diluted EPS as applicable.*

(vi) *RoNW is computed as net profit after tax (excluding comprehensive income), as attributable to the owners of the Company divided by closing net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserves) and as attributable to the owners of the Company.*

For further details, please see "***Risk Factors***" on page 36 and the financials of the Company including important profitability and return ratios, as set out in the chapter titled "***Restated Financial Statements***" on page 262 to have more informed view about the investment proposition. The Face Value is ₹10.00/- per Equity Share and the Offer Price ₹[●]/- has been determined by the Company in consultation with the BRLM and is justified by the company in consultation with the BRLM on the basis of above information.

6. Key Performing Indicators

The table below sets forth the details of the KPIs that our Company considers have a bearing for arriving at the basis for Offer Price. These KPIs have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals segments in comparison to our peers. The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational key financial and operational metrics, to make an assessment of our Company's performance in various business verticals and make an informed decision.

The KPIs disclosed below have been approved and confirmed by a resolution of our Audit Committee dated April 9, 2024. Further, the members of our Audit Committee have verified the details of all KPIs pertaining to the Company and 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 prior to the date of filing of this Red Herring Prospectus. Further, the KPIs disclosed herein have been certified by our Statutory Auditors, by their certificate dated April 9, 2024, which has been included as part of the "***Material Contracts and Documents for Inspections***" on page 445. For details of other business and operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 200 and 310, respectively.

Details of our KPIs for the seven months period ended October 31, 2023 and Fiscal 2023, Fiscal 2022 and Fiscal 2021 is set out below:

(₹ in millions, other than ratios)

Metrics	For the seven months period ended October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Financial				
Revenue from operations(1)	2,494.49	4,334.55	3,630.52	3,107.55
Growth in revenue from operations (%)(2)	NA	19.39%	16.83%	NA
Gross Profit(3)	703.63	772.42	642.55	581.90
Gross Profit Margin(%)(4)	28.21%	17.82%	17.70%	18.73%
EBITDA(5)	493.91	528.93	438.71	351.94
EBITDA Margin(%)(6)	19.80%	12.20%	12.08%	11.33%
Adjusted EBITDA(7)	472.45	508.88	419.36	339.11
Adjusted EBITDA Margin(%)(8)	18.94%	11.74%	11.55%	10.91%
Restated Profit after tax (PAT)(9)	206.28	213.95	176.64	129.28
PAT Margin(10)	8.27%	4.94%	4.87%	4.16%
RoE(%)(11)	18.17%	23.06%	24.72%	23.92%
RoCE(%)(12)	18.89%	26.10%	27.26%	27.12%
Net Debt / EBITDA Ratio(13)	2.83	1.77	1.81	1.76
Debt Equity Ratio(14)	1.23	1.04	1.11	1.24
Operational				
Order Book(15)	13,607.09	16,578.79	7,196.32	5,443.40
Book to Bill ratio(16)	4.86	4.05	2.11	1.66
Category wise				
Construction Projects(17)	1,399.35	3,283.85	2,592.78	2,156.90
Construction Projects	56.10%	75.76%	71.42%	69.41%

Metrics	For the seven months period ended October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
(as a % of operating revenue)				
Infrastructure Projects[18]	973.18	189.58	408.76	760.83
Infrastructure Projects (as a % of operating revenue)	39.01%	4.37%	11.26%	24.48%
Type wise				
EPC projects[19]	1,091.94	829.20	757.30	1,032.44
EPC projects (as a % of operating revenue)	43.77%	19.13%	20.86%	33.22%
Item-rate / Percentage rate[20]	1,280.59	2,644.23	2,244.24	1,885.29
Item-rate / Percentage rate (as a % of operating revenue)	51.34%	61.00%	61.82%	60.67%
Key working capital parameters (in days)				
Working Capital Days[21]	168	117	112	99
Inventory Days[22]	178	143	69	29
Trade Receivable Days[23]	59	82	96	127
Trade Payable Days[24]	97	99	83	75

Notes:

**KPIs and metrics for the period are not annualized. Growth rate from Fiscal 2023 to seven months period ended October 31, 2023 is not disclosed as the periods are not comparable*

1. *Revenue from Operations means the revenue from operations as appearing in the Restated Financial Statement.*
2. *Growth in revenue from operations (%) is calculated as a percentage of revenue from operations of the relevant period/year minus revenue from operations of the preceding period/year, divided by revenue from operations of the preceding period/year.*
3. *Gross Profit is calculated as revenue from operations less cost of materials consumed and construction expenses.*
4. *Gross Profit Margin refers to the percentage margin derived by dividing Gross Profit by revenue from operations.*
5. *EBITDA is calculated as restated profit / (loss) for the period / year, plus finance costs, total taxes, and depreciation and amortisation expense.*
6. *EBITDA Margin (%) is calculated as EBITDA divided by revenue from operations.*
7. *Adjusted EBITDA is calculated as EBITDA less other income.*
8. *Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by the revenue from operations.*
9. *Profit after Tax means restated profit / (loss) for the period/year as appearing in the Restated Financial Statement.*
10. *Profit after Tax Margin refers to the percentage margin derived by dividing Profit after Tax by revenue from operations.*
11. *Return on Equity (%) refers to restated profit after tax divided by Equity for the year/period less revaluation surplus. Restated profit after tax means restated profit / (loss) for the period/year as appearing in the Restated Financial Statement.*
12. *Return on Capital Employed is calculated as adjusted EBITDA less depreciation and amortisation / Capital Employed. Capital Employed is calculated as total equity plus total borrowings plus total lease liabilities and deferred tax liabilities(net) minus deferred tax assets (net).*
13. *Net Debt to EBITDA Ratio is a measurement of leverage, calculated as a company's interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA.*
14. *Debt Equity ratio is calculated as total borrowings divided total equity less revalutation surplus available to the equity shareholders of the Company.*
15. *Our order book as of a particular date comprises of anticipated revenues from uncompleted portion of existing contracts (signed contract for which all pre-conditions to entry have been met, including letters of intents issued by the client).*
16. *Book to Bill ratio is calculated as Book at a particular period divided by the Revenue from operations for that period*
17. *Construction Projects comprises of construction and development of institutional & administrative buildings, hospitals and medical colleges, industrial building, historical memorial complex, stadium and sports complex, residential complex*
18. *Infrastructure Projects comprises of structural work such as, flyovers, approach roads, road under bridge, bridges and railway over bridges and development and redevelopment of railway stations*
19. *EPC Projects comprises of project executed under EPC contract*

20. *Item-rate basis / percentage rate basis comprises of project executed on an item-rate basis / percentage rate basis.*
21. *Working Capital Days refers to total current assets days minus total current liabilities days.*
22. *Inventory days have been calculated as inventory divided by revenue from operations multiplied by 183 (to annualize) for the seven months period ended October 31, 2023 and 365 days for the complete fiscal years.*
23. *Trade Receivables days have been calculated as Trade Receivables divided by revenue from operations multiplied by 183 (to annualize) for the seven months period ended October 31 and 365 days for the complete fiscal years.*
24. *Trade Payables days have been calculated as Trade Payables divided by revenue from operations multiplied by 183 (to annualize) for the seven months period ended October 31, 2023 and 365 days for the complete fiscal years.*

The above KPIs of our Company have also been disclosed, along with other key financial and operating metrics, in ***"Our Business"*** and ***"Management's Discussion and Analysis of Financial Condition and Results of Operations"*** on pages200 and 310, respectively. All such KPIs have been defined consistently and precisely in '***Definitions and Abbreviations – Conventional and General Terms and Abbreviations***' on pages 3.

Our Company shall continue to disclose the KPIs disclosed hereinabove in this section on a periodic basis, at least once in a year (or for 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, or until the utilization of Offer Proceeds, whichever is later, on the Stock Exchanges pursuant to the Offer, or for such other period as may be required under the SEBI ICDR Regulations.

Explanation for the KPI metrics

KPI	Explanations
Revenue from Operations (₹ in million)	Revenue from Operations is used by our management to track the revenue profile of our business and in turn helps assess the overall financial performance of the Company and size of the business
Growth in revenue from operations (%)	Growth in Revenue from operations provides information regarding the growth of the business for the respective period.
Gross Profit (₹ in million)	Gross Profit provides information regarding the profits from manufacturing of products by the Company.
Gross Profit Margin (%)	Gross Profit Margin is an indicator of the profitability on sale of products manufactured sold by the Company.
EBITDA (₹ in million)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability of the business before interest, depreciation, amortisation, and taxes and financial performance of the business.
Adjusted EBITDA (₹ in million)	Adjusted EBITDA provides information regarding the operational efficiency of the business after adjusting for other income, which is non-core income
Adjusted EBITDA Margin (%)	Adjusted EBITDA Margin is a further indicator of the operational profitability and financial performance of the business after negating the impact of non-operating income
Restated Profit after Tax (PAT) (₹ in million)	Restated Profit after Tax is an indicator of the overall profitability and financial performance of the business.
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of the business as a percentage to the revenue from operations.
Return on Equity ("**RoE**") (%)	RoE provides how efficiently our Company generates profits from the shareholders' funds.
Return on Capital Employed ("**RoCE**") (%)	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Order Book	Our order book as of a particular date comprises of anticipated revenues from uncompleted portion of existing contracts (signed contract for which all pre-conditions to entry have been met, including

KPI	Explanations
	letters of intents issued by the client)
Book to Bill ratio	Book-to-Bill Ratio is an indicator of the size of the order book as of a particular period to the revenue generated for that period
Net Debt / EBITDA Ratio	It represents how many years it would take for our Company to pay back its debt if net debt and EBITDA are held constant.
Debt Equity ratio	This gearing ratio compares shareholders' equity to company debt to assess the company's amount of leverage and financial stability.
Working Capital Days	Working capital days indicates the working capital requirements of our Company in relation to revenue generated from operations, it defines the number of days taken by the company for converting the purchase to collection.
Inventory Days	Inventory Days provides number of days in which inventory turnaround in particular period / year.
Trade Receivable Days	Trade Receivable Days is the number of days that a customer invoice is outstanding before it is collected.
Trade Payable Days	Trade Payable Days is the number of days that a company takes to pay its bills and invoices to its trade creditors.

As certified by our Statutory Auditor - Parmod G Gupta & Associates, Chartered Accountants, pursuant to their certificate dated April 9, 2024. This certificate has been designated a material document for inspection in connection with the Offer. See "Material Contracts and Documents for Inspection**" on page 445.*

Description on the historic use of the KPIs by us to analyze, track or monitor our operational and/or financial performance

In evaluating our business, we consider and use certain KPIs, as stated above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Financial Statement. We use these KPIs to evaluate our financial and operating performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS. Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business.

Comparison of KPIs with Listed Industry Peers

Particulars	IRCON International Limited				Ahluwalia Contracts (India) Limited				PSP Projects Limited				ITD Cementation Limited			
	September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021	September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021	September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021	September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Order book	NA	3,32,280	4,37,580	3,46,890	NA	139,306.7	130,336.1	122,625.5	NA	50,520.00	43,240.00	41210	NA	1,92,330	143920	98500
Revenue from operations (1)	55,091.8	99,111.00	69,101.50	49,559.30	16,651.62	28,383.93	26,924.69	19,821.90	11,167.088	19,266.49	17,487.59	12,408.62	33,833.254	46,749.198	32,495.273	22,083.188
Growth in Revenue from Operations (2)	NA	43.43%	39.43%	-	NA	5.42%	35.83%	-	NA	10.17%	40.93%	-	NA	43.86%	47.15%	-
EBITDA (3)	5,495.3	8960.2	6378.2	6105.9	1,877.14	3,336.92	2,857.44	1,765.57	1,501.238	2,521.077	2,777.625	1,517.34	3,403.127	4,458.348	3,093.485	2,134.366
EBITDA Margin% (4)	9.97%	9.04%	9.23%	12.32%	11.27%	11.76%	10.61%	8.91%	13.44%	13.09%	15.88%	12.23%	10.06%	9.54%	9.52%	9.67%
PAT	3,921.0	7,768.30	5,443.20	4045.6	1,050.33	1,941.62	1,552.59	772.40	761.292	1,330.182	1,624.042	807.904	1,058.339	1,242.462	688.141	157.593
PAT Margin %(5)	7.12%	7.84%	7.88%	8.16%	6.31%	6.84%	5.77%	3.90%	6.82%	6.90%	9.29%	6.51%	3.13%	2.66%	2.12%	0.71%
NAV (6)	58.11	55.06	49.13	4.69	198.95	183.59	154.73	131.37	241.22	222.17	190.2	149.44	77.17	72.04	65.85	62.04
RoE% (8)	NA	15.00%	11.78%	9.18%	NA	15.79%	14.98%	8.78%	NA	16.63%	23.72%	15.02%	NA	10.04%	6.08%	1.48%
RoCE % (9)	10.26%	14.63%	13.52%	13.6%	12.26%	23.98%	24.33%	16.60%	14.29%	26.52%	35.88%	23.44%	16.1%	22.90%	17.05%	10.69%

Source: D&B Report

Comparison of KPIs based on additions or dispositions to our business

Dispositions

Our Company has not made any dispositions to our business in the last three Fiscals and the seven months period ended October 31, 2023.

Acquisition

Our Company has not acquired / made any in investment in the last three Fiscals and the seven months period ended October 31, 2023.

Our Company has not undertaken material acquisition or disposition of assets / business for the periods that are covered by the KPIs and accordingly, no comparison of KPIs over time based on additions or dispositions to the business, have been provided.

7. Weighted average cost of acquisition

(a) The price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on the primary/ new issue of Equity Shares or convertible securities (excluding Equity Shares issued under the ESOP Scheme and issuance of equity shares pursuant to a bonus issue) during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid up share capital of our Company in a single transaction or multiple transactions combined together over a span of rolling 30 days.

There has been no issuance of Equity Shares or convertible securities, 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 ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

(b) The price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on the secondary sale / acquisition of Equity Shares or convertible securities involving Promoter, Promoter Group during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company, in a single transaction or multiple transactions combined together over a span of rolling 30 days.

There has been no secondary sale / acquisition of Equity Shares or convertible securities involving Promoter, Promoter Group during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company, in a single transaction or multiple transactions combined together over a span of rolling 30 days.

For the purpose of disclosure under part (a) and (b) above, 'primary transaction' refers to a primary issue of Equity Shares or securities convertible into Equity Shares, excluding shares issued under a bonus issuance and sub-division of shares and 'secondary transactions' refer to any secondary sale or acquisition of Equity Securities (excluding gifts)

(c) Since there are no eligible transaction of our Company reported in (a) and (b) above in accordance with paragraph (9)(K)(4)(a) of the SEBI ICDR Regulations, the price per Equity Share of our Company based on the last five primary or secondary transactions in Equity Shares (secondary transactions where the Promoter/ Promoter Group entities or Shareholders having the right to nominate director on the Board are a party to the transaction) not older than 3 years prior to the date of filing of this Draft Red Herring Prospectus has been computed as under:

Date of Transfer	Name of Transferor	Name of Transferee	No. Equity Shares Allotted / Transferred	Face value per Equity Share (₹)	Price per Specified Security (₹)	Nature of transaction	Nature of consideration	Total consideration (in ₹) (B)
September 4, 2023	Sunita Singal	Deepak Kumar Singal	400,000	10.00	NIL	Gift	NA	NA
March 28, 2022	Deepak Kumar Singal	Henna Singal	6,200	10.00	NIL	Gift	NA	NA
March 28, 2022	Sunita Singal	Akash Singal	3,500	10.00	NIL	Gift	NA	NA
March 28, 2022	Sunita Singal	Harnam Singh Khosa	100	10.00	18	Sale*	Cash	1,800
March 28, 2022	Sunita Singal	Ashok Kumar	100	10.00	18	Sale*	Cash	1,800
March 28, 2022	Sunita Singal	Jaswant Lal Verma	100	10.00	18	Sale*	Cash	1,800

**for complying with minimum number of members requirement as per the Companies Act*

Weighted average cost of acquisition, floor price and cap price

Based on the transaction described in (a), (b) and (c) above, the weighted average cost of acquisition, as compared with the Floor Price and Cap Price is set forth below:

Date of transfer	Weighted average cost of acquisition (₹ per Equity Share)	Floor price (i.e. ₹ [●])[(1)]	Cap price (i.e. ₹ [●])[(1)]
Weighted average cost of acquisition of primary / new issue as per paragraph 7(a) above.	NA^	[●] times	[●] times
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 7(b) above.	NA^^	[●] times	[●] times
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 7(c) above	0.01	[●] times	[●] times

As certified by our Statutory Auditor - Parmod G Gupta & Associates, Chartered Accountants by way of their certificate dated April 9, 2024.

Note:

^There were no primary / new issue of shares (equity/convertible securities).

^^there were no secondary sales / acquisition of shares (equity/ convertible securities) transactions in last 18 months from the date of this Draft Red Herring Prospectus, the detail as required under paragraph (b) above is thus applicable

(1)Details have been left intentionally blank as the Floor Price and Cap Price are not available as on date.

Explanation for Offer Price/Cap Price being [•] price of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (set out in VIII above) along with our Company's key performance indicators and financial ratios for the seven months period ended October 31, 2023 and the Fiscals 2023, 2022 and 2021 and in view of the external factors which may have influenced the pricing of the Offer.

[●]*

Note: This will be included upon finalisation of Offer Price.

8. The Offer Price is [●] times of the face value of the Equity Shares.

The Offer Price of ₹ [●] has been determined by our Company in consultation with the BRLM, on the basis of assessment of market demand from Bidders for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters.

The trading price of Equity Shares could decline due to factors mentioned in ***"Risk Factors"***, on page 36 and you may lose all or part of your investments, Bidders should read the above-mentioned information along with ***"Our Business", "Management's Discussion and Analysis of Financial Position and Results of Operations"*** and ***"Restated Financial Statement"*** on pages, 200, 310 and 262, respectively, to have a more informed view before making an investment decision.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,
The Board of Directors
Deepak Builders & Engineers India Limited
Ludhiana

Dear Sir,

Statement of Special Tax Benefits available to Deepak Builders & Engineers India Limited ("the Company") and its Shareholders under the Indian Tax Laws

1. We hereby confirm that the enclosed **Annexure I and II**, prepared by Deepak Builders & Engineers India Limited (the "Company"), provides the special tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 ("the Act") as amended by the Finance Act 2023, read with the Income-tax Rules, 1962, i.e. applicable for the Financial Year 2023-24 relevant to the Assessment Year 2024-25, as amended and presently in force in India (together, the "Direct Tax Laws"), the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, relevant State Goods and Services Tax Act, 2017, read with Rules, Circulars, and Notifications ("GST Law"), the Customs Act, 1962, Customs Tariff Act, 1975 ("Customs Law") as amended, the rules and regulations there under, Foreign Trade Policy, as amended and presently in force in India (collectively referred as "Indirect Tax Laws") and along with the Direct Tax Laws, the "Tax Laws"). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future and accordingly, the Company or its shareholders may or may not choose to fulfill.

2. The benefits discussed in the enclosed Annexures cover only special tax benefits available to the Company and to the shareholders of the Company and do not cover any general tax benefits available to the Company and to the shareholders of the Company. We wish to highlight that the distinction between 'general' and 'special' tax benefits is not clear as the said terms have not been defined under the ICDR Regulations. Accordingly, we have provided comments on those tax benefits, the availability of which is contingent to fulfillment of certain conditions as per the applicable Tax Laws.

3. The benefits discussed in the enclosed Annexure are not exhaustive and the preparation of the contents stated 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 Offer. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

4. We do not express any opinion or provide any assurance as to whether:
   - the Company or its shareholders will continue to obtain these benefits in future;
   - the conditions prescribed for availing the benefits have been / would be met with; and
   - the revenue authorities / courts will concur with the views expressed herein.

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

This statement is prepared solely in connection with the Offer and is not to be used, referred to or distributed for any other purpose.

For Parmod G Gupta & Associates

Chartered Accountants
Firm Registration Number - 018870N

Sd/-
Parmod Gupta
Partner
M. No. - 096109
UDIN - **24096109BKDRVT6515**

Ludhiana
26.03.2024

ANNEXURE – I
THE STATEMENT OF SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

DIRECT TAXATION

Outlined below are the special tax benefits available to the Company and its Shareholders under the Income-tax Act, 1961 ('the Act') as amended by the Finance Act 2023, read with the Income-tax Rules, 1962, i.e., applicable for the Financial Year 2023-24 relevant to the Assessment Year 2024-25, as amended and presently in force in India (together, the "Direct Tax Laws").

A. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY

- **Lower corporate tax rate under section 115BAA of the Act**

  A new section 115BAA has been inserted in the Act by the Taxation Laws (Amendment) Act, 2019 ("the Amendment Act, 2019") w.e.f. April 1, 2020 (A.Y. 2020-21). Section 115BAA grants an option to a domestic company to be governed by the section from a particular assessment year. If a company opts for section 115BAA of the Act, it can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%). Section 115BAA of the Act further provides that domestic companies availing the option will not be required to pay Minimum Alternate Tax (MAT) on their 'book profits' under section 115JB of the Act.

  However, such a company will no longer be eligible to avail specified exemptions/ incentives under the Act and will also need to comply with the other conditions specified in section 115BAA. Also, if a company opts for section 115BAA, the tax credit (under section 115JAA), if any, which it is entitled to on account of MAT paid in earlier years, will no longer be available. Further, it shall not be allowed to claim set-off of any brought forward loss arising to it on account of additional depreciation and other specified incentives.

  The Company has decided to opt for the lower corporate tax rate of 25.168% (prescribed under section 115BAA of the Act) with effect from FY 2020-21.

  As per the Finance Act, 2020, the deduction shall be available only if the total income of the company shall be computed-

  (i) without considering any deduction under the provisions of section 10AA or clause (iia) of sub-section (1) of section 32 or section 32AD or section 33AB or section 33ABA or subclause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of section 35 or section 35AD or section 35CCC or section 35CCD or under any provisions of [Chapter VI-A under the heading "C.—Deductions in respect of certain incomes" – other than the provisions of section 80JJAA]
  (ii) without set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred to in clause (i);
  (iii) without set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred to in clause (i); and
  (iv) by claiming the depreciation, if any, under any provision of section 32, except clause (iia) of sub-section (1) of the said section, determined in such manner as may be prescribed. The loss and depreciation referred to in clause (ii) and clause (iii) shall be deemed to have been given full effect to and no further deduction for such loss or depreciation shall be allowed for any subsequent year.

- **Deductions from Gross Total Income**

  - **Deduction in respect of inter-corporate dividends – Section 80M of the Act**

    Up to 31st March, 2020, any dividend paid to a shareholder by a company was liable to Dividend

Distribution Tax ("DDT"), and the recipient shareholder was exempt from tax. Pursuant to the amendment made by the Finance Act, 2020, DDT stands abolished and dividend received by a shareholder on or after 1st April, 2020 is liable to tax in the hands of the shareholder. The Company is required to deduct Tax Deducted at Source ("TDS") at applicable rate specified under the Act read with applicable Double Taxation Avoidance Agreement (if any).

With respect to a resident corporate shareholder, a new section 80M has been inserted in the Act to remove the cascading effect of taxes on inter-corporate dividends during FY 2020-21 and thereafter. The section provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it on or before the due date. The "due date" means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139 of the Act.

B. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

- Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, deduction under Section 80M of the Act would be available on fulfilling the conditions as specified. Further, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not, surcharge would be restricted to 15%, irrespective of the amount of dividend.

- The Finance Act 2020 amended the manner of taxation of dividend income by abolishing dividend distribution tax and restoring classical system of dividend taxation (i.e. taxation of dividend income in the hands of the shareholders). Considering the nature of income, it is not possible for taxpayer to accurately determine the advance tax liability on dividend income and therefore, the proviso to section 234C(1) of the Act provides that no interest shall be levied under section 234C of the Act, if the shortfall in payment of advance tax instalment is on account of underestimation or failure to estimate dividend. The amendment was introduced by Finance Act 2021 and is applicable from 1 April 2021.

- As per Section 112A of the Act, long-term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 10% (without indexation) of such capital gains subject to fulfillment of prescribed conditions under the Act. It is worthwhile to note that tax shall be levied where such capital gains exceed ₹1,00,000.

  A new section 55(2)(ac) of the Act has been inserted to provide grandfathering of gains on the specified assets (as defined u/s 112A of the Act) acquired prior to 1 February 2018. The Cost of acquisition would be higher of:-

  a) Cost of acquisition and
  b) Lower of -
     i. Fair market value* of such shares
     ii. Full value of consideration received or accruing as result of transfer of capital asset

     *'fair market value' means -

  In a case where the capital asset is an equity share in a company which is not listed on a recognised stock exchange as on the 31st day of January, 2018 but listed on such exchange on the date of transfer, an amount which bears to the cost of acquisition the same proportion as Cost Inflation Index for the financial year 2017-18 bears to the Cost Inflation Index for the first year in which the asset was held by the assessee or for the year beginning on the first day of April, 2001, whichever is later.

- The Finance Act 2023 has capped surcharge on total income of individual assessee's opting for concessional tax regime under section 115BAC to 25% (instead of earlier surcharge of 37% for individuals having total income exceeding) ₹5 crores.

- Section 112 of the Act provides for taxation of long-term capital gains. In case of a domestic company/ resident, amount of income-tax on long-term capital gains arising from the transfer of a capital asset shall be computed at the rate of 20%.

  In case of non-resident (not being a company) or a foreign company, the amount of income-tax on long term capital gains arising from the transfer of a capital asset (being unlisted securities or shares of a company not being a company in which the public are substantially interested) shall be calculated at the rate of 10% plus surcharge and cess as applicable without giving effect to the first and second proviso to section 48.

  Further, where the tax is payable in respect of any income arising from the transfer of a long-term capital asset, being listed securities (other than a unit) or zero coupon bond, then such income will be subject to tax at the rate of 10% of the amount of capital gains before giving effect to the provisions of the second proviso to section 48.

  As per Section 111A of the Act, short term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 15% subject to fulfillment of prescribed conditions under the Act.

Notes -

1. The above statement of direct tax benefits ("Statement") sets out the special tax benefits available to the Company and its shareholders under the Direct Tax Laws.
2. 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, 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 issue.
3. This Statement does not discuss any tax consequences in the country outside India of an investment in the Shares. The subscribers of the Shares in the country other than India are urged to consult their own professional advisers regarding possible income-tax consequences that apply to them.
4. In respect of non-residents, the tax rates and the consequent taxation mentioned above may be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
5. The above Statement covers only above-mentioned tax laws benefits and does not cover any indirect tax law benefits or benefit under any other law.

Our views expressed in this Statement are based on the facts and assumptions as indicated in this Statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

ANNEXURE – II

THE STATEMENT OF SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

INDIRECT TAXATION

Outlined below are the special tax benefits available to the Company and its shareholders under the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, relevant State Goods and Services Tax Act, 2017, read with Rules, Circulars, and Notifications ("GST law"), the Customs Act, 1962, Customs Tariff Act, 1975 ("Customs law") and Foreign Trade Policy, as amended and presently in force in India (collectively referred as "Indirect Tax Laws").

A. SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY

- The Company is not entitled to any special tax benefits under the Indirect Tax Laws.

B. SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

- The shareholder is not entitled to any special tax benefits under the Indirect Tax Laws.

Notes -

1. The above Statement of Special Indirect Tax Benefits sets out the special tax benefits available to the Company and its shareholders under the Indirect Tax Laws.
2. The above Statement does not cover any special tax law benefits under Direct Tax Laws or benefit under any other law.
3. This Statement 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/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

SECTION – IV ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "**Industry Report on Construction Industry in India**" dated March 31, 2023 (the "**D&B Report**") prepared and issued by Dun & Bradstreet Information Services India Private Limited appointed by us on January 10, 2023, and exclusively commissioned and paid for by us in connection with the Issue. D&B India is an independent agency which has no relationship with our Company, our Promoters and any of our Directors or KMPs or SMPs. The data included herein includes excerpts from the D&B Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the D&B Report is available on the website of our Company at www.deepakbuilders.co.in until the Bid/Issue Closing Date.* For risks in relation to the D&B Report, see ***"Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the D&B Report which have been commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks"*** *on page 60.*

Global Macroeconomic Scenario

The global economy is now showing signs of moderate recovery as it posted a growth of 3.3% in CY 2022. But GDP growth will remain at a moderate level of 2.7% in CY 2023 and forecasted to improve to 2.9% in CY 2024. Global banks were carrying a historically high debt burden after COVID. Central banks took tight monetary measures to control inflation and spike in commodity prices. Russia's war with Ukraine further affected the global supply chains and inflated the prices of energy and other food items. These factors coupled with war-related economic sanctions impacted the economic activities in Europe. Any further escalation in the war may further affect the rebound of the economy in Europe.

While China was facing a crisis in the real estate sector and prices of properties were declining, with the reopening of the economy, consumer demand is picking up again. The Chinese authorities have taken a variety of measures, including additional monetary easing, tax relief for corporates, and new vaccination targets for the elderly. The government has also taken steps to help the real estate sector including cracking down on debt-ridden developers, announcing stimulus for the sector and measures to encourage the completion and delivery of unfinished real estate projects. The sector is now witnessing investments from developers and demand from buyers.

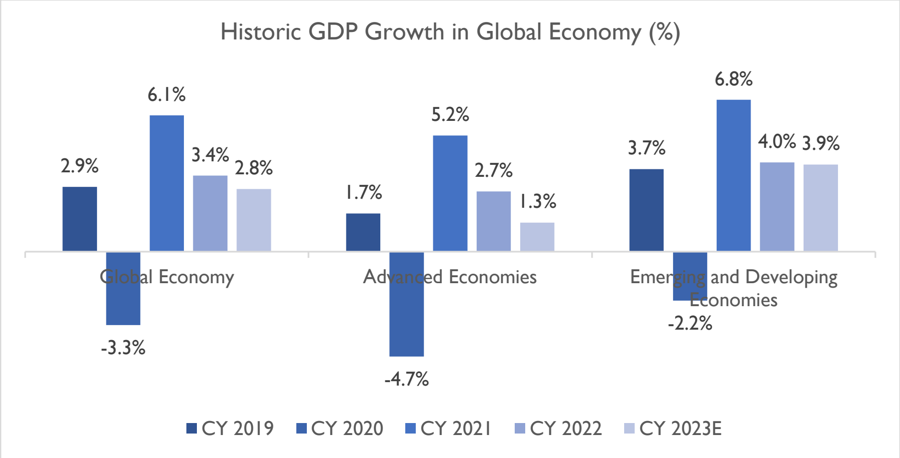
Global headline inflation is set to fall from 8.7 % in CY 2022 to 7.0 % in CY 2023, primarily on the back of softening commodity prices. Most of the central banks in the world has been increasing interest rates since CY 2021 to control inflation, and this is having an impact. With the sharp rise in policy rates, vulnerabilities in the banking sector have come into focus. Fears of contagion have risen across the broader financial sector, including non-banking financial institutions with regulators taking action to stabilize the banking system.

Global GDP Growth Scenario

The global economy started to rise from its lowest levels after countries started to lift the lockdown. The pandemic lockdown was a key factor as it affected economic activities resulting in a recession in the year CY 2020, as the GDP growth touched -3.3%.

In CY 2021 disruption in the supply chain affected most of the advanced economies as well as low-income developing economies. The rapid spread of Delta and the threat of new variants in mid of CY 2021 further increased uncertainty in the global economic environment.
Global economic activities experienced a sharper-than-expected slowdown in CY 2022. One of the highest inflations in decades forced most of the central banks to tighten their fiscal policies. Russia's invasion of Ukraine affected the global food supply resulting in a further increment in the cost of living. As a result, global growth

declined from 6.1% in CY 2021 to 3.4% in CY 2022.

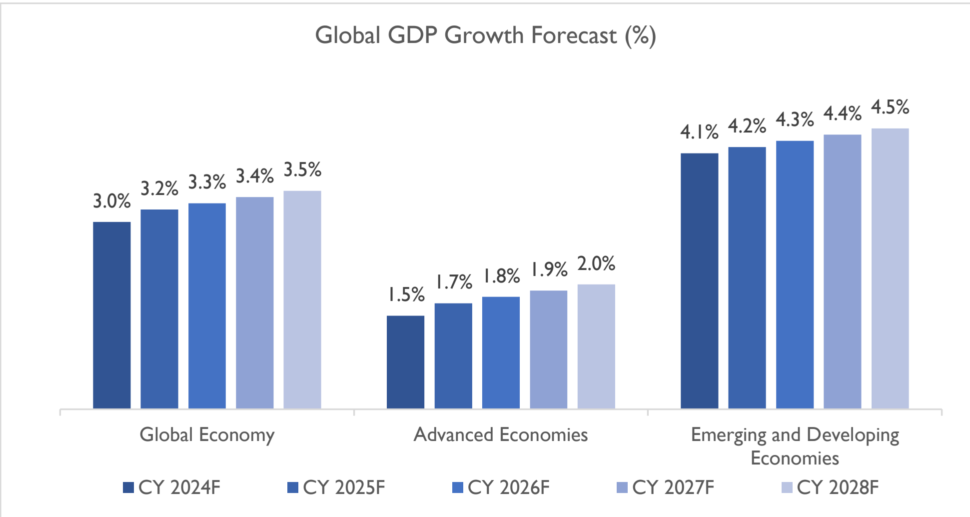


Source – IMF Global GDP Forecast Release 2023

Note: Advanced Economies and Emerging & Developing Economies are as per the classification of the World Economic Outlook (WEO). This classification is not based on strict criteria, economic or otherwise, and it has evolved over time. It comprises of 40 countries under the Advanced Economies including the G7 (the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada) and selected countries from the Euro Zone (Germany, Italy, France etc.). The group of emerging market and developing economies (156) includes all those that are not classified as Advanced Economies (India, China, Brazil, Malaysia etc.)

In the current scenario, global GDP growth is forecasted to record a moderate growth of 2.8% in CY 2023 as compared to 3.4 % growth in CY 2022. While high inflation and rising borrowing costs are affecting private consumption, on the other hand, fiscal consolidation is affecting government consumption.

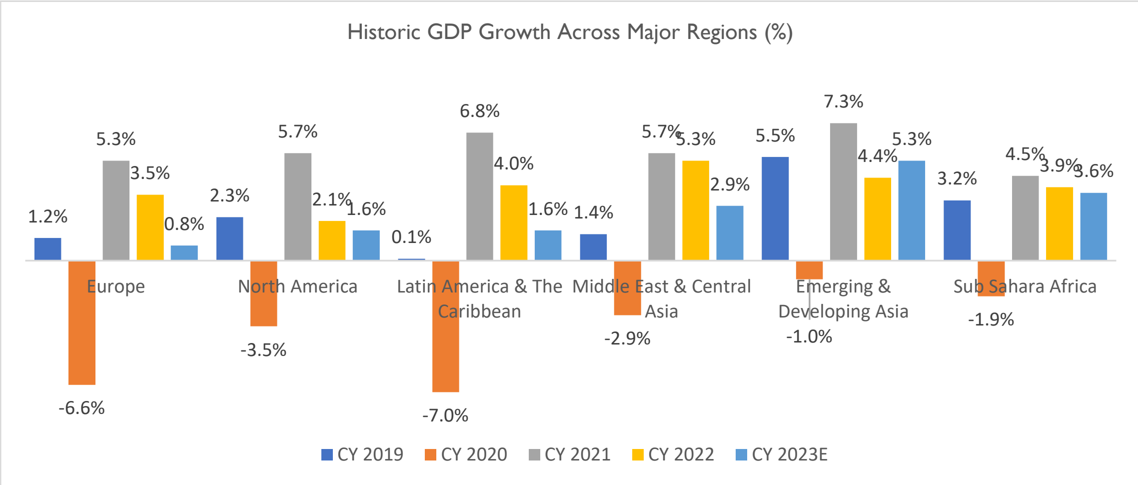
Flat growth in developed economies will affect the GDP growth in CY 2024 and global GDP is expected to record marginal growth of 3.0% in CY 2024. The current crisis in the housing sector, bank lending, and industrial sectors are affecting the growth of global GDP. Inflation forced central banks to adopt tight monetary policies. After touching the peak, inflationary pressures are slowly easing out. This environment weighs against interest rate cuts by many monetary authorities. The expectation is therefore still for slowing growth in the second half of CY 2023 and the first half of CY 2024.



Source – IMF Global GDP Forecast Release 2023, D&B Estimates

GDP Growth Across Major Regions

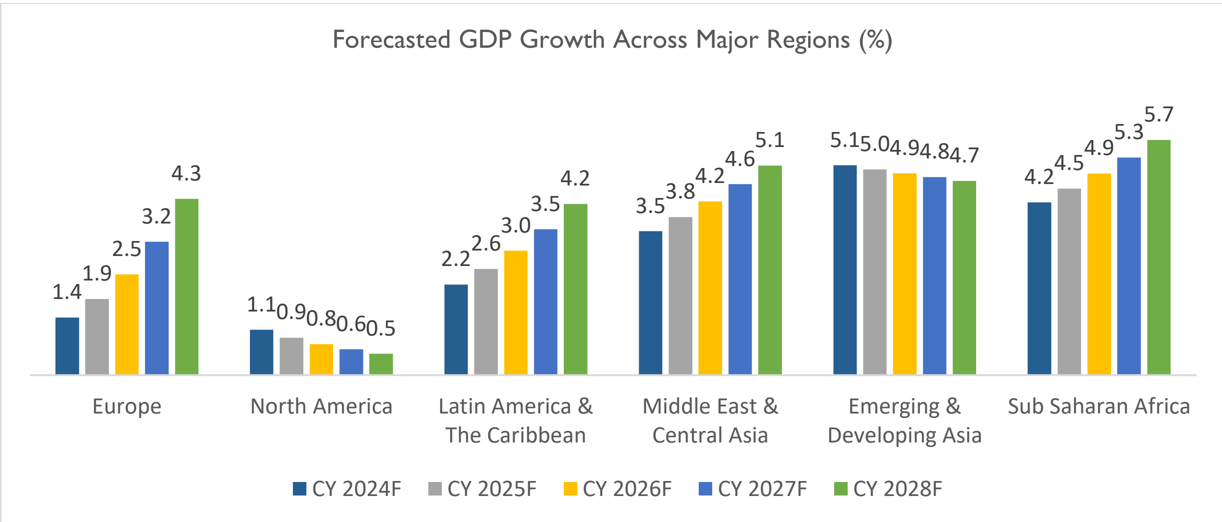
GDP growth of major regions including the United States, Latin America, Europe, Middle East & Central Asia, and Sub-Saharan Africa, are showing signs of slow growth and recession. Meanwhile, GDP growth in Emerging and Developing Asia (India, China, Indonesia, Malaysia etc.) is expected to increase from 4.4% in CY 2022 to 5.3% in CY 2023.



Source-IMF World Economic Outlook 2023

Except for Emerging and Developing Asia, all other regions are expected to record a decline in GDP growth rate in CY 2023 as compared to CY 2022. GDP growth in the United States is expected at 1.6% in CY 2023. Tight monetary and financial conditions coupled with high inflations are the major factors in this subdued growth.

Higher energy prices are curbing consumer demand in Europe's largest economies. Surging inflation and a decline in government spending are further affecting on an overall basis as Europe is expected to record GDP growth of 0.8% in CY 2023 as compared to 3.5% growth in CY 2022. China is expected to see strong increase in its GDP growth after the government has lifted the restrictions of its zero-COVID policy. China is expected to record a 5.4% growth in its GDP in CY 2023. Asian economies are expected to drive most of the global growth in CY 2023, as they will benefit from the ongoing reopening dynamics and less intense inflationary pressures compared to other regions.



Source-IMF, OECD, and World Bank, D&B Estimates

India Macroeconomic Analysis

GDP Growth Scenario

India's economy is showing signs of resilience with GDP growing by 7.2% in FY 2023. Although this translates into a moderation in demand (compared to FY 2022), the GDP growth in FY 2023 represents a return to pre pandemic era growth path. Despite this moderation in growth, India continues to remain one of the fastest growing economies in the world.

Country	GDP Growth (2022)
India	**7.2%**
United Kingdom	4.1%
Italy	3.7%
Canada	3.4%
China	3.0%
Brazil	2.9%
France	2.6%
United States	2.1%
South Africa	2.0%
Germany	1.8%
Japan	1.0%
Russia	-2.1%

Source: World Bank

GDP growth for India refers to FY 2023 as per MOSPI

Countries considered include - Largest Developed Economies and BRICS (Brazil, Russia, India, China, and South) Countries have been arranged in descending order of GDP growth

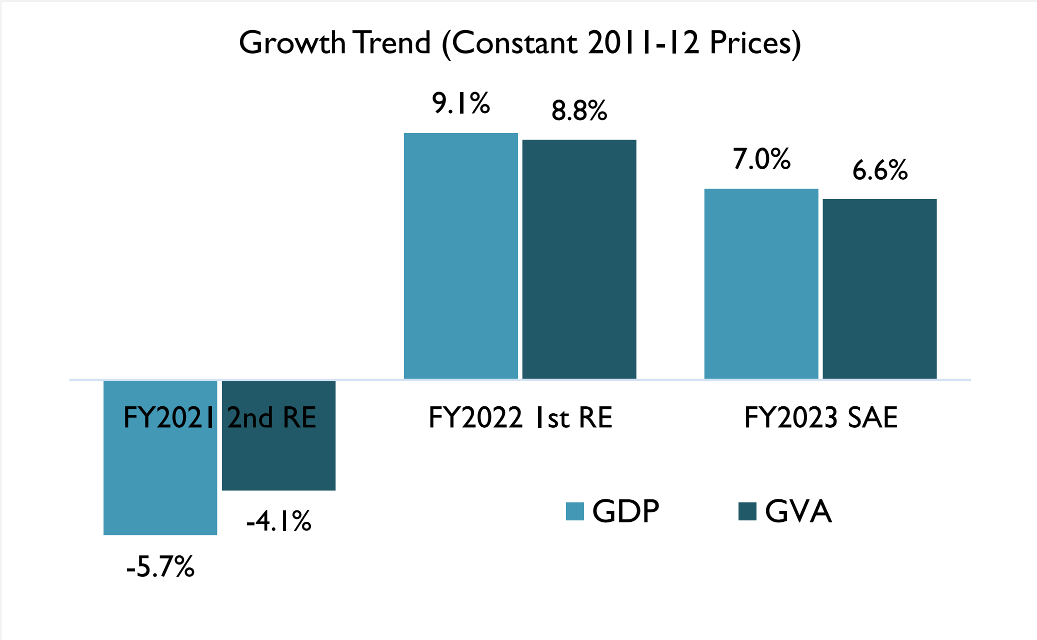
There are quite a few factors aiding India's economic recovery – notably its resilience to external shocks (ongoing Russia – Ukraine conflict) and rebound in private consumption. This rebound in private consumption is bringing back the focus on improvements in domestic demand, which together with revival in export demand is a precursor to higher industrial activity. Already the capacity utilization rates in Indian manufacturing sector are recovering as industries have stepped up their production volumes. As this momentum sustains, the country may enter a new capex cycle. The universal vaccination program by the Government has played a big part in reinstating confidence among the population, in turn helping to revive private consumption.

Realizing the need to impart external stimuli, the Government stepped up its spending on infrastructure projects which in turn had a positive impact on economic growth. The capital expenditure of central government increased by nearly 24.5% during FY 2023 as compared to the previous fiscal. The improvement was accentuated further as the Union Budget 2023-2024 announced 37.4% increase in capital expenditure (budget estimates), to the tune of Rs 10 trillion. The announcement also included 30% increase in financial assistance to states at Rs 1.3 trillion for capex. This has provided the much-needed confidence to private sector, and in turn attracted private investment.

On the lending side, the financial health of major banks has witnessed an improvement which has helped in improving the credit supply. With capacity utilization improving, there would be demand for credit from corporate sector to fund the next round of expansion plans. Banking industry is well poised to address that demand. Underlining the improving credit scenario is the credit growth to micro, small and medium enterprise (MSME) sector as the credit outstanding to the MSME sector by scheduled commercial banks in the financial year FY 2023 grew by 12.3% to Rs 22.6 trillion compared to FY 2022. The extended Emergency Credit Linked Guarantee Scheme (ECLGS) by the Union Government has played a major role in improving this credit supply.

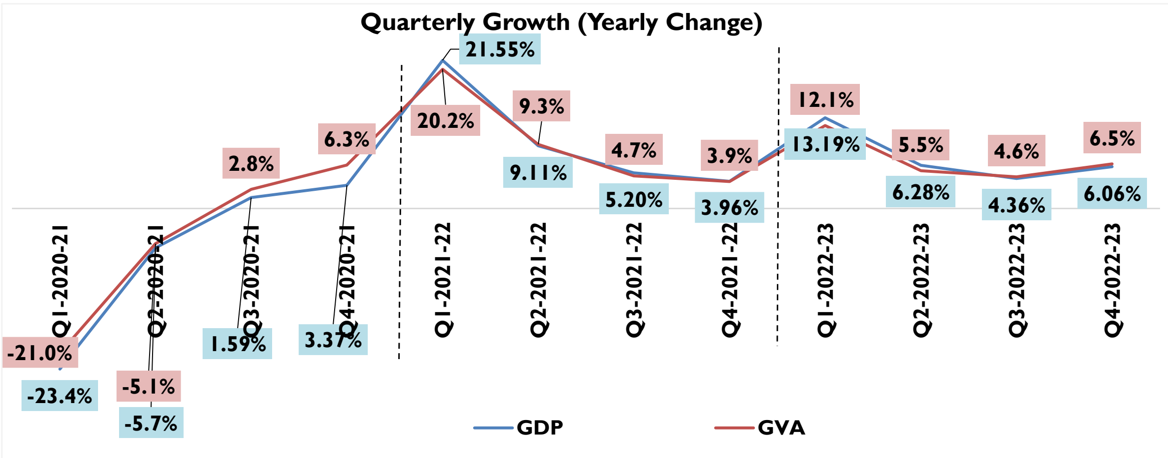
India's GDP in FY 2023 grew by 7.2% compared to 9.1% in the previous fiscal on the back of slowing domestic as well as external demand owing to series of interest rate hikes globally to tackle high inflation. The year-on-year moderation in growth rate is also partly due to a fading impact of pandemic-induced base effects which had contributed towards higher growth in FY 2022. On quarterly basis, the country growth moderated in Q2 and Q3 of FY 2023 which highlights impact of slowing economy on the back of monetary tightening. During Q3 FY 2023, the country's GDP grew by 4.36% against 6.28% y-o-y increase in the corresponding quarter last fiscal.

However, the fourth quarter of FY 2023 saw a rebound in growth rate, indicating an optimistic scenario.



Source: Ministry of Statistics & Programme Implementation (MOSPI)

RE stands for Revised Estimates, SAE stands for Second Advance Estimates



Source: Ministry of Statistics & Programme Implementation (MOSPI)

Sectoral Growth Trend: Annual

Sectoral analysis of GVA reveals growth tapered sharply in industrial sector which is estimated to have grown by just 3.6% in FY 2023 against 11.6% in FY 2022. In the industrial sector, growth across major economic activity such as mining, manufacturing, construction sector slowed registering a growth of 3.4%, 0.6% and 9.1% in FY 2023 against a growth rate of 7.1%, 11.05% and 14.8% recorded in FY 2022, respectively. Utilities sector too observed a marginal moderation in y-o-y growth to 9.2% against a decline of 3.6% in the previous years.
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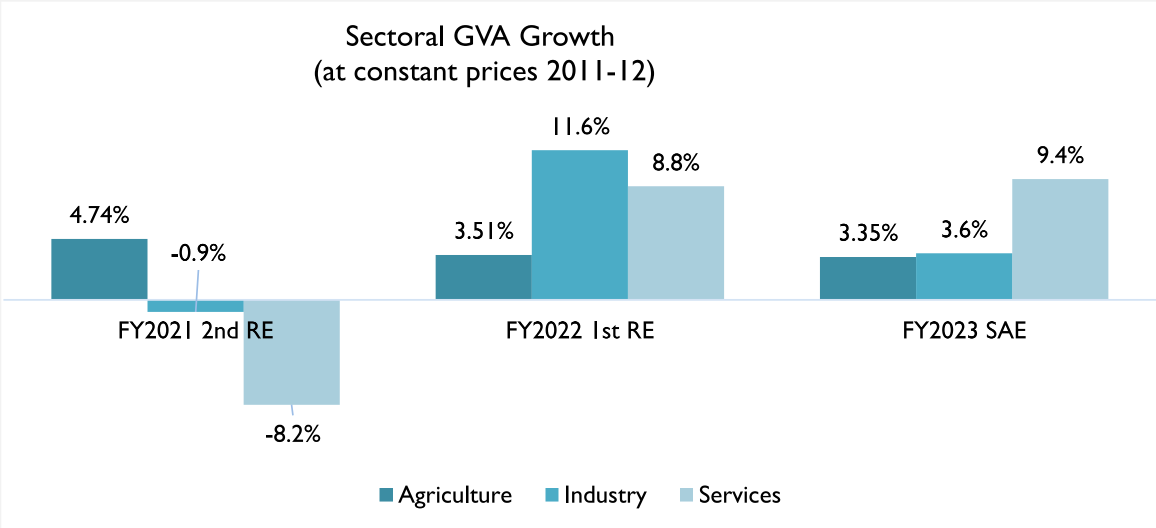
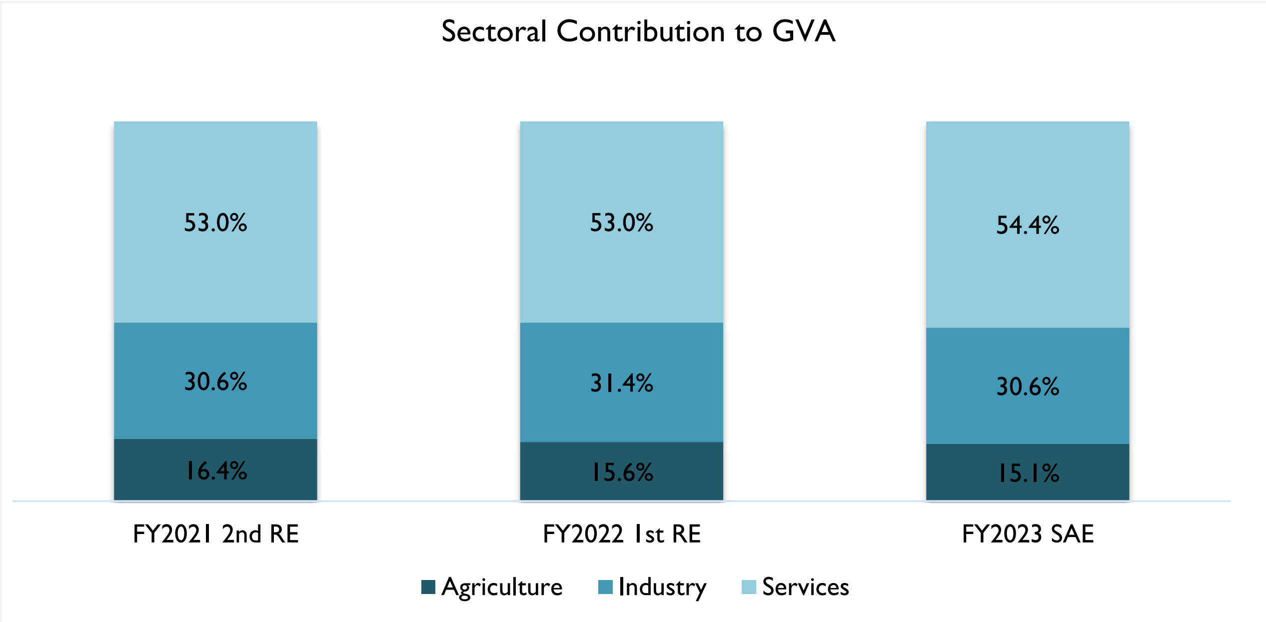


Source: Ministry of Statistics & Programme Implementation (MOSPI)

Talking about the services sectors performance, with major relaxation in covid restriction, progress on covid vaccination and living with virus attitude, business in service sector gradually returned to normalcy in FY 2022. Economic recovery was supported by the service sector as individual mobility returned to pre-pandemic level. The trade, hotel, transport, communication, and broadcasting segment continued to strengthen and grow by 14.18% in FY 2023 against 13.75% in the previous year and financial services, real estate and professional services sector recorded 6.85% y-o-y growth against 4.73%. However, overall service sector growth was curbed by moderation in public administration and defence services sector which recorded 7.12% yearly increase against 9.7% increase in the previous year.



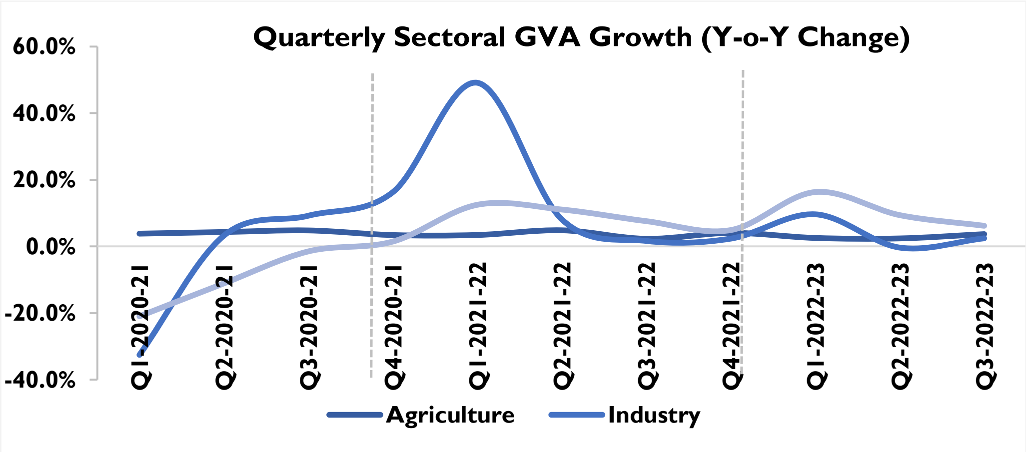
Source: Ministry of Statistics & Programme Implementation (MOSPI)

Sectoral Growth Trend: Quarterly

Quarterly GVA number indicated sustained weakness in economic activity during Q3 FY 2023 with manufacturing activity being the worst hit segment amongst the industrial sectors. India's manufacturing sector shrank by 1.1% on-year in Q3 FY 2023, a second straight contraction highlighting the continuing weakness in consumer demand and exports. In Q2 FY 2023, manufacturing sector output was down by 3.57%. While quarterly growth in both agriculture and other sectors within industrial sector strengthened during Q3 FY 2023.

Agriculture sector GVA strengthen in Q3 FY 2023 to register 3.68% yearly growth compared to both corresponding quarter last year (2.28%) and previous quarter (2.4%) in FY 2022. Any growth between 3.5-4% in farm sector is considered above the long-term trend line. Construction sector witnessed 8.39% y-o-y growth in Q3 of FY 2023 against 5.85% y-o-y growth in the previous quarter, mining and quarrying sector, and Electricity, gas, water supply& other utility services sector registered 3.7% and 8.24% y-o-y growth against -0.4% and 5.96%, respectively.

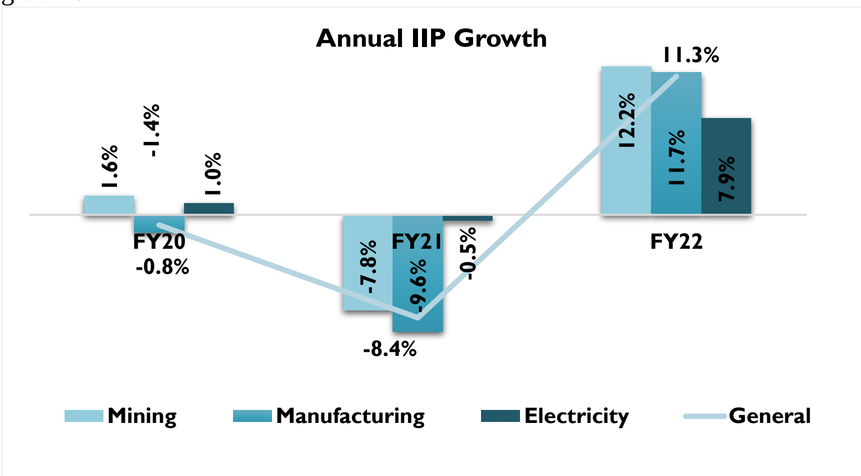
In Q3 FY 2023, yearly growth stood as 0.23%, 5.42% and 5.99% in construction, mining and quarrying and Electricity, gas, water supply& other utility services sector, respectively. Within service sector, quarterly growth moderated across all segments in Q3 FY 2023 against the previous quarter. Trade, hotel, transport, communication, and broadcasting segment observed 9.56% y-o-y growth in Q3 as compared to 15.64% growth in the last quarter. Other services sector broadly classified under Public Admin, Defence & Other Services and Financial, Real Estate & Professional Services too observed 1.99% and 5.79% growth in Q3 FY 2023 against 5.57% and 7.13% y-o-y change in Q2 FY 2023.



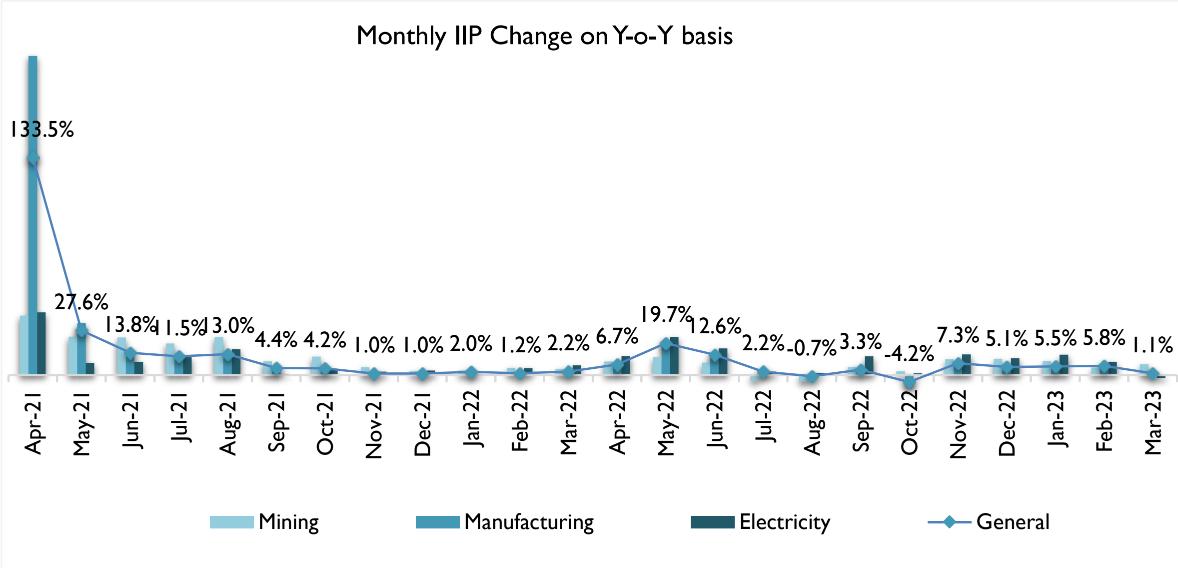
Source: Ministry of Statistics & Programme Implementation (MOSPI)

Index of Industrial Production

After experiencing three years of deteriorating industry growth, the country's Index of Industrial Production (IIP) index registered 11.3% y-o-y growth where growth was evenly spread across all sub-segments. Manufacturing index, with 77.6% weightage in overall index, registered 11.7% y-o-y growth in FY 2022 while mining sector index registered the highest growth. Classified based on usage i.e., infrastructure/construction goods, capital good, intermediate good and consumer durable outperformed over the other sector and registered healthy double-digit growth.



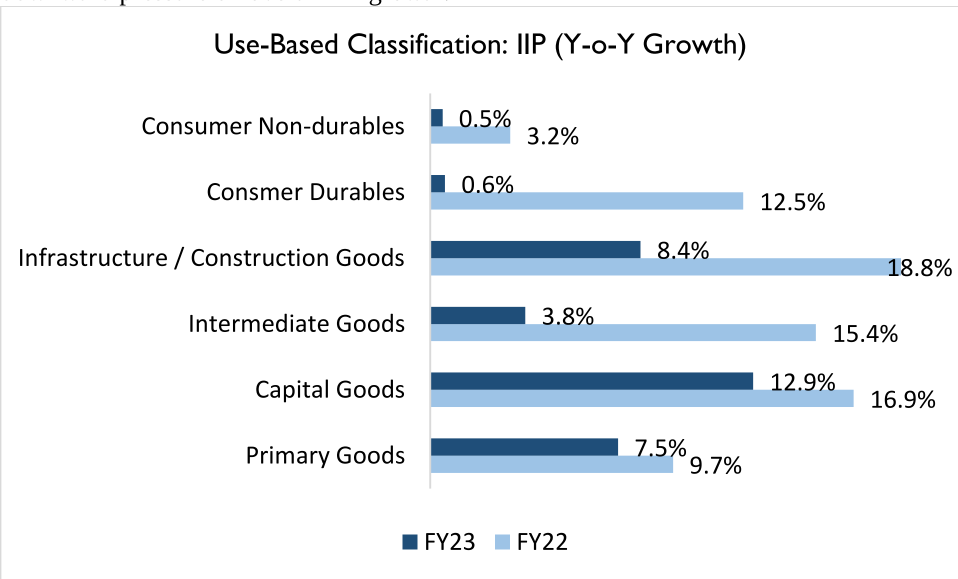
Source: Ministry of Statistics & Programme Implementation (MOSPI)



Source: Ministry of Statistics & Programme Implementation (MOSPI)

In FY22, IIP index improved steadily between March to May but moderated sharply in the subsequent three month and it measured lowest in October 2022 while it showed temporary improvement by growing at 7.3% in subsequent. However, IIP again moderated to register 5.1 % y-o-y growth in December 2022. Manufacturing activity which has 77.6% weightage in the overall index, grew by 2.6% in December 2022 while mining activity and electricity index grew by 9.8% and 10.4%, respectively.

On y-o-y basis, monthly IIP growth in December 2022 was relatively higher compared to previous year due to low base effect where overall IIP was adversely affected by onset of third wave of pandemic. Low base affect and year end festive sale are likely to support IIP growth in the coming month. However, moderation in external demand and consequent decline in trade have potential to affect manufacturing sector output and putting downward pressure on overall IIP growth.

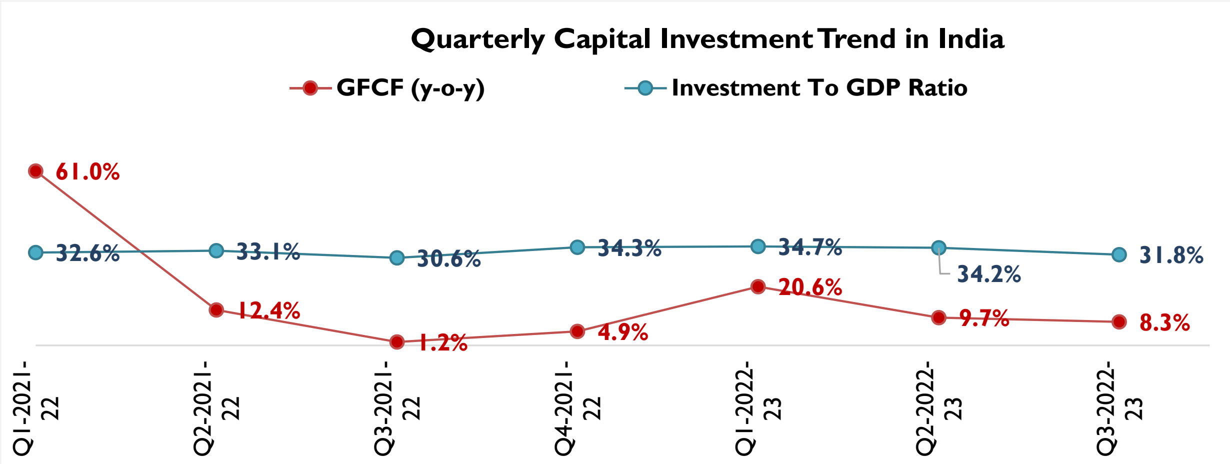


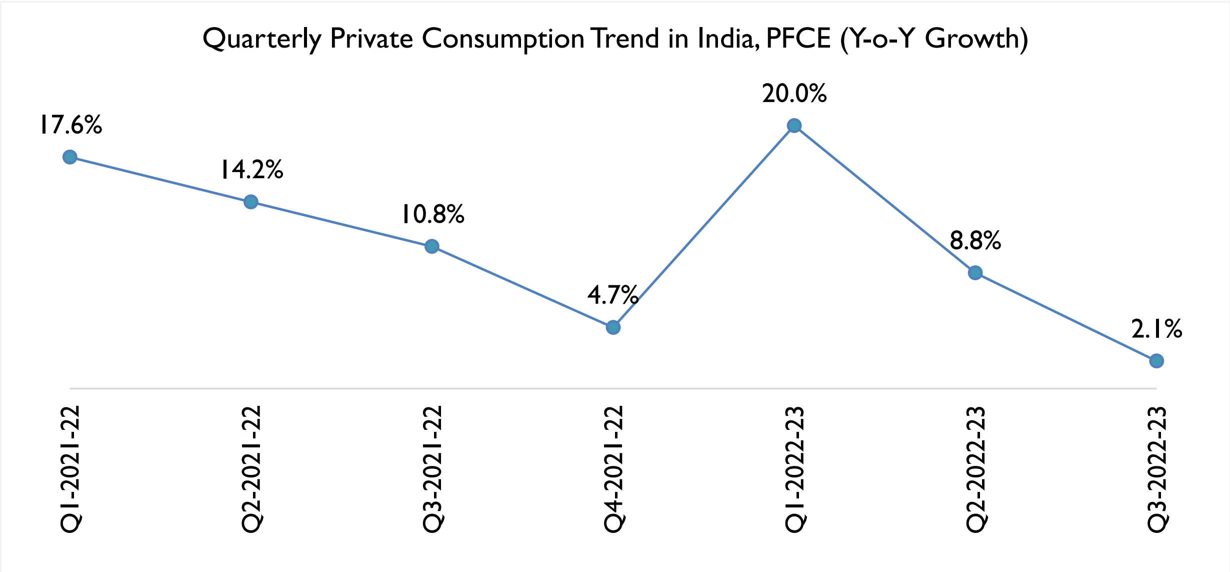
Sources: MOSPI

As per the use-based classification, growth in all segments deteriorated for FY 2023 as compared to FY 2022. Consumer good and intermediate goods were worst hit segments followed by infrastructure / construction Goods. The contracting IIP data points towards adverse operating business climate as global headwinds, high inflation, and monetary tightening started having adverse impact on manufacturing activity in FY 2023.

Investment & Consumption Scenario

Other major indicators such as Gross fixed capital formation (GFCF), a measure of investments, moderated during Q2 FY 2023 and Q3 FY 2023 while 8% y-o-y growth number was encouraging against 1.2% yearly growth in Q3 FY 2022. Despite the festive season demand and largely a covid-free economy, Private Final Consumption Expenditure (PFCE) a realistic proxy to gauge household spending, observed a continued moderation in Q3 FY 2023 where yearly growth softened to 2.1% which was nearly 7% lower compared to Q2 FY 2023.

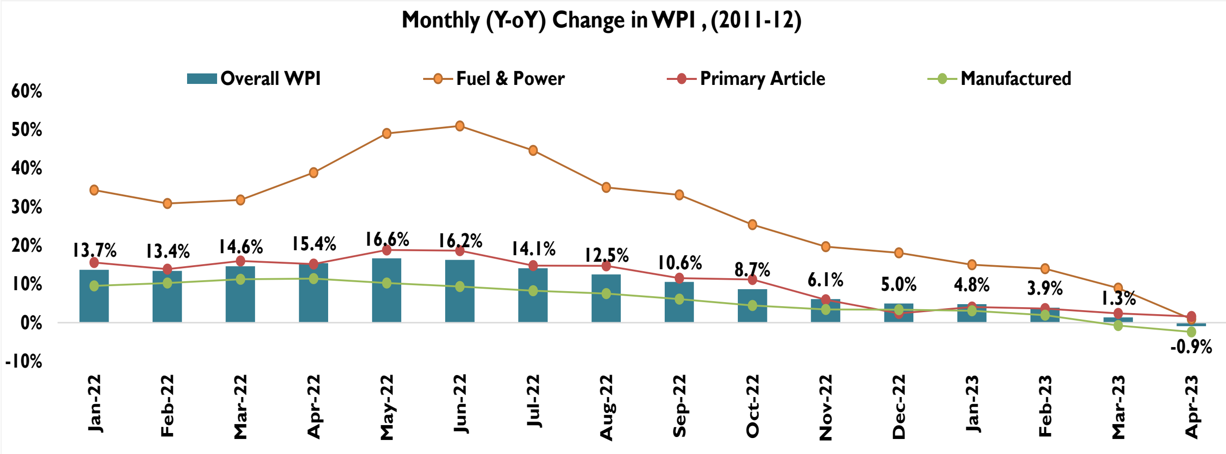




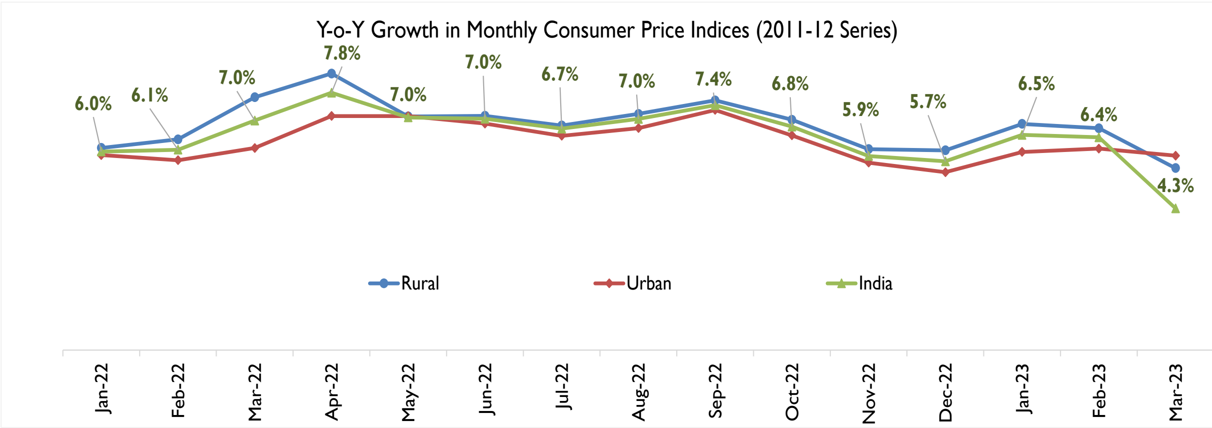
Sources: MOSPI

Inflation Scenario

Wholesale Price Index (WPI) is moderating on the back of softening of prices. Compared to April 22, WPI in April 2023 dropped by -0.9%. This is primary on the back of softening of fuel & power prices. Monthly y-o-y change (April 2023 v/s April 2022) for manufactured products was -2.9%, and this too contributed to the moderation in WPI. Softening prices of mineral oils, chemicals & chemical products, textiles, crude petroleum & natural gas, textiles, and Food products. contributed towards moderation in WPI inflation.



Source: MOSPI, Office of Economic Advisor



Source: CMIE Economic Outlook

Retail inflation rate (as measured by Consumer Price Index) again jumped above 6% tolerance limit of the central bank in January 2023 after observing mild moderation in the previous two month. The overall CPI grew by 6.5% in January 2023 due to spike in food inflation and CPI food index grew by 5.9% during FY 2023 against 4.2% y-o-y growth in the previous year. Within food index, Cereals and product-led food inflation reached 16.1 per cent in January 2023 from 13.8 per cent in December 2022. As a part of anti-inflationary measure, the RBI has hiked the repo rate by 225 bps since May 2022 to current 6.5% (May 2023), with latest fourth round hike announced on 8 Feb 2023. The Reserve Bank of India has estimated an average inflation rate of 6.5% for FY 2023. Since then, retail inflation appears to be softening, as it grew by 6.4% and 4.3% respectively in February and March of 2023.

Growth Outlook

Amidst the difficult and uncertain external economic environment, the Indian government has delivered a balanced Union Budget which focuses on achieving an inclusive and sustainable growth while adhering to the fiscal glide path. Notwithstanding the external risk, there is a sustained momentum in economic activity supported by domestic drivers. The consumer confidence survey by the Reserve bank of India points towards rising confidence of households both for the current situation as well as the future expectations (for a one-year period). Rural demand is likely to be boosted by good prospects for agricultural output and discretionary spending is expected to support urban consumption supporting. Resilient domestic financial markets, sturdy growth in credit and the government's thrust on capital expenditure is expected to drive momentum in investment activity. Capacity utilization in the manufacturing sector has surpassed its long period average. Thus, the stance taken by the government to not only emphasize on the top-down approach to growth i.e focusing on substantial capital outlay, but also to place focus on the bottom of the pyramid by trying to unleash the potential of the primary sector in the Union Budget should support India's growth momentum in 2023.

Some of the key factors that would propel India's economic growth in the coming years

Government focus on infrastructure development

Infrastructure development has remained recurring theme in India's economic development. As India aims to grow to a USD 5 trillion economy by 2027, Construction sector that include Infrastructure construction will be critical for boosting economic growth as it is the key growth enabler for several other sector. Infrastructure development provides impetus to other sectors like cement, bitumen, iron and steel, chemicals, bricks, paints, tiles, financial services among others. A unit increase in expenditure in construction sector has a multiplier effect on other sectors with a capacity to generate income as high as five times in other sectors. The sector enjoys intense focus from the Government which is well reflection in higher budgetary allocations. To push the infrastructure development, government has also announced higher budgetary allocation, various arrangement for raising funds through road asset monetization plan and converting of NHAI's existing InvIT into a public one is also planned. With economic targeting to reach USD 5 trillion economy by 2027, demand for various infrastructure facilities such as power, cargo movement, passenger movement is likely to grow which necessitate steady capacity addition in infrastructure facilities. Speedy progress and time-bound completion of infrastructure project would key factor to watch that will determine the sector performance.

The launch of flagship policies like National Infrastructure Pipeline (NIP), and PM Gati Shakti plan have provided the coordination & collaboration that was lacking earlier. Both NIP and PM Gati Shakti are ambitious billion-dollar plans that aim to transform India's infrastructure, elevating it to the next level. These projects are expected to improve freight movement, debottleneck the logistics sector, and improve the industrial production landscape, which would provide the incremental growth in GDP. In its Union Budget FY 2023, the Government has increased the capital expenditure by 35% to nearly INR 7.5 lakh crore – which indicates the strong Government focus on improving the overall infrastructure landscape in India.

Development of Domestic Manufacturing Capability

The Government launched Production Linked Incentive (PLI) scheme in early 2020, initially aimed at improving domestic manufacturing capability in large scale electronic manufacturing and gradually extended to other sectors. At present it covers 14 sectors, ranging from medical devices to solar PV modules. The PLI scheme provides incentives to companies on incremental sales of products manufactured in India. This incentive structure is aimed to attracting private investment into setting up manufacturing units and thereby beef up the domestic production capabilities. The overall incentives earmarked for PLI scheme is estimated to be INR 2 lakh crore. If fully realizing the PLI scheme would have the ability to add nearly 4% to annual GDP growth, by way of incremental revenue generated from the newly formed manufacturing units.

Strong Domestic Demand

Domestic demand has traditionally been one of the strong drivers of Indian economy. After a brief lull caused by Covid-19 pandemic, the domestic demand is recovering. Consumer confidence surveys by Reserve Bank / other institutions are points to an improvement in consumer confidence index, which is a precursor of improving demand. India has a strong middle-class segment which has been the major driver of domestic demand. Factors like fast paced urbanization and improving income scenario in rural markets are expected to accelerate domestic demand further. This revival is perfectly captured by the private final consumption expenditure (PFCE) metric. PFCE as a percentage of GDP increased to nearly 59.2 during the first half of FY 2023[1], which is the highest level it has achieved during the past few years. Although pent-up demand has played a part in this surge, this is an indication of normalization of demand.

There are two factors that are driving this domestic demand: One the large pool of consumers and second the improvement in purchasing power.

- The share of middle class increased from nearly 14% in 2005 to nearly 30% in 2021 and is expected to cross 60% by 2047 (Placeholder1)[2]. This expanding middle class household segment is fuelling India's growth story and would continue to play a key role in propelling India's economic growth.

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1 India Economic Survey FY 2023, Full year data is yet to be released.

2 As per the survey conducted by People Research on India's Consumer Economy. Households with annual income in the range of INR 5 – 30 lakh is considered as middle class households.

- As per National Statistics Office (NSO) India's per capita income (in current prices) stood at INR 1.72 lakhs in FY 2023 which is nearly double of what it was in FY 2015. This increase in per capita income has impacted the purchasing pattern as well as disposable spending pattern in the country. Consumer driven domestic demand is majorly fuelled by this growth in per capita income.

Digitization Reforms

Ongoing digitization reforms and the resultant efficiency gains accrued would be a key economic growth driver in India in the medium to long term. Development of digital platforms has helped in the seamless roll out of initiatives like UPI, Aadhaar based benefit transfer programs, and streamlining of GST collections. All of these have contributed to improving the economic output in the country. Some of the key factors that have supported the digitization reforms include – the growth in internet penetration in India together with drop in data tariffs, growth in smartphone penetration, favourable demographic pattern (with higher percentage of tech savy youth population) and India's strong IT sector which was leveraged to put in place the digital ecosystem. All these factors are expected to remain supportive and continue to propel the digitization reforms in India.

Construction Industry in India

India's construction industry is on a phenomenal growth trajectory, projected to reach a staggering USD 1.4 trillion by 2025, accounting for 8%-10% of India's GDP. This represents a significant leap from its current size of approximately USD 820 billion, showcasing the dynamism and potential of this sector. The Indian government's ambitious Gati Shakti National Master Plan plays a pivotal role in propelling the construction industry forward. This comprehensive roadmap aims to seamlessly integrate infrastructure development across various sectors, creating a national logistics network that will boost efficiency and reduce costs. The Bharatmala Pariyojana initiative complements Gati Shakti by focusing specifically on developing a world-class highway network spanning over 83,000 kilometers. This ambitious project comprises several expressways, ring roads, and economic corridors, aiming to improve connectivity, boost regional development, and facilitate trade. The booming construction industry is a significant job creator, directly employing millions of workers across various disciplines like engineering, construction, architecture, and skilled labor. Additionally, the sector indirectly supports numerous job opportunities in associated industries like manufacturing, transportation, and logistics

Other Factors Mapping Economic Impact:
Increased investment: Government initiatives like Gati Shakti and Bharatmala Pariyojana attract significant private and foreign investments, stimulating economic activity.

Private sector participation: Public-private partnerships (PPPs) in infrastructure projects accelerate construction and inject private capital into the sector.

Technology adoption: Embracing digital platforms and automation improves efficiency, reduces costs, and fosters innovation in the sector.

Sustainability focus: Green building practices and energy-efficient technologies contribute to environmental sustainability and resource conservation

Infrastructure Development: Improved infrastructure like roads, highways, railways, and airports enhances connectivity, reduces logistics costs, and facilitates trade, boosting economic activity across various sectors.

Urbanization: The construction boom fuels urbanization, leading to the development of new cities, townships, and commercial hubs, stimulating economic activity in these areas.

Real Estate Market: The construction sector is tightly linked to the real estate market, with increased construction activities driving demand for housing and commercial spaces, further influencing economic growth.

Key Segments of the Indian Construction Industry

Residential Construction: Building Homes for a Growing Nation

It is the largest Segment, representing approximately 60% of the industry, residential construction plays a dominant role. Rapid urbanization driven by a burgeoning middle class and economic growth fuels demand for new housing units, particularly in Tier 1 and Tier 2 cities. Government initiatives like Pradhan Mantri Awas Yojana (PMAY) aim to bridge the housing gap and provide affordable homes for low-income families. Preference for smaller apartments, smart homes, and integrated townships with amenities is gaining traction among the residents.

Commercial Construction: Skyrocketing Demand for Office and Retail Space

This segment is fuelled by Economic Growth i.e., Increasing business activity and foreign direct investment drive demand for office space in major cities. Growth of e-commerce and changing consumer preferences necessitate modern retail centers and logistics infrastructure. Emerging trend of Co-working and Coworking Spaces catering to the burgeoning freelance and start-up culture. Green buildings and energy-efficient technologies are gaining traction as environmental consciousness rises.

Industrial Construction: Gearing Up for Manufacturing Growth

Government's push for domestic manufacturing boosts demand for industrial infrastructure, including factories, warehouses, and power plants. Development of Special Economic Zones (SEZs) with dedicated infrastructure attracts foreign investment and manufacturing units. Dedicated industrial corridors like Delhi-Mumbai Industrial Corridor are facilitating industrial development and creating new construction opportunities. Focus on Automation and Technology such as Integration of automation and advanced technologies like robotics in manufacturing facilities requires upgrades and new construction.

Infrastructure Construction: Connecting India: Roads & Highways, Railways, Airports, and Ports

Road & Highways:

It is the Second largest network in the world aiming to add 22,000 km of highways by 2025, focusing on expressways and greenfield projects. Increased participation of private sector through Public-Private Partnerships (PPP) is accelerating project execution.

Railways:

It is the Fourth largest network in the world fuelled by undergoing rapid modernization and expansion with projects like Dedicated Freight Corridors (DFCs) and high-speed rail with Focus on electrification and technology by leveraging technology for automation and safety improvement initiatives.

Ports: Investment in port infrastructure development to improve capacity, efficiency, and trade connectivity.
Airports: Expansion and modernization of airports to cater to growing air traffic and promote regional connectivity.

A Look Ahead: The Future of Indian Construction Industry

With its robust growth trajectory, fuelled by government initiatives and private sector participation, the Indian construction industry is poised for an exciting future. Continued focus on technological advancements, sustainability practices, and skilled workforce development will be crucial to unlocking the sector's full potential and contributing to India's overall economic prosperity. The industry is expected to double in size within the next six years. Projections indicate the construction sector's contribution to India's GDP could rise to 15% by 2030, further solidifying its role as a critical economic driver.

Infrastructure Construction in India

The infrastructure construction segment in India is a key driver of economic growth and national development. It encompasses the development and maintenance of essential infrastructure like roads, highways, railways, airports, ports, waterways, power plants, and irrigation systems. This segment plays a crucial role in:

- Connecting people and places: Efficient transportation networks facilitate movement of goods and people, boosting trade and commerce.
- Stimulating economic activity: Infrastructure projects create jobs, attract investments, and spur

development across various sectors.

- Improving quality of life: Access to clean water, sanitation, and reliable electricity enhances living standards and promotes overall well-being.

Key Segments of Infrastructure Construction:

Roads & Highways: India boasts the second largest road network in the world, but needs significant expansion and upgrades. Government initiatives like Bharatmala Pariyojana and Sagarmala aim to improve connectivity and logistics efficiency.

Railways: The Indian Railways network is the fourth largest globally, undergoing modernization with dedicated freight corridors and high-speed rail projects.

Airports: India plans to build and upgrade over 100 airports, expanding air connectivity and catering to growing passenger demand.

Ports: India's coastline offers immense potential for port development, facilitating international trade and boosting maritime connectivity.

Mapping the Role of Infrastructure Construction in Economic Development: A Multifaceted Impact

The infrastructure construction segment of the construction industry plays a critically important role in driving economic development, impacting multiple facets of a nation's growth.

Connecting the Economy:

Improved Transportation Networks: Efficient roads, highways, railways, airports, and ports facilitate the movement of goods and people, fostering trade, commerce, and logistics. This reduces transportation costs, increases market access, and boosts regional development.

Enhanced Connectivity: Infrastructure connects producers with consumers, enabling market expansion, stimulating industrial growth, and attracting foreign investments.

Job Creation and Economic Activity:

Direct Employment: Infrastructure projects are labor-intensive, creating jobs for engineers, construction workers, technicians, administrative staff, and various skilled and unskilled personnel. This injects income into the economy, leading to increased consumption and demand across sectors.

Indirect Employment: Infrastructure development stimulates associated industries like steel, cement, transportation, and manufacturing, generating additional job opportunities and promoting economic activity throughout the value chain.

Facilitating Trade and Investment:

Reduced trade costs: Improved infrastructure lowers logistics costs, making exports and imports more competitive and boosting international trade.

Attracting Investments: Modern infrastructure creates an attractive environment for domestic and foreign investments, leading to capital inflows and technological advancements.

Enhancing Quality of Life:

Access to Essential Services: Efficient infrastructure ensures access to clean water, sanitation, healthcare, and education, improving living standards and public health.

Urban Development: Improved infrastructure supports urbanization, providing housing, utilities, and amenities for growing populations.

Long-Term Growth and Sustainability:

Investments in infrastructure have a ripple effect by promoting innovation, productivity, and economic diversification, contributing to sustainable long-term growth.

Green infrastructure practices in construction like renewable energy projects and sustainable materials adoption help mitigate environmental impact and promote ecological harmony.

Railway Infrastructure in India: overview on track and station network

Ranked fourth globally, India possesses an extensive railway system, trailing only the United States, Russia, and China. The affordability and efficiency of railways persist as the favoured choice for long-distance travel among the majority of Indians.

\Acknowledged as one of the world's largest railway systems under unified management, India's railway network excels in facilitating extended journeys and transporting bulk goods. Beyond being an economical mode of conveyance, it stands out as an energy-efficient means of transport.

As of March 31, 2023, India's railway tracks span 1,32,310 kms, encompassing broad gauge, metre gauge, and narrow gauge. Notably, the total double-line track extends to 26,578 kms. The commitment to expansion is evident in the achievement of 5243 km of New Line during FY 2022-23, with an average daily track laying rate of 14.4 kms – a historic high.

The railway infrastructure further encompasses 13,523 passenger trains and 9,146 freight trains operating daily. In the financial year 2022-23, the Indian Railways recorded its highest-ever loading of 1512 MT, showcasing the system's efficiency and capacity growth.

With approximately 7,335 railway stations spread across 17 zones and 68 divisions, India's railway network stands as a testament to its scale, efficiency, and crucial role in the nation's transportation landscape.

Railway modernization in India: focus on expansion / modernization of railway station network

India's railway journey began in 1832 with proposals in Madras. The first passenger train ran between Bombay and Thane on April 16, 1853, covering 34 kilometers with 400 passengers. The country's first electric passenger train operated between Victoria Terminus (VT) and Kurla on February 3, 1925. The reorganization of India's railways into regional zones began in 1951. In 1952, fans, lights, and sleeping accommodations were mandated across all classes of passenger accommodations.

Today, it has come very far. India's railway network is one of the largest in the world, serving millions of passengers and transporting goods across vast distances every day. As the backbone of the country's transportation infrastructure, Indian Railways plays a crucial role in connecting people, businesses, and regions. In recent years, there has been a concerted effort towards modernizing and expanding the railway station network to meet the evolving needs of passengers and freight traffic.

The modernization of railway stations in India encompasses a wide range of initiatives aimed at enhancing infrastructure, amenities, and services to provide passengers with a world-class travel experience. This includes the construction of modern waiting halls, waiting rooms, restrooms, and passenger lounges equipped with amenities such as Wi-Fi connectivity, charging points, and digital display boards providing real-time information about train schedules and arrivals. Additionally, efforts are underway to improve accessibility for passengers with disabilities by installing ramps, elevators, and other facilities to ensure equitable access to railway services. Some of the developments are as mentioned below:

According to the latest report of Ministry of Railways in FY 2022, a total of 181 stations spread across various states have been earmarked for redevelopment under the oversight of the Railway Board's Rail Land Development Authority (RLDA). Among these, construction activities have been successfully concluded at Gandhinagar Capital and Rani Kamlapati railway stations, marking significant progress in station modernization endeavors. Additionally, construction projects are currently underway at several key locations, including Bijwasan, Gomtinagar (in collaboration with NBCC), Delhi Safdarjung (in partnership with IRCON), and IMS, Ajni/Nagpur (in association with NHAI), leveraging the Engineering, Procurement, and Construction (EPC) mode to expedite implementation.

In a bid to ensure seamless travel experiences for passengers, quick watering facilities have been strategically deployed at 33 stations to provide efficient water supply within the stipulated halt time of the trains. This initiative aims to guarantee the availability of adequate water in coaches throughout the duration of train journeys, enhancing passenger comfort and convenience. Presently, a total of 95 stations have been equipped with these quick watering facilities, with 26 stations receiving such provisions during the fiscal year 2021-22, indicating ongoing efforts to expand and improve passenger amenities.

In line with the government's vision of promoting sustainable development and green transportation, the modernization of railway stations in India also emphasizes environmental sustainability and energy efficiency. This includes the adoption of eco-friendly practices such as rainwater harvesting, solar power generation, and energy-efficient lighting systems to reduce the carbon footprint of railway operations. Furthermore, Indian Railways has demonstrated a strong commitment to environmental sustainability by achieving significant milestones in green certification and environmental management system implementation. A total of 32 railway stations and 32 railway buildings, including schools and hospitals, have been awarded "GreenCo" certification, highlighting compliance with rigorous environmental sustainability standards. Additionally, approximately 700 railway stations have been certified for the implementation of the Environment Management System ISO: 14001, reflecting a holistic approach to environmental stewardship and resource management within the railway ecosystem.

Aligned with the overarching objectives of the "Digital India" initiative of the Government of India, Indian Railways has implemented Wi-Fi internet services at 6,102 stations through RailTel's RailWire Wi-Fi network, including 15 stations in the Kashmir valley. This initiative constitutes one of the world's largest and fastest public Wi-Fi networks. Notably, 70% of the commissioned stations are situated in rural areas, thereby providing free high-speed Wi-Fi access to a significant portion of the rural population.

Furthermore, RailTel is actively deploying an IP camera-based Video Surveillance System at over 5000 railway stations, significantly enhancing passenger safety and security across the Indian Railways network. This initiative includes the integration of standalone video surveillance systems installed by respective zonal railways at various stations, enabling centralized monitoring of video recordings at the Divisional and Zonal headquarters. The system incorporates high-capacity storage devices at stations to archive CCTV footage for a specified duration. Phase-1 of this project has already been completed at 303 stations.

A variety of amenities are available at stations to cater to the diverse needs of passengers, including 1926 Water Vending Machines, 1365 Multi-Purpose Stalls, 362 Book Stalls, 44 Miscellaneous/Curio Stalls, 03 exclusive Chemist Stalls, and 01 Book Stalls cum Chemist Corners. These facilities ensure the availability of essential items required by travellers during their journey.

Overall, the focus on expansion and modernization of the railway station network in India reflects a comprehensive approach towards transforming the country's railway infrastructure to meet the needs of the 21st century. By investing in infrastructure upgrades, enhancing passenger amenities, promoting environmental sustainability, and unlocking commercial potential, Indian Railways aims to create a modern and efficient railway network that serves as a catalyst for economic growth and development across the country.

Flagship Government Policies

Amrit Bharat Station Scheme

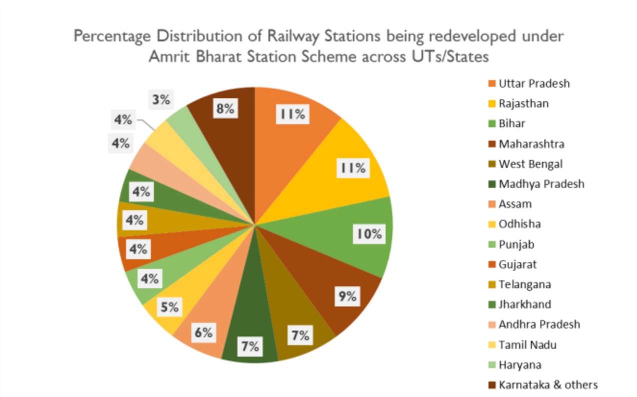
Recognizing the widespread preference for railways as the primary mode of transportation, the Indian government has underscored the significance of delivering top-notch facilities at railway stations. Aligned with this vision, the Amrit Bharat Station Scheme was initiated to revamp 1309 stations across the country.

With a long-term perspective on station development, the Amrit Bharat Station scheme entails crafting Master Plans and implementing them progressively to enhance various station amenities. These improvements encompass bettering station accessibility, waiting areas, restroom facilities, installation of lifts and escalators as necessary, cleanliness initiatives, provision of free Wi-Fi, establishment of kiosks for local products through initiatives like 'One Station One Product', improvement of passenger information systems, creation of Executive Lounges, allocation of spaces for business meetings, incorporation of landscaping, and tailoring solutions to the unique needs of each station.

Moreover, the scheme underscores the refurbishment of station structures, integration of stations with surrounding urban areas on both sides, promotion of multimodal connectivity, provision of facilities for individuals with disabilities (Divyangjans), implementation of sustainable and eco-friendly measures, introduction of ballastless tracks, inclusion of 'Roof Plazas' when necessary, and careful consideration of the feasibility and phasing of enhancements. The overarching objective is the transformation of these stations into vibrant city centres over the long term.

Under this scheme, redevelopment work has commenced for 508 railway stations at a cost exceeding Rs 24,470 crores. Comprehensive Master Plans are being devised for the evolution of these stations into 'City Centres,' with seamless integration on both sides of the city. This integrated approach aligns with the holistic vision of overall urban development centered around the railway station.

These 508[1] stations are spread across 27 states and union territories, including 55 each in Uttar Pradesh and Rajasthan, 49 in Bihar, 44 in Maharashtra, 37 in West Bengal, 34 in Madhya Pradesh, 32 in Assam, 25 in Odisha, 22 in Punjab, 21 each in Gujarat and Telangana, 20 in Jharkhand, 18 each in Andhra Pradesh and Tamil Nadu, 15 in Haryana, 13 in Karnataka among others.



Source: Amrit Bharat Station Scheme

The redevelopment will provide modern passenger amenities along with ensuring well-designed traffic circulation, inter-modal integration and signage for the guidance of passengers. The design of the station buildings will be inspired by local culture, heritage and architecture.

One Station One Product (OSOP) Scheme

The One Station One Product scheme, unveiled in the Union Budget 2022-23, aligns with the 'Vocal for Local' vision of the Government of India, aiming to create a market for local/indigenous products and generate additional income opportunities for marginalized segments of society. This initiative seeks to enhance livelihood prospects for local artisans, potters, weavers/handloom weavers, craftsmen, etc., by establishing sales outlets at railway stations nationwide. The pilot project, launched on 25.03.2022 for 15 days at 19 stations, informed the formulation of the OSOP policy on 20.05.2022.

Within this framework, Indian Railways provides uniquely designed sales outlets with a distinct appearance and logo at stations, developed by NID/Ahmedabad, to showcase, sell, and give heightened visibility to indigenous/local products for a nominal registration fee of Rs 1000/- for 15 days. Allotment occurs to applicants meeting the scheme's objectives on a rotational basis through draw of lots at stations.

As of 30.11.2023, 1189 OSOP outlets are operational at 1083 stations, allocated to local beneficiaries, including

[1] No definitive information is currently available to confirm whether the 181 stations earmarked for redevelopment under the RLDA's purview are included within the 508 stations targeted by the Amrit Bharat Station Scheme.

184 artisans, 630 craftsmen, 147 weavers, 202 agricultural/forest product producers, among others. Up to November 2023, a total of 41,280 direct beneficiaries have availed themselves of the opportunities presented by the OSOP scheme.

National Railway Plan (NRP)

The National Rail Plan (NRP) for India, set for realization by 2030, is a strategic blueprint aimed at forging a 'future-ready' railway system. It seeks to proactively create capacity exceeding demand by 2030, fostering efficiency and profitability while accommodating periodic peaks and year-on-year growth in traffic demand with minimal future capital investment. The NRP envisions sustaining a 44% modal share for railways up to 2051, signifying a substantial role in the country's transportation landscape.

Emphasizing both operational capacities and commercial policy initiatives, the plan targets an increase in the railway's freight modal share from the current 28% to an ambitious 44% by 2051. The objective is to establish capacity ahead of demand, enabling the railway system to support a 44% modal share in freight traffic while maintaining sustainability. Diverse financial models, including Public Private Partnership (PPP), are under consideration to achieve these goals.

Recognizing Indian Railways as a growth engine, the NRP seeks to transform it into an efficient, greener, and modernized entity, offering cost-effective, safer, and reliable transportation for passengers and freight. The plan outlines a two-step transformation, with the first leap targeted by 2024 and the comprehensive vision for 2030.
The "Vision 2024/2024" framework identifies critical projects for completion by 2024, including 100% electrification, multi-tracking of congested routes, speed upgrades on key routes, and the elimination of level crossings. Indian Railways' impressive 7.5% increase in cargo transport in 2022, reaching 1,497 million tonnes, aligns with the NRP's goal of raising rail's freight share from 31% to 44% by 2051.

Key features of the NRP include formulating strategies for freight modal share, reducing transit time, launching Vision 2024 for accelerated project implementation, identifying new Dedicated Freight Corridors and High-Speed Rail Corridors, assessing rolling stock and locomotive requirements, and involving the private sector in operations and infrastructure development. This comprehensive plan reflects a commitment to shaping India's railway future with foresight, efficiency, and sustainability.

Green Initiatives

Indian Railways is committed to becoming a Net Zero Carbon Emitter by 2030 and has implemented a series of initiatives to reduce carbon emissions. These include the adoption of energy-efficient technologies such as fully transitioning to the production of three-phase electric locomotives with regenerative features, implementing head-on generation (HOG) technology, installing LED lights in buildings and coaches, using star-rated appliances, and promoting afforestation.

Additionally, the railway is tapping into the vast potential of renewable energy, particularly solar power, by utilizing the expansive land parcels available along the railway tracks. By October 2023, approximately 211 MW of solar plants, both rooftop and ground-mounted, and about 103 MW of wind power plants have been commissioned. Moreover, the railway has secured commitments for an additional 2150 MW of renewable energy capacity.

As part of its Net Zero Carbon by 2030 mission, Indian Railways has launched Mission 100% Electrification. This mission aims to electrify the entire Broad Gauge network in a focused effort to provide an environmentally friendly and clean mode of transport.

Indian Railways has achieved remarkable progress in electrification, with 21,801 KM of the broad gauge network electrified by 2014. As of November 2023, the total Broad Gauge (BG) network spanning 60,814 km has been electrified. Fourteen states and Union Territories have achieved 100% electrification of their rail tracks, including Chandigarh, Chhattisgarh, Delhi, Haryana, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Madhya Pradesh, Meghalaya, Odisha, Puducherry, Telangana, Uttar Pradesh, and Uttarakhand.

High-speed trains & metro network: Mapping the impact on railway station infrastructure

The advent of high-speed trains and the expansion of metro networks have revolutionized the landscape of urban transportation systems worldwide. These modern modes of transit offer unparalleled speed, efficiency, and connectivity, reshaping the way people commute within and between cities.

Railway stations serve as vital hubs in the transportation network, facilitating the seamless movement of passengers and goods across vast distances. Traditionally, these stations have been designed to accommodate conventional train services, catering to the needs of commuters and travellers. However, with the introduction of high-speed trains and the expansion of metro networks, the demands placed on railway station infrastructure have evolved significantly.

With India witnessing a steep rise in its metro network, and the daily ridership across metro systems in the country crossing the 10 million mark, it is further expected to exceed 12.5 million in a year or two. As high-speed trains and metro networks become integral components of urban transportation systems in India, the expansion and modernization of railway station infrastructure emerge as imperative tasks. The introduction of these advanced modes of transit necessitates significant upgrades to existing station facilities to accommodate the increased volume of passengers, trains, and associated services.

One of the primary considerations in expanding railway station infrastructure is the need to enhance capacity to handle higher passenger footfall and train frequency. With the introduction of high-speed trains and metro networks, there will likely be an increase in passenger demand for rail transportation. This surge in demand may necessitate upgrades to existing railway infrastructure, including tracks, platforms, and signalling systems, to accommodate higher passenger volumes and train frequencies. Thus, unlike conventional stations designed primarily for slower-moving commuter and freight trains, modern stations must contend with the rapid movement of passengers and trains inherent to high-speed and metro services.

Ticketing counters and fare gates are another area of differentiation. While traditional stations may rely on manual ticketing processes and turnstiles, modern stations implement automated ticketing systems and contactless fare gates to expedite passenger flow and reduce congestion. Features enabled in metro stations such as National Common Mobility Card (NCMC), which fall under the umbrella of the Prime Minister's 'One Nation One Card' initiative, enable seamless travel by metro rails and other transport systems across the country besides retail shopping and purchases. These innovations not only enhance convenience for passengers but also improve operational efficiency and safety.

Another key differentiation lies in the layout and configuration of station platforms. Unlike traditional platforms, which may be narrow and constrained, modern platforms for high-speed and metro services must be wider and more spacious to accommodate larger crowds and facilitate efficient boarding and alighting processes. Additionally, platforms may be equipped with advanced signalling and safety systems to ensure the smooth and safe movement of trains. Further, they should be designed to provide intuitive wayfinding, clear signage, and seamless connectivity between different modes of transportation.

Another crucial aspect of railway station modernization is the incorporation of sustainability principles into infrastructure design and operation. With growing concerns over environmental degradation and climate change, there is a heightened emphasis on reducing the carbon footprint of transportation systems. Therefore, integrating eco-friendly features such as energy-efficient lighting, rainwater harvesting systems, solar panels, and green spaces into railway station infrastructure is paramount.

In this regard, ten 'green stations' along the 16-kilometer Mumbai Metro Line 7, which operates from Dahisar East to Andheri East, have achieved the prestigious Platinum Rating awarded by the Indian Green Building Council (IGBC). Additionally, the Delhi Metro Rail Corporation (DMRC) made significant strides in sustainability by transitioning to a completely green operation in 2017. Recognized as the "World's First Green Metro," DMRC's achievement stems from its strict adherence to the green building guidelines established by the IGBC. Further, as of March 2023, all 27 elevated metro stations under Phase IV are being made future ready for solar plants. Thus, aligning with sustainability efforts will not only shape the direction of railway infrastructure but also ensure its resilience and environmental responsibility in the face of evolving challenges, making it a crucial consideration for future developments.

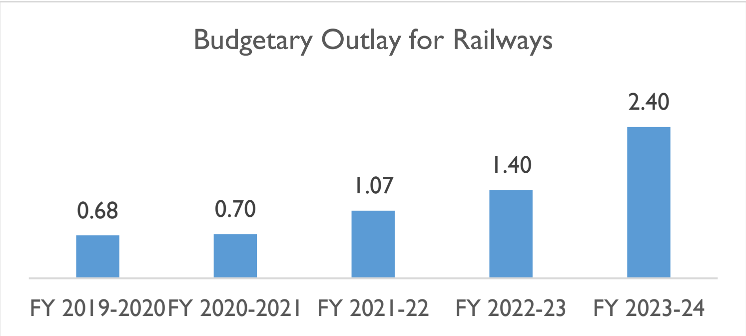
The integration of high-speed trains and metro networks with the existing railway network presents technical and logistical challenges. However, the expansion and modernization of railway station is imperative for enhancing the overall passenger experience. In India, the Delhi Metro project provides a compelling example of the integration of metro networks with existing railway stations. Stations such as New Delhi Railway Station and Old Delhi Railway Station have been redesigned and expanded to seamlessly connect with Delhi Metro lines, offering passengers convenient intermodal transfers and enhanced connectivity across the city.

The Pan-India integration of high-speed trains and metro networks with existing railway stations is crucial for ensuring seamless connectivity and efficient multimodal transportation. As these advanced transportation systems expand, it becomes imperative to establish smooth transitions between different modes of transit, facilitating convenient transfers for passengers and optimizing the overall efficiency of the transportation network.

Growth Forecast

With a staggering 126,366 km of track, India boasts the world's fourth-largest railway network. This translates to a formidable web of steel ribbons crisscrossing the nation, connecting remote villages to bustling metropolises. Spanning 67,415 km of routes, the network provides diverse travel options, catering to the needs of millions of passengers and facilitating the seamless movement of goods across the country. The presence of 7,335 stations, spaced conveniently at an average interval of 17 km, ensures that no region is left isolated. This high density underscores the railway's commitment to inclusivity and accessibility.

Remarkably, there has been a significant increase in funding for railway development, with allocations growing at a CAGR of 37% from FY 2020 to FY 2024. Furthermore, the unprecedented 71% annual growth in FY 2024 in budgetary allocations for this purpose implies the importance and intended growth for the railway network in India.



Source: As per Government of India

In August 2023, the Government of India approved seven multi-tracking projects totalling Rs 32,500 crore. These projects will span across 34 districts in nine states, namely Uttar Pradesh, Bihar, Telangana, Andhra Pradesh, Maharashtra, Gujarat, Odisha, Jharkhand, and West Bengal. This approval will extend the existing Indian Railways network by 2,339 kilometres and add 120 million tonnes of extra cargo handling capacity.

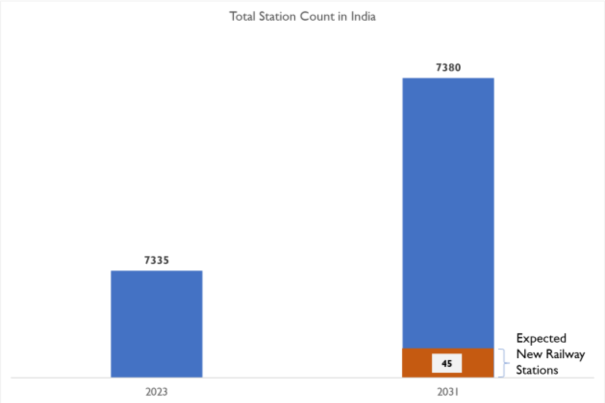
Among these projects, four have been sanctioned for doubling existing tracks, one for adding a third line, one for quadrupling the existing network, and one for multi-tracking. These projects include doubling the Gorakhpur Cantt - Valmiki Nagar Single Line section covering 96 kilometres at a cost of Rs 1,269.8 crore. Additionally, improving North East connectivity and doubling the Guntur - Bibinagar Single Line section spanning 239 kilometres will be carried out at a cost of Rs 3,238 crore. Doubling the Chopan- Chunar single line section across 102 kilometres will cost Rs 1,553 crore.

Furthermore, the doubling of the line between Mudkhed-Medchal & Mahbubnagar-Dhone section covering 418 kilometers is underway, with a budget of Rs 5,655.4 crore. The quadrupling between Samakhiali and Gandhidham in Gujarat over a 53-kilometer stretch has been approved at a cost of Rs 1,571 crore. Additionally, the construction of a third line between Nergundi - Barang & Khurda Road - Vizianagaram spanning 385 kilometers will cost Re 5,618 crore.

The Son Nagar Andal Multi-tracking Project, covering 374.5 kilometers, is one of the biggest projects approved by the cabinet in this round, with a total cost of Rs 13,606 crore. This project will cover parts of Bihar, Aurangabad, and Jharkhand.

India's railway infrastructure is undergoing substantial expansion to meet the escalating demands for travel and freight transportation, ensuring its readiness for the future. The government is deeply invested in this endeavour, backing it with policies such as the National Rail Plan and significant budgetary allocations.

The National Rail Plan aims to raise the modal share of railways in freight traffic to 45% by 2030, a significant jump from the current 27%. This translates to a massive and efficient movement of goods across the nation. Dedicated freight corridors, faster turnaround times, and competitive pricing are key elements in attracting more cargo onto the rails. Additionally, focus on specialized wagons for specific commodities and improved logistics integration will further enhance the attractiveness of rail freight. The plan anticipates a robust rise in passenger traffic, with a potential one billion passengers annually by 2030. This necessitates significant expansion in passenger-carrying capacity. Increased frequency of trains, introduction of faster and more comfortable services like high-speed trains, and improved last-mile connectivity will cater to the growing demand. Moreover, the plan emphasizes creating a seamless travel experience through digital ticketing platforms and modern amenities at stations. The plan envisions adding a staggering 780 new lines by 2031, with an average annual addition of 98 lines. This aggressive expansion will connect previously underserved regions, boosting economic activity and regional development. This dramatic increase in lines directly translates to a need for more railway stations. An additional 45 stations are slated to come up by 2031, bringing the total number to 7,380. These new stations will act as focal points for local communities, fostering trade, connectivity, and overall development. The aggressive increase in freight mix and passenger traffic, coupled with the rapid expansion of new lines, will inevitably generate the demand for more railway stations.



Source: As per Government of India

Indian Railways is chugging into a new era of passenger experience with a massive station redevelopment program. The government is investing over Rs 13,000 crore to transform 35 major stations across 14 zones into modern, state-of-the-art hubs.

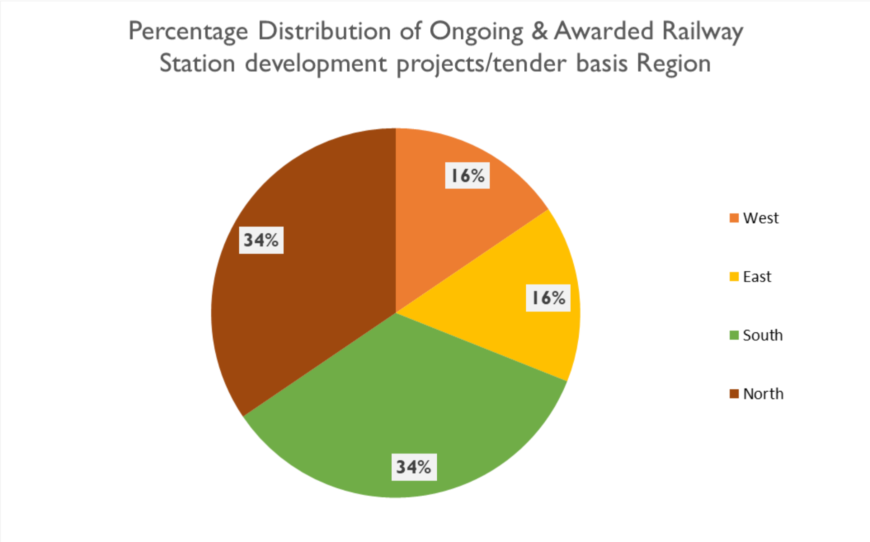
Three railway station redevelopment/modernization projects have been announced by the central government, spanning across different zonal railways which includes Sanganer (Jaipur) Railway Station Redevelopment Project, with an estimated cost of Rs. 355 million, will transform Sanganer station into a world-class facility by North Western Railways. Shimla Railway Station Development Project, with an estimated cost of Rs. 135.1 million by North Railways and Anaparthi Railway Station Development Project, the Rs. 200 million project by South Central Railways. The Indian Railways has learned from its initial foray into PPP models and is now prioritizing the Engineering, Procurement and Construction (EPC) model. This means builders have a larger role to play, from design to delivery.

In terms of railway station infrastructure development plans, Rail Land Development Authority (RLDA), a statutory Authority, under the Ministry of Railways, has received 100 station re-development projects. The status for the same is as under:

Status	No. of Stations
Completed & commissioned	2
DPR finalised by RLDA, EPC Tender awarded by Zonal Railway	41
DPR finalised by RLDA, EPC Tender invited by Zonal Railway	5
DPR finalised by RLDA, under process for inviting tender	3
DPR finalised by RLDA, work awarded by Zonal Railway	1
DPR finalised by RLDA. EPC Tender awarded by RLDA. After award handed over to Zonal Railway	3
Master planning is in progress.	29
EPC Tender awarded, under execution of RLDA	12
EPC Tender invited by RLDA	2
The station is to be taken up on EPC by RLDA	1
Under Planning with Central Railway	1

Source: Rail Land Development Authority

Out of the 100 redevelopment projects received by RLDA, 61 projects accounts for the awarded and ongoing projects & tender cumulatively. The regional distribution of these projects is as:



Source: Rail Land Development Authority

Furthermore, as part of the Amrit Bharat Station Scheme, foundation stone for 508 stations is completed. Remaining 801 stations are yet to be planned and allocated. With heavy expansion plans and development changes underway in the nation, numerous opportunities are poised to emerge for railway station infrastructure development.

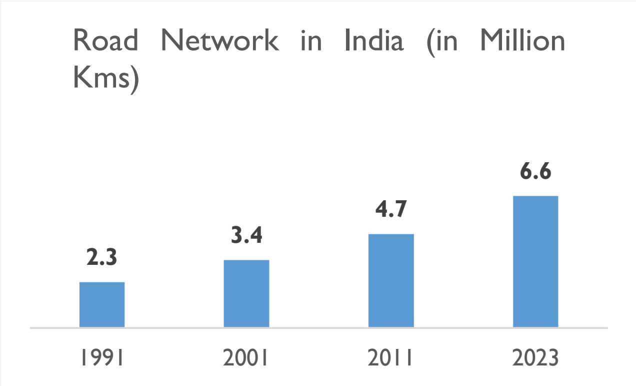
Road Infrastructure in India

India has a road network spanning approximately 6.6 million kms, making it the second largest in the world. This network – which comprises of national highways, state highways, district roads, and rural road – carries approximately 65% of country's freight traffic and nearly 90% of passenger traffic.

India also has the second largest highway network in the world[1], after the United States, spanning approximately 146,145 kms. The crown jewels of the network, NHs constitute only 2% of the total length but carry over 40% of traffic. These high-quality, multi-lane highways connect major cities, ports, and industrial centers. Since the 1990s, India has prioritized road development. Over 35,000 kilometres of four-lane expressways have been constructed, connecting major economic and cultural centres. The National Highways and Infrastructure Development Corporation Limited (NHIDCL) and the National Highways Authority of India (NHAI) have played

[1] Referring to National Highways

crucial roles in this expansion

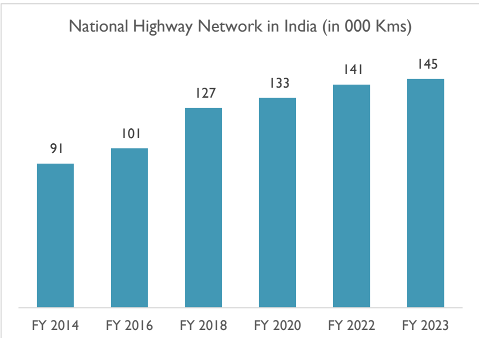


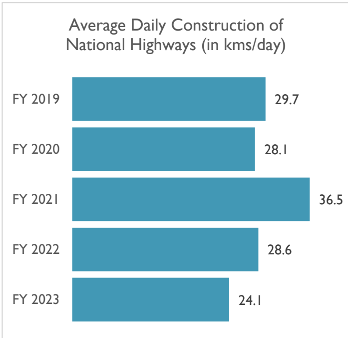
Source: Ministry of Road Transport & Highways, Government of India

National Highway Network in India.

Implementation of favourable policy measures / programs, and aggressive push by the Government to increase the road network has accelerated the pace of road construction in the country. The switch to a corridor-based highway development strategy adopted by the Government, beginning 2014 – 15, has improved the pace of construction. The annual addition in road network reached its fastest during FY 2021, when the pandemic induced a lockdown in the country. Between FY 2015 and FY 2023, nearly 54,000 kms of road was added to the national highway network in the country, thereby taking it from approximately 91,000 kms to its present stretch of approximately 145,000 kms.

Average daily construction rate reached its highest level of nearly 36.5 kms/day in FY 2021, as the industry was benefitted by the lockdown measures imposed after the spread of Covid-19 pandemic. Since then, the average daily rate has dipped, to nearly 24 kms in FY 2023.





Source: Ministry of Road Transport & Highways, Government of India, D&B Research,
Average Daily Construction for FY 2023 is for period 1st April 2021 to 28 February 2023

Growth Trend

Over the years, the national highway network has undergone remarkable growth, evolving from a modest collection of roads to a vast expanse of well-connected highways. The pattern of growth in the network is characterized by distinct phases, where each phase has contributed to the network's growth and transformation. Among these, the Golden Quadrilateral and the North-South and East-West Corridors stand out as iconic examples that have played a pivotal role in shaping the expansion and connectivity of the network.

The Golden Quadrilateral program, initiated in the early 2000s, was a massive undertaking that aimed to connect several major industrial, agricultural, and cultural centers of India by connecting the four major metropolitan cities of Delhi, Mumbai, Chennai, and Kolkata through a network of high-quality highways. This project not only drastically reduced travel time between these economic centers but also spurred economic growth and trade across the regions it covered. The successful completion of the Golden Quadrilateral represented a significant leap forward in India's highway development efforts and showcased the country's capacity to undertake and execute ambitious infrastructure projects.

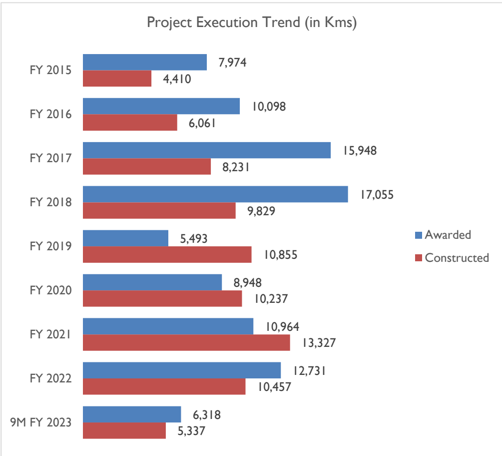
Similarly, the North-South and East-West Corridors are envisioned to enhance connectivity between the northern and southern regions, as well as between the eastern and western parts of the country, making them the largest ongoing highway project in India. These corridors are bringing together the previously disconnected areas into the fold of the national highway network, opening up new avenues for trade, tourism, and development.

In terms of individual states, Maharashtra boasts the most extensive network of national highways, encompassing a total distance of approximately 18,500 kilometres and accommodating 102 national highways within its borders. Uttar Pradesh secures the second position with a road span of nearly 12,300 kilometres and 88 national highways within the state limits. Following closely is Rajasthan, which possesses approximately 10,700 kilometres of highways hosting 52 national highways, while Madhya Pradesh boasts 9,000 kilometres and 46 national highways. Coming in fifth, Andhra Pradesh encompasses 8,00 kilometres of highways hosting 47 national highways.

States which have the highest concentration of national highway network	
State	**National Highway (in Kms)**
Maharashtra	18,500
Uttar Pradesh	12,300
Rajasthan	10,700
Madhya Pradesh	9,000
Andhra Pradesh	8.700

Source: Ministry of Road Transport & Highways, Government of India

Project Execution Trends in National Highway Construction

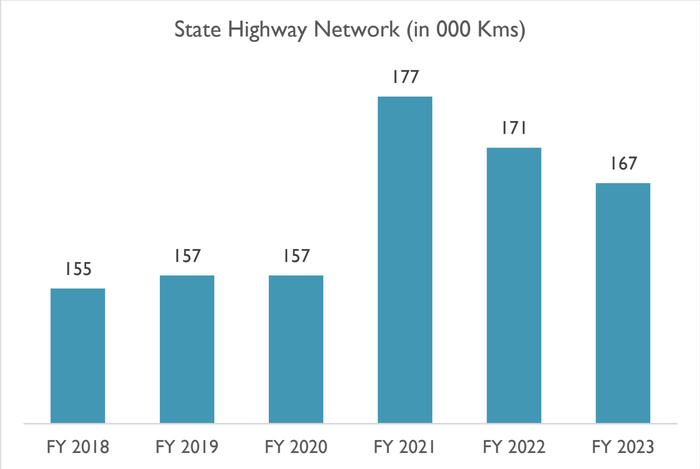


Source: Ministry of Road Transport & Highways, Government of India

Growth in Other Road Network

State Highways, the next major strategically important segment of Indian road infrastructure, accounted for nearly 3% of total network. Towards the end of FY 2023, the total network of state highways in India stood at approximately 167,000 kms. The total size of state highway network has seen a slight dip in the last couple of years as some of those state roads were reclassified and brought under the national highway segment – due to its strategic importance.

It is clear that national and state highways – two of the strategically important segment of Indian road infrastructure – accounts for less than 6% of the total road network in the country. The remaining 94% is accounted by other roads that are classified as district roads / rural roads / urban roads / project roads – depending on its location / program under which it was constructed / nature of paving.



Source: Ministry of Road Transport & Highways, Government of India

Key Demand Drivers

Growth in Population

Roads play a pivotal role in connecting not just major cities but also remote towns and even the smallest villages, serving as vital conduits for both vehicles and people. India, with its staggering population exceeding 1.428 billion individuals in 2023, represents a significant fraction of the global populace, constituting approximately 17.2% of the world's total inhabitants. Given this demographic enormity, the continuous development and enhancement of road infrastructure become nothing short of imperative.

Over the past 25 years, India's population has been on a persistent growth trajectory, averaging a 1.39% annual increase. Notably, in 1998, this growth rate reached 1.88%, while by 2022, it had moderated to 0.68%. This demographic expansion, while exhibiting fluctuations, highlights the nation's ongoing demographic dynamics. As the population continues to expand, so does the concurrent surge in demand for efficient transportation services and seamless connectivity.

In this context, the significance of robust and extensive road networks gains greater importance. These networks not only facilitate the movement of goods, services, and individuals but also catalyse economic development by fostering trade, tourism, and regional integration.

Urbanization

As per the handbook of urban statistics 2022, India's urban population has been on a steady rise, with urban dwellers accounting for over 469 million in 2021, a number projected to soar to over 558 million by 2031 and further exceed to 600 million by 2036.

This rapid urbanization represents the transformation occurring within Indian cities, as millions flock to urban centers in search of opportunities and a higher standard of living. However, this urban influx has given rise to a host of challenges, chief among them being increased congestion in urban areas. As more people gravitate towards cities, the existing road networks are under tremendous strain, resulting in traffic bottlenecks, longer commute times, and heightened pollution levels.

In response to this urban congestion, the development of road infrastructure has become an urgent imperative. The burgeoning urban population in India highlights the role of road infrastructure development, facilitating not only the movement of people and goods but also in alleviating the challenges posed by urban congestion.

Growth in Economic Activity

India's growing economic activities are propelling the development and expansion of road infrastructure across the nation. As the Indian economy continues its robust growth trajectory, it relies heavily on the presence of efficient transportation networks to facilitate the movement of goods and people. Roads play a vital role in opening up areas and stimulating economic and social development. They are essential for linking producers to markets, connecting workers to jobs, providing access to education and healthcare, and supporting overall development.

The development of roads, particularly in rural and remote regions of India, assumes great importance in overall progress and inclusivity. According to data from the Ministry of Rural Development, approximately 91% of rural habitations in India are now interconnected by roads. This extensive road network serves as a lifeline, granting rural communities access to essential services such as healthcare, education, and markets. It not only facilitates the transportation of agricultural produce from farms to markets but also enables people in these areas to access healthcare facilities, send their children to schools, and engage in economic activities beyond traditional agriculture.

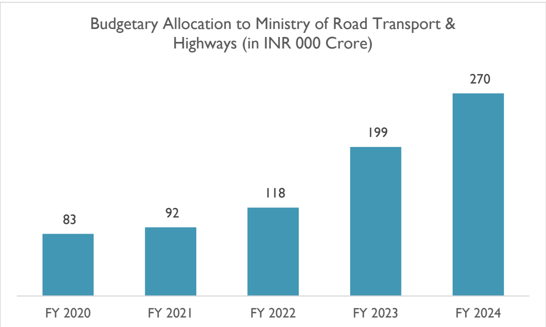
Trade Expansion

India's trade landscape has witnessed substantial growth, as evidenced by the positive trajectory of overall exports (Merchandise and Services combined) in FY 2022-23, projecting a significant 13.84% growth over the previous fiscal year. This growing trade expansion is reflected in the rising trade figures. In the fiscal year 2022-23, India's total trade is estimated at USD 770.18 billion, a notable increase from the previous year's USD 676.53 billion. This surge in trade activities highlights the necessity for a robust road infrastructure network to ensure the smooth and efficient flow of goods to ports and airports.

In addition, India's Foreign Trade Policy for 2023 aims for dynamic openness and consultative feedback, with a clear objective of achieving USD 2 trillion in exports by 2030. To realize this ambitious goal, a well-connected and modernized road network is crucial, enabling the timely and seamless transportation of export goods.

Budgetary Allocation for Road Projects

The budgetary allocation to the Ministry of Road Transport and Highways (MoRTH) by the Government of India has exhibited a significant and consistent upward trend in recent years, reflecting the government's commitment to infrastructure development and the expansion of road networks. In its latest budget (Union Budget FY 2024), the Government have allocated approximately INR 270,000 crore to MoRTH towards various projects. Compared to this, the annual budgetary allocation that was made during budget announcement FY 2020 was only INR 83,000 crore. The jump from INR 83,000 to INR 270,000 crore of allocation signals the aggressive commitments by the Union Government to develop the road infrastructure in the country.



Source: Union Budget Documents, Government of India

Project Implementation Modes in Road Infrastructure

Over the years, India’s road infrastructure construction segment has seen the introduction of multiple project execution models – ranging from Engineering, Procurement & Construction (EPC), Hybrid Annuity Model (HAM), and Build Operate Transport (Toll) models, to name a few. The move by the Government to increase private participation and private investment have played a key role in the formulation and implementation of these multiple models.

Largely, a move to a public private partnership (PPP) model in road construction away from only Government funded model has created a supportive ecosystem for the emergence of multiple project execution models. PPPs offer access to essential expertise for the planning and execution of large-scale projects, making them a versatile tool for fostering infrastructure development and innovation. Build Operate Transport (BOT) was the preferred project execution model in PPP projects.

Build Operate Transport (BOT) Model

BOT is a conventional PPP (public private partnership) model wherein the private partner is granted the concession to finance, build, and operate the project for a specified time (20-to-30-year concession period). The develop recoups their investment during this period by way of user charges / toll chargers. At the end of the concession period the developer hands over the project back to the public sector.

During O&M (Operation & maintenance) period, government and O&M by the concessionaire will manage toll collection. Under this model, amount financed by the concessionaire during construction period will be recovered by the government through annuity payment (biannually for15 years) along with interest payment based (on reducing balance method @ Bank rate +x%). Thus, lender of the project will be at comfort with assured annuity payment and private sector will not have to bear traffic risk. Over the years, BOT route has witnessed several innovations, spawning several variants.

Build Operate Transfer (BOT) Model & Variants	
Build Operate Transfer (BOT)	The BOT model adheres to a classic PPP structure where the private partner takes charge of the entire project lifecycle, from design and construction to operation, before eventually returning the facility to the public sector. Crucially, the private sector partner assumes the responsibility for financing and upkeep, making it particularly suitable for greenfield projects. Furthermore, the public sector permits the private entity to charge users for the services provided, ensuring financial sustainability
Build Own Operate (BOO)	In the BOO approach, a private entity retains ownership of the newly constructed facility. The public sector, in turn, agrees to procure the goods and services delivered by the project under mutually acceptable terms and conditions. This arrangement allows the private sector to maintain ownership while facilitating public access to essential services.
Build Own Operate Transfer (BOOT)	In this variation of the BOT model, the project eventually transitions to the government or a private operator after the agreed-upon period. The BOOT concept is commonly employed in the construction of highways and ports, exemplifying its utility in facilitating private sector involvement in infrastructure development.
Build Lease Transfer (BLT)	Under the BLT model, the asset is leased to the public entity for a defined period, while ownership remains with the private company. Unlike some other models, the public sector assumes responsibility for financing the investment, making it a unique partnership structure.
Build Own Lease Transfer (BOLT)	In the BOLT strategy, the government grants a building concession to a private company, potentially including the design phase. The facility may initially be owned by a private business, which can subsequently lease it to the public sector. Ultimately, ownership of the facility is transferred back to the government after the lease term expires.
Design Build Finance Operate (DBFO)	The DBFO model places the private party in full control of the project, encompassing design, construction, financing, and operation throughout the concession period. This comprehensive approach streamlines accountability and can be particularly attractive to clients seeking a single point of responsibility for project delivery and operation.
Lease Develop Operate (LDO)	Primarily employed in the development of airport facilities, the LDO model retains public ownership of the newly constructed infrastructure while establishing a lease agreement with the private promoter. Payments are made to the public sector under the terms of this lease, making it a valuable tool for enhancing airport infrastructure.
Design Construct Manage Finance (DCMF)	Under the DCMF model, private sector entities construct and manage the asset for a predetermined period, which can span from 20 to 50 years. The government compensates the contractor for the asset's use during this time, potentially diverting public spending from significant infrastructure projects to fund other public initiatives. This model finds application in various sectors, including jails, courts, and public hospitals.

Hybrid Annuity Model (HAM)

To boost and attract investment in road infrastructure project, government introduced new Hybrid Annuity Model (HAM) which is a mix of Engineering, Procurement and Construction (EPC) and Build-Operate-Transfer (BOT) formats, with the government and private companies sharing the total project cost in the ratio of 40:60 respectively.

Under HAM, the concessionaire is responsible for design, building, finance (60% of the project cost) and then transfer the project at end of operation period (15years). During O&M (Operation & maintenance) period, government and O&M by the concessionaire will manage toll collection. Under this model, amount financed by the concessionaire during construction period will be recovered by the government through annuity payment (biannually for15 years) along with interest payment based (on reducing balance method @ Bank rate +x%). Thus, lender of the project will be at comfort with assured annuity payment and private sector will not have to bear traffic risk. It will also reduce the initial capital outflow of the authority as against the investment made under EPC model.

Toll Operate Transfer (TOT) Model

The Toll-Operate-Transfer (TOT) model represents an innovative approach to capitalize on operational national highway projects. Investors participating in TOT offer a lump sum payment in exchange for the long-term rights to collect tolls, backed by a robust tolling system. In this framework, the highest bidder secures the privilege to operate and maintain existing road assets for a 20 to 30-year period, with the corresponding entitlement to toll revenues until that point.

One of TOT's primary advantages lies in its appeal to investors, as it obviates the need to initiate infrastructure projects from the ground up. This model effectively addresses the risk-sharing deficiencies often found in traditional Build-Operate-Transfer (BOT) agreements. Moreover, it serves as a consistent source of fresh funds for further investment in critical infrastructure.

The Indian government has embraced the TOT model as a means to bolster economic growth, envisioning the monetization of substantial infrastructure assets across sectors in the coming years through its Asset Monetization Programme. Specifically, under the asset monetization, the government aims to generate ₹85,000 crore by 2024-25. The monetization strategy for highways revolves around the TOT model, facilitating the infusion of private investment into the nation's infrastructure.

Structure of the Model

The government has granted approval for the National Highways Authority of India to undertake this initiative for public-funded NH projects that have been operational and generating toll revenues for a minimum of two years after the Completion of Development. The authorization process is subject to the approval of the Competent Authority within the Ministry of Road Transport and Highways and NHAI, with individual cases being evaluated on a case-by-case basis.

Under the TOT Model, the right to collect and appropriate fees for selected operational National Highway projects, financed through public funding, is transferred to concessionaires, which can include developers and investors. In exchange for this right, these concessionaires make an upfront lump-sum payment to NHAI. The selection of projects for such rights assignment is based on their toll revenue potential. The concessionaires are responsible for the Operation & Maintenance obligations of these projects throughout the predetermined concession period.
To ensure transparency and uniformity in the selection of concessionaires, a transparent and standardized procurement process is adhered to, guided by a pre-defined and approved implementation framework. This approach not only facilitates the monetization of public-funded NH projects but also guarantees efficient management and maintenance of these assets, all while injecting private sector investment to support further infrastructure development in the nation.

Monetization Route & Status

The Ministry of Road Transport and Highways and the National Highway Authority of India have adopted various monetization avenues to enhance infrastructure development, with a focus on highways and associated assets.

Currently, these monetization modes encompass three distinct approaches: the Toll-Operate-Transfer (TOT) model, Infrastructure Investment Trust (InvIT), and project-based financing, ensuring opportunities for all types of investors.

In FY 2024, MoRTH aims to mobilize substantial funds INR 15,000 crore is slated to be raised through project-based financing, which involves securitizing future toll revenues from high-speed corridors. Additionally, around INR 10,000 crore is planned to be generated through InvIT, an investment instrument resembling mutual funds, designed to accumulate capital from investors and invest in assets providing long-term cash flows. Furthermore, another INR 10,000 crore is targeted to be raised through bids under the TOT model, reflecting the government's commitment to leveraging this approach for infrastructure development.

MoRTH has already realized considerable success in asset monetization. By February 28, 2023, it had raised a total of INR 67,997 crore through various monetization methods over the past four years. Within this framework, approximately INR 26,366 crore has been raised by monetizing 1,614 kilometres of highways through the TOT model.

Current Status of TOT Projects

The National Highway Authority of India (NHAI) has adopted an ambitious plan for the toll-operate-transfer model in FY 2024. NHAI intends to invite bids for two bundles of TOT projects every quarter during this period. Bids for TOT bundles 13 and 14 were already invited in June, and the awards for these bundles are expected to be finalized by the end of September. Subsequently, TOT bundles 15 and 16 have been identified and are currently in the finalization process.

The NHAI aims to raise approximately INR 7,500 crore from the asset monetization of TOT bundles 13 and 14. Furthermore, the projects under TOT bundle 15 are valued at around INR 1,500-2,000 crore, while those in TOT bundle 16 have a higher valuation, ranging from INR 6,000-8,000 crore.

NHAI has been instrumental in these efforts, having awarded six TOT bundles, namely ToT-1, 3, 5A1, 5A2, 7, and 9, resulting in the collection of Rs 26,366 crore from bids solicited for 11 TOT bundles. However, some TOT bundles, specifically bundles 2, 4, 6, 8, and 10, were annulled due to lower bids compared to the initial estimated concession value determined by NHAI.

While NHAI is actively pursuing TOT model projects, there have been some challenges in awarding contracts. Earlier this year, bids were invited for TOT bundles 11 and 12 with the aim of raising a total of Rs 7,000 crore. However, these bundles received lower-than-expected bids, resulting in a limited number of participants. In fact, it's anticipated that bundles 11 and 12 may be annulled due to the insufficient response from bidders.

Nevertheless, NHAI remains committed to advancing infrastructure development through the TOT model, with plans to open bids for TOT bundles 13 and 14 by the end of September. These bundles encompass various critical road projects, including the Kota Bypass on National Highway 76, the Gwalior-Jhansi route on NH75, the Delhi-Meerut Expressway on NNH-334, the Delhi-Hapur section on NH-24, and the Binjabahal-Teleibani road on NH6, illustrating the continued effort to leverage the TOT model for the nation's infrastructure growth.

Amendments & Changes

As per the latest report by Ministry of Road Transport and Highways, certain amendments have been introduced to the Model Concession Agreements (MCA) and Request for Proposal (RFP) of road construction models, reflecting a proactive approach to enhance implementation efficiency and address industry demands.

Under the Hybrid Annuity Mode, changes have been implemented to bolster bidder eligibility criteria. The Standard RFP document now incorporates provisions related to technical capacity thresholds, focusing on similar work experience for EPC projects involving Major Bridges and Tunnels. This amendment enables the National Highways Authority of India to secure concessionaires with pertinent experience for HAM projects involving such critical components.

Modifications have also been made to the HAM project's RFP and MCA clauses to streamline the project award process. The amendment allows for the Lowest Quoted Bid Project Cost (BPC) to serve as the basis for awarding

HAM Projects. Additionally, Operation and Maintenance costs are now fixed as in EPC projects. This change promotes transparency and efficiency by immediately identifying the winner after opening financial bids, aligning with the transparent process of the EPC mode.

In the realm of the Build-Operate-Transfer (Toll) model, changes have been introduced in the Model Concession Agreement. These changes permit a reduction in the ownership transfer timeline from 2 years to 1 year after the Commercial Operation Date (COD). This adjustment is set to free up equity and funds of construction companies, facilitating their involvement in other projects without undue financial constraints.

Additionally, the Ministry has taken measures to enhance contracting flexibility and ensure quality. Performance Security has been reduced from 5-10% to 3% of the contract value for existing contracts. However, additional performance security may be realized for abnormally low bids. Retention money release has been linked to work execution, and Performance Guarantee may be released on a pro-rata basis for HAM/BOT Contracts if the Concessionaire is compliant.

Moreover, additional changes were implemented to provide relief to contractors until October 31, 2022. These include the possibility of granting time extensions to Contractors/Concessionaires on a case-by-case basis. A waiver of penalties for the delay in submitting Performance Security/Bank Guarantee has been extended for new contracts initiated from April 2021 to June 2021, allowing a one-month grace period from the due dates. Consultants (I.E./ A.E./S.C.) are also eligible for time extensions on a case-by-case basis.

For BOT/ TOT Concessionaires, the reduction in user fee collection mandates a proportional extension of the concession period as outlined in the Concession Agreement. Similarly, for all National Highway Tolling Contracts, a reduction in fee collection can be offset in accordance with the User Fee Collection Contracts. Additionally, the achievement of Financial Closure for Concession Agreements entered between April-June 2021 may be extended by one month from the due dates, based on project location considerations.

Percentage Rate Contract (PRC) Model

The percentage rate contract (PRC) execution model is a widely used method for awarding and managing road infrastructure projects in India and around the world. In a PRC contract, the contractor is paid a pre-determined percentage of the estimated cost of each item of work completed in the project.This estimated cost is established beforehand in a Bill of Quantities (BOQ), which details the quantities and rates for various materials, labor, and equipment required for each project stage.

Structure of the Model

- Tendering: The client prepares tender documents outlining the project scope, specifications, and BOQ. Contractors submit bids with their percentage rates for each item in the BOQ.
- Contract Award: The client evaluates bids based on factors like experience, technical capabilities, and the proposed percentage rates. The contract is awarded to the most qualified bidder offering the most competitive rates.
- Project Execution: The contractor mobilizes resources, executes the work as per the BOQ and specifications, and submits regular progress reports with bills claiming payment for completed work based on the agreed rates.
- Monitoring and Quality Control: The client assigns engineers to monitor the project progress, ensure adherence to specifications, and verify the quality of work before approving bills.
- Completion and Handover: Upon project completion, the client conducts a final inspection and approves the final bill. The project is then handed over to the client.

Advantages:

- Transparency and Simplicity: The BOQ provides clarity on the scope of work and associated costs for both the client and contractor. This transparency minimizes disputes and simplifies contract administration.
- Flexibility: The model allows for adjustments to the project scope during execution. If unforeseen circumstances necessitate changes, the BOQ can be revised to reflect the additional or reduced quantities of work.
- Faster Project Completion: Since the contractor earns based on completed work, there's an incentive for

faster project execution.

Disadvantages:

- Accuracy of Estimates: The success of the PRC model hinges on the accuracy of the initial cost estimates in the BOQ. Underestimations can lead to cost overruns for the client, while overestimations can disadvantage the contractor.
- Limited Risk Sharing: The contractor bears most of the risk associated with price fluctuations of materials and labor during the project. This can be a deterrent for some contractors.
- Quality Concerns: There's a potential risk of the contractor compromising on quality to reduce costs and maintain their profit margin.
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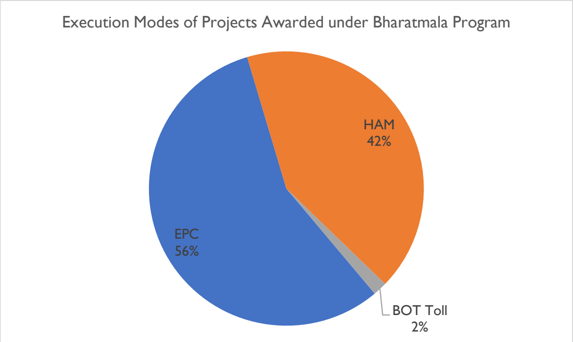
Execution Mode: Prevalent Scenario

Projects Under Bharatmala Programme

Road construction projects under the program are executed by three modes: EPC, HAM and BOT. Out of this EPC and HAM accounts for 57% and 42% of the total road projects awarded (in kms) while only 2% is under the BOT route.

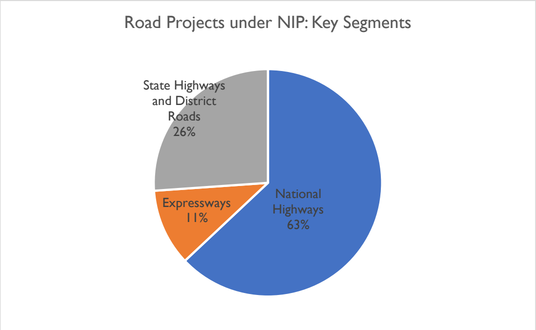


Source: MoRTH, 100% equals approximately 24,760 kms of awarded road projects

National Infrastructure Pipeline

The NIP unfolds a diverse range of projects spanning the infrastructure sector, each with its unique set of goals and objectives. Within this extensive framework, a substantial portion is dedicated to the roads sector, which forms the lifeline of India's logistics and transportation network. Over the period from FY20 to FY25, the NIP has allocated a total value of Rs 2,033,823 crore to the roads sector.

The road infrastructure segment is categorized into distinct project types, each with its strategic importance. Among the various project categories, National Highways projects take the lion's share, accounting for 63% of the resources allocated to the roads sector within the NIP. These projects aim to upgrade and expand the existing national highway network, enhancing their efficiency and capacity. The overall capital expenditure of Rs 1,280,640 crore is expected to be made from FY20 to FY25 to improve the existing and developing new national highways.



Source: Ministry of Finance, Government of India

Expressways, on the other hand, constitute another 11% of road infrastructure projects within the NIP. Over the period from FY20 to FY25, an estimated capital expenditure of INR 2,22,150 crore is earmarked for developing these expressways. Notable among these projects are the Delhi-Mumbai Expressway, Chennai-Bengaluru Expressway, Mumbai-Nagpur Super Expressway, Ganga Expressway, Purvanchal Expressway, and Bundelkhand Expressway. These expressways are poised to reduce travel times and enhance logistics, thus facilitating the movement of goods and people across the country.

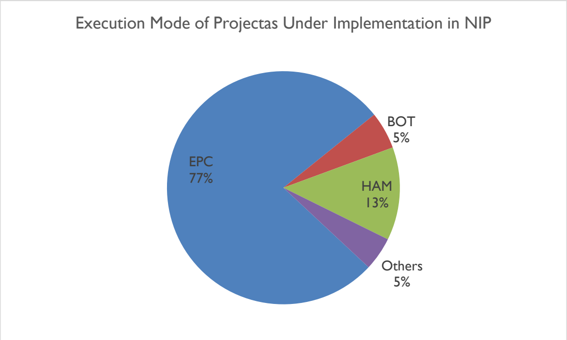
The NIP also recognizes the significance of improving intra-state connectivity. To this end, it allocates an estimated total capital expenditure of INR 5,31,027 over the five-year period from FY20 to FY25 for the development of state highways and district roads. Some notable initiatives include the Versova-Bandra Sea Link, the development of the Chennai Peripheral Ring Road (in multiple phases), the upgradation of high-priority state highways in Tamil Nadu, inner ring roads across cities in Andhra Pradesh, and the widening and strengthening of state highways in West Bengal.

A total of 1,820 road projects are getting implemented under NIP, between the time period FY 2020 – 25. Nearly 53% of these projects are already under various stages of implementation while remaining are either under development or under conceptualization.

Projects Under NIP	
Under Implementation	968
Under Development	423
Under Conceptualization Stage	352
Uncategorized	77
Total	**1820**

Source: Ministry of Finance

Out of the total projects getting implemented, nearly 77% is getting done through EPC route while nearly 13% is getting done through HAM. The remaining 10% is getting executed through BOT / Item Rate contract / Annuity / SPV / Toll. While most projects follow the EPC route, there are exceptions that require innovative implementation models. For instance, the Mumbai-Vadodara section of the Delhi-Mumbai Expressway is being developed under the non-specified Public-Private Partnership (PPP) route. The Uttar Pradesh government has taken the lead in implementing projects like the Ganga Expressway, Bundelkhand Expressway, and Purvanchal Expressway under the EPC route. These projects are pivotal in transforming the state's transportation infrastructure and promoting economic activities.



Source: Ministry of Finance

Projects which are currently under development are planned to have only two modes of implementation: HAM and EPC. EPC takes more than 71% share in this aspect, while HAM comprises of remaining 29%. The NIP recognizes the potential of the hybrid annuity model (HAM) for certain projects. Thus, 239 projects under this model are in the conceptualization stage. Notable among them are projects such as the Dighi Ports-Dabhol-Guhaghar-Jaigad Ports-Deogad-Malwan-Vengurla and Arunda Link in Maharashtra with an estimated investment of Rs 9,660 crore, the Chennai-Salem Link in Tamil Nadu with an investment of Rs 9,680 crore, the Kappirikkad-Edapally road link in Kerala with Rs 11,430 crore, and the Kabrai-Kanpur Link in Uttar Pradesh with an investment of Rs 5,760 crore. These projects are expected to gain momentum in the coming years and contribute to India's infrastructure development.

Growth Prospects in Indian Road Infrastructure

The Indian Road sector is experiencing significant growth and is set to expand further in the future. The government has recognized the importance of improving transportation infrastructure and has taken initiatives to enhance the road network in the country. It is estimated that India will need to spend $4.51 trillion on infrastructure by 2030 to achieve its vision of becoming a $5 trillion economy by 2025. In line with this, the National Infrastructure Pipeline (NIP) has allocated a total capital investment of Rs 20.34 trillion for the highways sector by 2025.

Under the NIP, the government has already allocated INR 20.33 trillion for road infrastructure development during the period of FY 2020-2025. The budget for 2023-24 includes 100 critical transport infrastructure projects to improve last- and first-mile connectivity for various sectors such as ports, coal, steel, fertilizers, and food grains. These projects, with an investment of Rs 75,000 crore, including Rs 15,000 crore from private sources, have been prioritized.

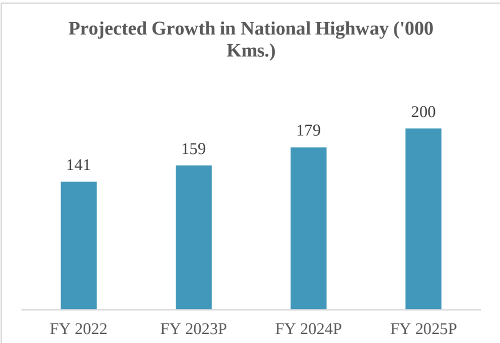
The government has set ambitious targets for the highway sector, with plans to spend approximately Rs 17 trillion within the five-year period of FY 2020-2025. This investment will be focused on the construction of expressways, economic corridors, coastal and port connectivity highways, and border roads or strategic highways. The aim is to increase the total highways network to two lakh kilometers by 2025.

Furthermore, the government is emphasizing the need to adopt green technology in road construction. The National Rural Infrastructure Development Agency is targeting the construction of 50,000 km of rural roads by 2030, with a focus on utilizing green technology. In addition, the government plans to construct 26 Green Highways in India by 2024, highlighting its commitment to sustainable infrastructure development.
The growth potential of the Indian road sector is immense. The highway construction industry is projected to experience a significant growth rate of 133% by 2025. India aims to achieve a target of 60 km of road construction per day, already building a record-breaking 30 km per day. The government has also set specific targets for expressways and expects to see reduced travel time between major cities such as Delhi, Dehradun, Haridwar, Jaipur, Chandigarh, and Amritsar.

The Indian Road sector is poised for substantial growth in the coming years. With increased capital expenditure, improved infrastructure, and a focus on sustainability, India aims to enhance connectivity, boost economic development, and create more efficient transportation systems. The government's commitment to the development of the road sector will play a vital role in realizing its vision for a $5 trillion economy and meeting the growing infrastructure needs of the country.

The Government has taken various measures to reduce delays and fast track many stuck projects to increase the per day construction target in the current fiscal . In the Union Budget 2023, the government has proposed an outlay of nearly INR 1,991.1 Bn Bn for the Ministry of Road Transport and Highways. This is 51.8% higher than the revised estimates for 2021-22. The increasing government expenditure on the road network development in the country will give boost to the industry in coming years.

Basis the historical growth trend in road construction, the various demand drivers that are directly & indirectly impacting the road construction segment, the new growth forecast / targets set by the relevant Government agencies / ministries, D&B anticipate the national highway network to reach approximately 200,000 kms by FY 2025.



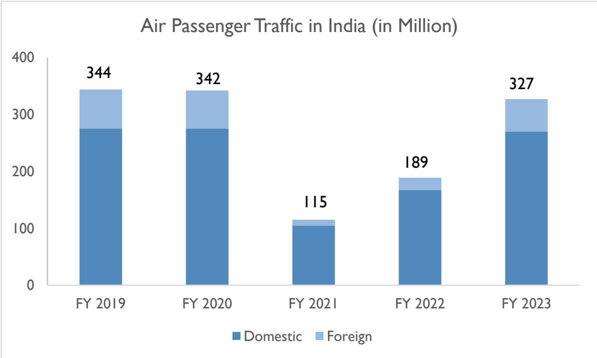
Source: As per Government of India

The historical data on road construction that has been used to analyse historical trend has been procured from public sources, including official publications & Government sources. This historical data along with growth forecast / targets outlined by Government agencies along with qualitative demand drives has been used by D&B to build assumptions on arriving at the growth forecast. However, the forecasts used to build assumptions are inherently uncertain and is subject to change as it is based on several assumptions and parameters / conditions, which D&B cannot foresee at this moment. Under such a scenario the above-mentioned forecast is subject to change, and the actual figures could be different from the forecast given above.

Undeterred by ongoing challenges, the Ministry has set an ambitious target of constructing 18,000 kms of national highway in FY 2023 increasing the per day construction target to 40 Kms per day. NHAI Chief also conveyed that all the balance work of Bharatmala phase-1 will be tendered out by FY 2024 that will push the road construction. As per the target specified, the total national highway length that is planned to be achieved by FY 2025 is 2,00,000 kms which translate into a CAGR of 12.2% between FY 2022-25.

Airport Infrastructure in India

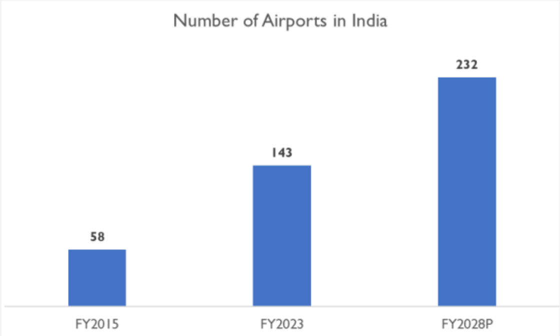
India has witnessed massive growth in air travel in the recent years, with annual rate of growth in air passengers trumping the growth rate in passengers carried by railways. India is today the third largest civil aviation market in the world, in terms of total number of air passengers carried per annum. As per, total passengers carried by Indian airlines peaked 344 million in FY 2019 while it hovered near same range in FY 2020 at 341 Mn before falling to 115.38 million in FY 2021 due to Covid induced restriction in travel. However, strong growth in airline traffic (both passengers and cargo) prior to FY 2021 have resulted in massive expansion in commercial aircraft stock in the country. During FY 2022, overall passenger air travel carried by schedule commercial aircraft surged by 64% to 188.9 Mn.



Source: Airports Authority of India

The air passenger traffic in India is expected double its 2019 market size by 2035 (as per IATA estimates it is predicted to reach 442 Mn by 2035) on the back of growing economy and expanding middle class. This has put pressure on the existing civil aviation infrastructure in the country.

In addition, the Indian government is investing heavily in the aviation sector. The government is building new airports, expanding existing airports, and improving air traffic management systems. According to the Airports Authority of India (AAI), in the last eight years, the number of airports in the country has increased from 50 to 148 in 2023, and over the next five years, 89 new airports are expected to be opened.



Source: Airports Authority of India (AAI)

Government Initiatives for expanding airport infrastructure

Driven by the rapid increase in passenger traffic, the UDAN scheme was launched on April 2017 to enhanced aviation infrastructure and air connectivity in tier II and tier III cities. Under UDAN, the regional air-connectivity in the country has significantly increased from 74 operational airport in 2014 to 141 currently. 68 underserved/unserved destinations which include 58 Airports, 8 Heliports & 2 Water Aerodromes have been connected in the last five year under UDAN scheme. With 425 new routes initiated under the scheme, UDAN has provided air connectivity to more than 29 States/ UTs across the country.

Going forward, 68 new airports aiming to touch 100 airports are planned to be constructed by 2026 under this scheme. 220 destinations (airports/heliports/water aerodromes) under UDAN are targeted to be completed by 2026 with 1000 routes to provide air connectivity to unconnected destinations in the country. Under UDAN, 954 routes have already been awarded to connect 156 airports.

Industrial Construction

India's industrial landscape is undergoing a transformative journey, fueled by ambitious government initiatives like "Make in India" and rapid economic growth. Amidst this transformation, the industrial construction segment stands as a key driver, laying the foundation for factories, power plants, logistics hubs, and other crucial infrastructure. The Indian industrial construction market is estimated to grow at a robust CAGR of 12% by 2027. This immense potential attracts both domestic and global players, leading to a vibrant and competitive landscape. Government spending on infrastructure development, rising automation in manufacturing, and expansion of sectors like chemicals, pharmaceuticals, and electronics fuel the demand for state-of-the-art industrial facilities.

The China Plus One strategy is an approach adopted by companies and countries to diversify their supply chains away from excessive reliance on China as a manufacturing and sourcing hub. The strategy emerged as a response to various factors, including rising labour costs in China, geopolitical tensions, trade uncertainties, and the need to mitigate risks associated with being overly dependent on a single country for production and sourcing.

India, being one of the largest economies in the world and home to a vast workforce and diverse manufacturing capabilities, has been actively leveraging the China Plus One strategy to attract investments and businesses looking to diversify their supply chains away from China.

India's vision of becoming 'Atmanirbhar' (self-reliant) and enhancing its manufacturing capabilities and exports has led to significant efforts and investment in the form of Production Linked Incentives (PLI) schemes. An outlay of INR 1.97 lakh crore (over US$ 26 billion) has been announced in Union Budget 2021-22 for these schemes across 14 key manufacturing sectors from FY 2021-22. These PLI schemes are aimed at attracting companies looking to diversify their supply chains away from China. The incentives offered by the government, such as tax breaks and regulatory reforms, make India an attractive destination for businesses seeking to move their production from China to India. This proactive approach has further strengthened India's position as a preferred manufacturing base under the China Plus One strategy.

Additionally, The Indian government's commitment to creating a business-friendly environment has resulted in increased foreign direct investment (FDI) inflows in the country over the years. Since 2014-2015, when FDI inflows stood at US $ 45.15 billion, now have shown consistent growth reaching a record high of US$ 84.84 billion in the financial year 2021-22. The government's pro-business reforms, coupled with investment incentives offered under the PLI schemes, have played a vital role in attracting foreign investments and businesses seeking alternatives to China. Moreover, India has signed 13 Free Trade Agreements (FTAs) and six Preferential Trade Agreements (PTAs) so far, with ongoing FTA negotiations with the U.K, Canada, and the European Union expected to conclude, potentially opening up further opportunities for businesses exploring the China Plus One strategy. However, global uncertainties in FY 2023 resulted in a temporary drop in FDI inflows to US$ 70.97 billion. Nevertheless, India's proactive measures, investment incentives, and access to FTAs remain valuable drivers for businesses considering the China Plus One strategy.

Other factors that India leverages include it’s access to domestic market, where India's large and diverse consumer base provides significant opportunities for companies exploring the China Plus One strategy. By establishing a presence in India, companies can access and serve this vast market, offering a compelling reason for incorporating India in their diversification plans. The 'Atmanirbhar' vision also emphasizes boosting domestic manufacturing to cater to local demand, making India an appealing market for businesses aiming to tap into the country's consumption potential.

Another factor adding to this is India's location in South Asia, which makes it a strategic hub for companies looking to expand their operations beyond China. Its proximity to both the Indian subcontinent and Southeast Asian markets provides a unique advantage for businesses seeking to serve a wide geographical area. In addition to the geographical advantage and manufacturing capabilities, India's growing technology and innovation sectors are another significant draw for businesses diversifying their supply chains. With India increasingly investing in research and development (R&D) and innovation-oriented operations, companies have access to high-value opportunities to establish a presence in India and access its pool of skilled talent and cutting-edge research facilities.

Lastly, recognizing the importance of ease of doing business in attracting foreign investments, the Indian government has taken numerous steps to simplify regulations, reduce bureaucracy, and streamline approval processes. These efforts are aimed at creating a more business-friendly environment, making it easier for companies to set up and operate in India.

Key Segments of the Industrial Construction

Factory Buildings: This segment forms the backbone, catering to diverse industries with customized production spaces. Prefabricated structures and green building technologies are gaining traction for their efficiency and sustainability.

Power Plants: The growing demand for energy necessitates the construction of new power plants across various technologies, including thermal, renewable, and nuclear. Expertise in specialized construction techniques and safety protocols is crucial in this segment.

Logistics Infrastructure: Warehousing facilities, cold storage units, and inland container terminals are in high demand as India's logistics sector booms. Optimizing space utilization and integrating automation solutions are key considerations.

Chemical & Pharmaceutical Plants: Stringent safety regulations and specialized construction materials characterize this segment. Expertise in handling hazardous materials and adhering to environmental norms is essential.

Refineries: Construction of facilities for processing crude oil into usable products like gasoline, diesel, and petrochemicals. High safety standards due to the flammable nature of materials, robust containment systems to prevent leaks, and adherence to environmental regulations.

While significant progress has been made, challenges like inadequate infrastructure quality, skill gaps in the workforce, and limited access to financing remain concerns. The increasing integration of technologies like Building Information Modeling (BIM) and robotics is enhancing efficiency and reducing project timelines. Environmental considerations are gaining prominence, with green building practices and renewable energy solutions being incorporated into industrial construction projects.

Key Demand Drivers

Economic Factors:

- Rising Domestic Consumption: A burgeoning middle class with increasing disposable income drives demand for domestically produced goods, necessitating increased production capacity.
- Export Potential: India's young demographic and competitive labor costs make it an attractive destination for global manufacturers, leading to a surge in foreign direct investment and export-oriented industries.
- Globalization and Trade Agreements: Free trade agreements and a focus on reducing import dependence encourage domestic manufacturing, requiring expansion of industrial infrastructure.
- Technological Advancements: Automation and Industry 4.0 initiatives necessitate modern production

facilities and upgraded infrastructure to support sophisticated technological integration.

Government Initiatives:

- Make in India: This flagship program incentivizes domestic manufacturing across 25 key sectors, providing tax breaks, subsidies, and streamlined regulatory processes. This directly increases demand for industrial infrastructure to house new manufacturing units.
- Production Linked Incentive Scheme (PLI): Offering financial incentives for specific sectors like electronics, pharmaceuticals, and automobiles, the PLI scheme attracts global players and stimulates domestic production, leading to increased demand for manufacturing facilities.
- Infrastructure Development: Massive investments in highways, ports, railways, and power grids create an enabling environment for efficient logistics and improved connectivity, boosting the attractiveness of industrial zones.
- Skill Development Programs: Initiatives like "Skill India" and "Make in India Skill Development Centers" bridge the skill gap in the workforce, ensuring a readily available pool of skilled labor for new industrial units.

Capital Expenditure Scenario Across Key Industries

Petroleum Refining

Over the past couple of decades India has swiftly grown to become one of the largest consumers of energy in the world, currently ranked as the third largest globally. Fast paced urbanization and industrialization together with steady increase in the number of vehicles have multiplied the demand for energy. By FY 2023, annual consumption of petroleum products reached 223 million tons per annum (mtpa) while domestic production reached 255 mtpa. Both production and consumption contracted in FY 2021 as a result of Covid-19 related disruptions but has recovered since then as economy rebounded.

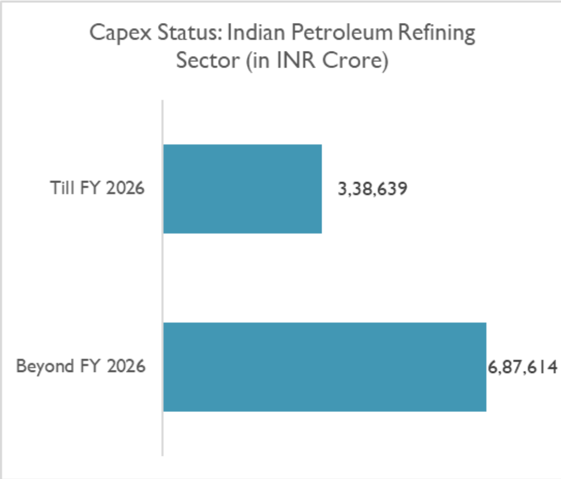
The strong growth in energy demand from industrial / transport / urban segments have resulted in oil refineries adding capacity. Between FY 2012 and 2023, India has added nearly 61 mtpa of crude oil refining capacity, taking the annual refining capacity to nearly 254 mtpa (as on end of FY 2023).

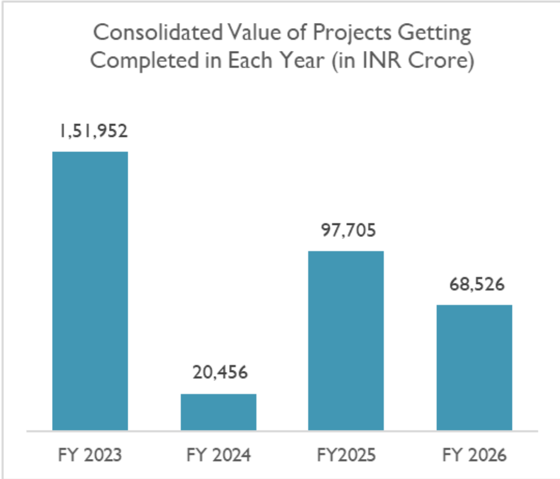
The energy demand in India is expected to grow at a strong pace, but the product mix is expected to undergo a transition in the long run, due to the aggressive focus on renewable energy. Nevertheless, the short to medium term demand for crude oil products (at least till 2030) looks strong. As per International Energy Agency, India's crude oil demand is expected to increase from 4.7 million barrels per day (mb/day) in FY 2021 to 6.7 mb/day in FY 2030 and to 8.3 mb/day in FY 2050.

With all major multinational institutions (like World Bank and International Monetary Fund) pointing towards a strong economic forecast for India, the demand for energy sources would remain robust. Based on this steady economic growth assumption, the annual consumption of petroleum products is expected to rise from 223 mtpa in FY 2023 to nearly 335 mtpa in FY 2030.

Approximately INR 339,000 crore worth of capital expenditure projects are currently under implementation in the industry, at various levels of execution. Of this nearly 50% is expected to be operational by the end of this year (CY 2023) with remaining spread over the next three years, extending till FY 2026. Beyond FY 2026, the capital spending visibility in the industry is pegged at approximately INR 688,000 crore[1].

[1] This includes projects that has been announced but yet to be started as well as projects whose completion stretches beyond 2026. This also include those investments that is tagged as live, but there is no detailed information on current status. Unless and until specified these investments are treated as live.





Source: CMIE

Upcoming Government Construction Projects

The Indian construction sector, a crucial pillar of the nation's infrastructure development, is experiencing a period of significant growth fueled by government initiatives and private investments. This growth is evident across various segments, including residential, commercial, and infrastructure projects. The government has launched several ambitious infrastructure projects like the Delhi-Mumbai Industrial Corridor (DMIC) and the Sagarmala project, driving substantial investments in the construction sector. Additionally, initiatives like the Smart Cities Mission and the Housing for All scheme are further propelling construction activities across the country. Private companies are actively participating in construction projects, contributing significantly to the sector's growth. This involvement is observed in various forms, including developing real estate projects, investing in infrastructure development, and partnering with public entities on government-led initiatives.

The northern region of India, comprising states like Jammu & Kashmir, Himachal Pradesh, Punjab, Haryana, Uttarakhand, Uttar Pradesh, Delhi, and Chandigarh, is witnessing a surge in construction activities. Several state governments in the region have prioritized infrastructure development and launched various initiatives to improve connectivity, boost tourism, and create new economic opportunities. These initiatives are translating into increased construction projects for roads, bridges, railways, and other infrastructure facilities. Rapid urbanization is creating a demand for new residential and commercial complexes in major cities like Delhi, Chandigarh, Lucknow, and Jaipur. This demand is driving the construction of new housing units, shopping malls, office spaces, and other urban infrastructure projects. The establishment of new industrial corridors and special economic zones in the region is attracting investments and leading to the construction of industrial facilities, warehouses, and logistics parks.

Building construction in government sector is experiencing substantial development, marked by a noteworthy 666 announcements made by various entities in the last 6 months. These announcements, spearheaded by the Central Government and state governments, underscore a booming future. Among the total announcements, 582 are geared towards establishing new units, showcasing the extensive requirement in the country in various industries for building construction.

At the central level, the Government of India, has made 241 announcements. These announcements focus on the development of new units in various industries such as health, education, logistics, commercial complexes, textiles, railways, tourism, transport, hotel, among others emphasizing the strategic approach taken by the central government to bolster infrastructure in the country. Out of these c announced 241 projects by at central level, 137 are dedicated towards establishing new logistics infrastructure (including railways, roads, shipping lines among others), 15 new units announced cumulatively for tourism & hotel sector, 5 dedicated to establishing new healthcare units, , 2 are dedicated to establishing new education related buildings, and 1 for new housing construction units.

On a regional basis, state governments and state government statutory bodies have collectively announced 384 projects. Out of the 384 projects, 63 are dedicated to establishing new education related buildings, 53 towards establishing new logistics infrastructure, 35 new units announced cumulatively for tourism & hotel sector, 26 dedicated to establishing new healthcare units, 18 for new housing construction units, reinforcing the commitment of states towards enhancing overall infrastructure scenario. This collective effort by various central and state government reflects a holistic and collaborative approach towards the advancement of the infrastructure sector in India.

Some of the key projects announced by Central and State government in the last 6 months:

Central Government:

Company Name	Project Name	Cost (Rs.million)	Project Status	Industry Group	Ownership Group	Project Type
Ministry of Health & Family Welfare	Agartala Dental College Project	2020	Announced	Education	Central Government	New Unit
Ministry of Health & Family Welfare	Tripura Integrated Rehabilitation Centre for Drug Addicted Project	1219	Announced	Health services	Central Government	New Unit
Indian Railways	Second Four Lane Road Over Bridge between Khodiyar-Gandhinagar Road Project	1200	Announced	Road transport infrastructure servicesCentral Govt. - Commercial Enterprises	New Unit	
Western Railways	Kolavada-Gandhinagar Four Lane Road Over Bridge Project	1200	Announced	Road transport infrastructure services	Central Govt. - Departmental Undertaking	New Unit
Western Railways	Khodiyar-Gandhinagar Four Lane Road Over Bridge Project	1010	Announced	Road transport infrastructure services	Central Govt. - Departmental Undertaking	New Unit
Ministry of Health & Family Welfare	Manipur State Mental Hospital Project	704.7	Announced	Health services	Central Government	New Unit
Ministry of Development of North Eastern Region, GOI	Milang-Pekimodi Road Project	693.5	Announced	Road transport infrastructure services	Central Government	New Unit
Ministry of Health & Family Welfare	Chumokedemia Multi-Speciality Hospital Project	600	Announced	Health services	Central Government	New Unit
Ministry of Health & Family Welfare	Chumoukedima CIHSR Radiation Oncology Centre Upgradation Project	585	Announced	Health services	Central Government	New Unit
Ministry of Health &	Peren District HQ Hospital	500	Announced	Health services	Central Government	New Unit

Company Name	Project Name	Cost (Rs.million)	Project Status	Industry Group	Ownership Group	Project Type
Family Welfare	Project					
Ministry of Development of North Eastern Region, GOI	Daido-Vawngkawt Road Project	331.9	Announced	Road transport infrastructure services	Central Government	New Unit

Source: CMIE Capex

State Governments:

Company Name	Project Name	Cost (Rs.million)	Project Status	Industry Group	Ownership Group	Project Type
Government of Madhya Pradesh	Bhopal Eight Lane Elevated Lake Road Corridor Project	31550	Announced	Road transport infrastructure services	State Government	New Unit
Delhi Public Works Department	Bawana to Auchandi Border Six Lane Elevated Flyover Project	4000	Announced	Road transport infrastructure services	State Govt. - Departmental Undertaking	New Unit
Government of Karnataka	Karnataka Railway Over Bridges Project	3500	Announced	Road transport infrastructure services	State Government	New Unit
Pune Metropolitan Regional Devp. Authority	Lonavala Glass Skywalk Project (Connecting Lion Point to Tiger Point)	3335.1	Announced	Road transport infrastructure services	State Govt. - Statutory Bodies	New Unit
Government of Karnataka	Sanduru Skill Academy Project	3000	Announced	Education	State Government	New Unit
Government of Haryana	AIIMS-Rewari Narnaul Road (NH-11) Six Lane Rail Overbridge Project	2510	Announced	Road transport infrastructure services	State Government	New Unit
Government of Karnataka	Bangalore K.C.General Mother and Child Hospital Project	1500	Announced	Health services	State Government	New Unit
Government of Maharashtra	Lakadganj Police Station-Wardhaman Nagar Flyover Project	1350	Announced	Road transport infrastructure services	State Government	New Unit
University of Delhi	Surajmal Vihar Delhi University East Campus Project	1200	Announced	Education	State Government	New Unit
Government of Karnataka	Mysore Maharani Arts And Commerce College Hostel Project	1160	Announced	Education	State Government	New Unit
Government of Tamil Nadu	Chennai Government Stanley Medical College and Hospital Critical Care Block Project	1120	Announced	Health services	State Government	New Unit
Government of Tamil Nadu	Tamil Nadu Multi-location Government ITIs Project	1110	Announced	Education	State Government	New Unit
Himachal Public Works Department	Bridge over Beas River (Pong Dam) Project	1036.5	Announced	Road transport infrastructure services	State Govt. - Departmental Undertaking	New Unit

Source: CMIE Capex

Institutional Construction

India's burgeoning population and economic growth necessitate not just robust industrial and residential infrastructure, but also a thriving institutional construction segment. This segment caters to the development of facilities crucial for public well-being and national progress, encompassing healthcare, hospitality, and education sectors.

Medical Collages & Hospitals Infrastructure in India

India has a pluralistic healthcare system where both public and private hospital sector plays an important role. The overall hospital infrastructure in India comprises of nearly 70,000 hospitals with approximately 1.9 million beds. Private sector accounts for nearly 63% of hospitals and 62% of hospital beds in the country. Uttar Pradesh leads in healthcare infrastructure in India, accounting for one fourth of total hospitals operational in the country. Nearly 65% of hospital beds cater to the 50% population residing in 6 states – Uttar Pradesh, Karnataka, West Bengal, Telangana, Kerala, and Maharashtra.

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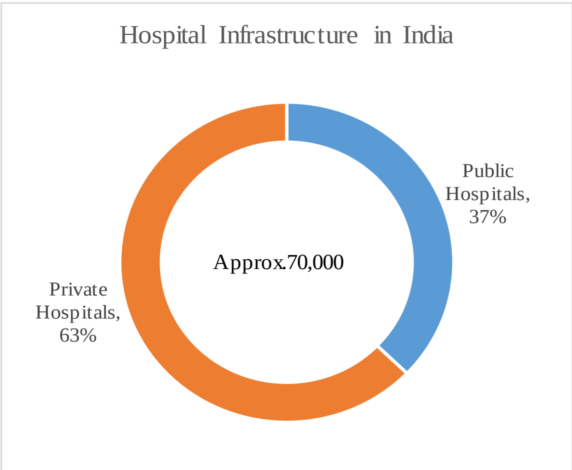
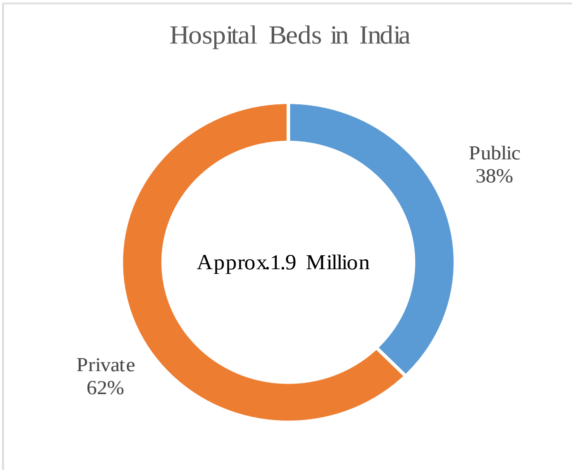
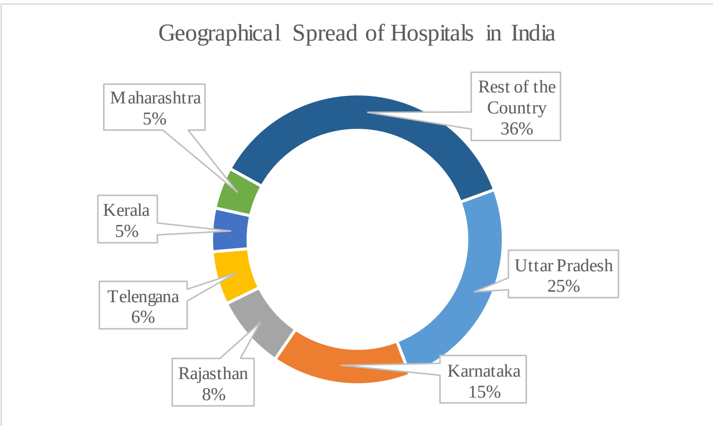






Source: Center for Disease Research Dynamics, Economics & Policy Research published in April 2020,

Estimates suggest approximately 19 lakh hospital beds of which 95 thousand are ICU beds and of 95 thousand ICU beds, 48,000 ICU beds are equipped with ventilators in India. Majority of the beds and ventilators in India, are concentrated in seven States – Uttar Pradesh (14.8%), Karnataka (13.8%), Maharashtra (12.2%), Tamil Nadu (8.1%), West Bengal (5.9%), Telangana (5.2%) and Kerala (5.2%).

Growing Demand for Healthcare Services

Increase in ageing population, rising income, sedentary lifestyle amongst young population are the key drivers facilitating the growth of healthcare industry in India. Further, growing medical tourism in India at competitive cost, greater health awareness, increasing health insurance penetration are major enablers for development of world class private hospital infrastructure in India. Still majority of population falls in the middle- and lower-income group and have low affordability and therefore necessitate steady improvement in public healthcare infrastructure.

Furthermore, the outbreak of Covid-19 has further pressurized India healthcare industry across the value chain. Most recently, the surge in second wave of Covid-19 and subsequent acute shortage of hospital beds, ICU bed availability, medical professionals, lab testing and critical medical supplies such as oxygen, ventilators, medicine etc. has highlighted the shortcoming of Indian healthcare infrastructure even more. The pressing times has aggravated the demand scenario where medical facilities in India need to be scaled up to fulfill the healthcare need of constantly growing population.

Amidst growth led demand, and acute shortage of hospital infrastructure as well as of healthcare professionals, the sector provides vast opportunity for public as well as private players to set up specialty hospitals and multi-care specialty hospital and cater the unmet need of people.

Shortages in Healthcare Infrastructure

Indian healthcare industry is underpenetrated even though India accounts for about 20% share in global disease burden, but its share of healthcare infrastructure is much lower with only 6% share of global hospital beds and 8% share of doctors and nursing staff.

As per the WHO latest statistic, India had a ratio of 9.28 doctors, 23.9 nurses and 5.3 beds per 10,000 people, much lower against the global average of nearly 18 doctors, 39 nurses, and 32.9 beds per 10,000 populations. Currently, the government spending on healthcare is just 2.1% of the GDP (FY 2023 BE), which the government aims to increase to 2.5% by 2025.

Various industry players suggest that the government should bring domestic healthcare metric at par with western countries and scale up spending to ~8% of GDP. As per various industry estimates, the healthcare delivery infrastructure in India current face a shortfall of about 3.5 million hospital beds in public hospitals while including private sector capacity, the shortfall reduces to about 2.3 million beds. To meet the future need, an estimated capacity addition of about 600,000-700,000 beds is required over the next five to six years. This suggests an indicative investment opportunity of USD 25 Bn in Indian hospital segment.

Upcoming Medical Collage, Hospitals and Healthcare related construction

The Indian government is actively expanding its medical education infrastructure through construction of new medical colleges. The Union Health Ministry aims to set up 100 new medical colleges by 2027 by upgrading district hospitals. This initiative seeks to bridge the gap in healthcare infrastructure. In the previous phases of this scheme, 157 colleges were approved, with 93 operational and others under construction. These new colleges prioritize districts with a population exceeding 10 lakh and lacking existing medical colleges (private or government).

Several states in North India are witnessing medical college construction projects:

- Bihar: The Bihar Medical Service Corporation Ltd. (BMSICL) has proposed construction of medical colleges and hospitals in several districts, including Jamui, Buxar, Siwan, Purnea, Chhapra, Samastipur, Mahua, Ara, and Begusarai. This initiative aims to strengthen medical infrastructure and education in the state.
- Delhi: Construction work on the Jamia Nagar Hospital and Medical College project in New Delhi commenced in 2023. This project involves building a 500-bed hospital and a medical college spread over 46 hectares. It's expected to be completed by the end of 2024, enhancing healthcare facilities in the national capital.

Some of the key ongoing projects around this sector:

Company Name	Project Location	Project Description
HSCC	AIIMS, Rajkot	Construction of Hospital, Academic Block, Residential Campus and Allied Buildings, etc. on Comprehensive Design, Engineering,

Company Name	Project Location	Project Description
		Procurement and Construction (EPC)
HSCC	Chandrapur, Maharashtra	Construction of Medical College, Hospital, Hostels, Residences, and other allied Building works
HSCC	PGIMER, Chandigarh	Advanced Neurosciences Centre
HSCC	(Dausa, Hanumangarh, Alwar, Nagpur), Rajasthan	Construction of Academic Block etc. for the establishment of New Medical College
HSCC	Dr. RML Hospital, New Delhi	Construction of Hostel Block for Resident Doctor's for PGIMER,
HSCC	Rajkumari Amrit Kaur College of Nursing, New Delhi	Construction of Academic, Hostel Blocks and auditorium
HSCC	AIIMS, New Delhi	Expansion of Nation Referral & Research Institute For Higher Dental Studies
HSCC	Allahabad	Construction of Super Speciality Block

Source: HSCC (India) Limited

The Indian healthcare sector, integral to socio-economic progress, demonstrates robust growth through increased capital expenditure and strategic investments. India's hospital sector is witnessing a surge in capital expenditure, which reached its highest in a decade during FY23 and is expected to continue in FY24. Private equity firms are actively acquiring significant stakes in established hospitals, showcasing a sustained trend. In FY24, India's healthcare budget increased marginally to USD 10.76 billion from USD 10.40 billion in FY23, constituting 2.1% of the GDP. This sector's resilience and adaptability are evident in increased investments and strategic initiatives, positioning it for continued development. India is enhancing healthcare infrastructure by establishing hospitals in remote areas and implementing innovative solutions like solar power in regions lacking grid connectivity. The northeast region has witnessed substantial development, with 7,588 Health and Wellness Centres (HWCs) established as of February 28, 2023.

The sector is experiencing substantial development, marked by a noteworthy 59 announcements made by various entities in the last 6 months. These announcements, spearheaded by the Central Government, state governments, and private Indian companies, with an effort to enhance medical education infrastructure in the country. Among the total announcements, 49 are geared towards establishing new units, showcasing a commitment to expanding healthcare facilities across the country.

At the central level, the Government of India, through entities like the Ministry of Health & Family Welfare, Ministry of Aayush, and Employees State Insurance Corporation, has made 11 announcements. Notably, all these announcements focus on the development of new healthcare units in specific areas, emphasizing the strategic approach taken by the central government to bolster healthcare services.

Private Indian companies, comprising significant players such as Baba Jaswant Singh Trust, Manipal Health Enterprises Private Ltd, and Narayana Healthcare Private Ltd, have contributed significantly, making 17 announcements. These announcements uniformly aim at establishing new healthcare units, reflecting the private sector's dedication to advancing healthcare infrastructure. The noteworthy contributions extend to renowned groups like Apollo, Brigade, DLF, and HGC, making 5 announcements for the development or extension of healthcare units. The Rainbow Group has also made commendable contributions with announcements of two projects.

On a regional basis, state governments and state government statutory bodies have collectively announced 22 projects, with Uttar Pradesh, Assam, and Telangana leading the way with four projects each. Maharashtra, Karnataka, Andhra Pradesh, and Himachal Pradesh have also announced many projects. Out of the 22 projects, 15 are dedicated to establishing new healthcare units, reinforcing the commitment of states towards expanding healthcare access, while the remaining projects focus on the extension or modification of existing facilities. This collective effort by various entities reflects a holistic and collaborative approach towards the advancement of the healthcare sector in India.

Some of the key projects announced in the north region in the last 6 months:

Uttar Pradesh

Company Name	Project Name	Cost (Rs.million)	Project Status	Location	District	State
Government of Uttar Pradesh	Prayagraj District Women (Dufferin) Hospital Renovation Project	75	Announced	Prayagraj	Allahabad	Uttar Pradesh
Government of Uttar Pradesh	Prayagraj Motilal Nehru (Colvin) Divisional Hospital Renovation Project	60.2	Announced	Prayagraj	Allahabad	Uttar Pradesh
Government of Uttar Pradesh	Prayagraj TB Hospital Renovation Project	24	Announced	Prayagraj	Allahabad	Uttar Pradesh
Government of Uttar Pradesh	Prayagraj Tej Bahadur Sapru (Beli) Hospital Renovation Project	190	Announced	Prayagraj	Allahabad	Uttar Pradesh

Source: CMIE Capex

NCT of Delhi

Company Name	Project Name	Cost (Rs.million)	Project Status	Location	District	State
DLF Ltd.	Delhi Hospital Project	null	Announced	Greater kailash	South Delhi	NCT of Delhi
Modi Enterprises Ltd.	Saket (Delhi) Health City Project	40000	Announced	Saket	South Delhi	NCT of Delhi

Source: CMIE Capex

Himachal Pradesh

Company Name	Project Name	Cost (Rs.million)	Project Status	Location	District	State
Government of Himachal Pradesh	Shimla Sunni Hospital Upgradation Project	null	Announced	Shimla	Shimla	Himachal Pradesh
Government of Himachal Pradesh	Tanda Dr Rajendra Prasad Government Medical College Two Cath Labs Project	null	Announced	Tanda	Kangra	Himachal Pradesh

Source: CMIE Capex

Key Growth Enablers

Access to Huge Population Base and Improvement in Affordability

India is the most populous country in the world, home to one sixth of world population i.e. 1.4 Bn. Moreover, India's population is expected to increase from 1.21 Bn to 1.52 Bn during the period 2011-2036 - an increase of 25% in twenty- five years at the rate of 1.0 percent annually.

Urban population increased from 278 Mn to 373 Mn during the past decade (2001-11) and the proportion of urban population to total population increased from ~27.8% to ~31%. In the last decade, urbanization in India has increase at an average annual rate of about 2.4%. The share of urban population is further estimated to grow to about 35% of Indian population i.e., ~470 Mn by 2021 and later to 41.7% i.e. to 625 Mn by 2030 where 5 state in India namely Tamil Nadu, Gujarat, Maharashtra, Karnataka and Punjab will have more than 50% urbanization. Also, the number of metropolitan cities in India is projected to increase from 46 in 2011 to 68 by 2030. Increase in urbanization is directly related to the rise in service sector and the jobs created resultantly. Rapid urbanization and better employment have resulted in increase of the per capita private consumption expenditure (at current prices). Consequently, this growth in income has strengthened the demand for high quality healthcare facilities.

Increasing Geriatric Population

Proportion of population above 60 years of age (8.1% in 2020, National Health Profile 2022) forms a considerable percentage of the total patient base availing tertiary services. The patient base has been growing due to the combination of changing lifestyles & associated diseases, availability of cheaper lifesaving drugs, and improved access to healthcare services. Total number of people above the age of 60 reached ~8.6% of total population by 2011 from ~7% during 2001 and is further estimated to touch ~10.3% by 2036. Such a high population base of people in the age group 60 and above is bound to increase the demand for hospital care.

Penetration of Health Insurance

India's out-of-pocket expense on healthcare is significantly higher than the global average. Therefore, to lower down this high out of pocket expense, Indian population is increasingly resorting to the health insurance policies. Health insurance penetration is on rise due to inflationary healthcare cost, rising incidence of lifestyle diseases and rising income. Initiatives like AB-PMJAY provide comprehensive hospitalization cover to the bottom 40% of the country's population, while another 18% is insured through other government and group health schemes. Retail health insurance penetrates only a meagre 3.2% of the 138 crore population, leaving a huge part of it - 38.8%, which is about 56 crore individuals - unprotected from any sort of health insurance cover. However, the health insurance penetration is increasing year by year, which will make quality healthcare delivery available to masses at affordable prices.

Incidence of Lifestyle Diseases

Rise of sedentary lifestyle and increasing consumption of high fat foods has led to rising incidence of lifestyle diseases like diabetes, cardiovascular diseases, and hypertension amongst the working age group people. According to Indian Council of Medical Research (ICMR) report titled 'India: Health of the Nation's States', the contribution of Non-Communicable Diseases (NCDs) to total deaths in the country was 61.8% in 2016, as compared to 37.9% in 1990.

Population above 30 years of age in India is expected to have increased from 71% of total population in 2011 to 77% in 2021. This growing population in the segment and rising incidence of lifestyle diseases, the demand for tertiary healthcare infrastructure is set to witness robust growth.

Medical Tourism

India is ranked as the third most popular destination for medical tourism and constitutes more than 18% of the global medical tourism market. According to the Federation of Indian Chambers of Commerce & Industry (FICCI), nearly 6,50,000 medical tourists travelled to India in 2022 from across the world to seek medical treatment. Cost of specialized surgical procedures like heart surgery, bone marrow transplant, liver transplant is lower in India when compared with other countries. In certain cases, the cost differential is as high as 10-20%. As per Industry sources, the Indian medical tourism industry is growing at about 18% average annual growth and is estimated to reach USD 13 Bn by 2026. Availability of skilled doctors/nursing staff, cost competitiveness to conduct critical treatment, less waiting period and world class facilities developed by private hospital like Fortis, Wockhardt, Max among others facilitates medical tourism growth in the country.

Other Risks & Challenges

- **High realty cost:** High real estate cost and rental is the major constraint hindering fast expansion of the private sector in setting up new hospitals. Land acquisition, procedural delay and clearances are other hurdle associated with new projects. Major Private Players are thus resorting to mitigate this constraint by shifting to either rent model or exploring other alternatives such as O&M model which could provide asset light growth.
- **Long gestation period and capital-intensive nature of the sector:** Setting up of a hospital is highly capital intensive with long gestation and payback periods**.** For existing hospital set-up, businesses require capital for up gradation/ maintenance / replacement of equipment and expansion. Land and infrastructure costs account for up to 60-70% of the total capital expenditure. Therefore, raising capital at a reasonable cost remains a key challenge for the industry.
- **Dependence on imports for medical equipment:** Around 70% of medical equipment used in Indian healthcare sector are imported. Critical medical equipment like CT scan, MRI and PET are few of the major equipment imported to the country. Any hurdles / delay in imports would impact smooth

functioning of the hospital. Further this high dependence on imports makes the sector vulnerable to foreign exchange fluctuations. In December 2014, government approved 100% FDI inflow under automatic route in the medical devices industry which is likely to boost the local manufacturing and technology infusion in the sector and lower the import bill in future.

- **Limited number of qualified doctors and healthcare workers.** With respect to India, the country face considerable shortage of prescribed strength of medical personnel including doctors as well as nurses. India has close to ~706 medical colleges (as on October 06, 2023) and produces more than 90,000 doctors per annum. A high proportion of medical graduates' head to hospitals in western countries because of better compensation, research opportunities, and quality of facilities available. With only 9.28 doctors available per 10,000 population, the healthcare sector is already under tremendous strain. Similarly, Indian hospitals also face a shortage of qualified nurses. In India, the overall nurse to patient ratio is just 2.10 nurses per 1000 population which is lesser than the World Health Organization prescribed norm (3 per 1,000). As per Niti Aayog, India currently faces a shortage of nearly 4.2 million nurses or nursing professionals in absolute terms.
- **Capital shortage:** Diagnostic and treatment techniques evolve at a fast pace in the healthcare delivery sector. To avoid the risk of becoming obsolete, hospitals will have to adopt latest developments in medical care as soon as possible. Hospitals thus would have to invest substantially at regular intervals. Inability to raise funds would thus impact the growth of the sector,

Indian Hotel Industry

Structure of the Industry

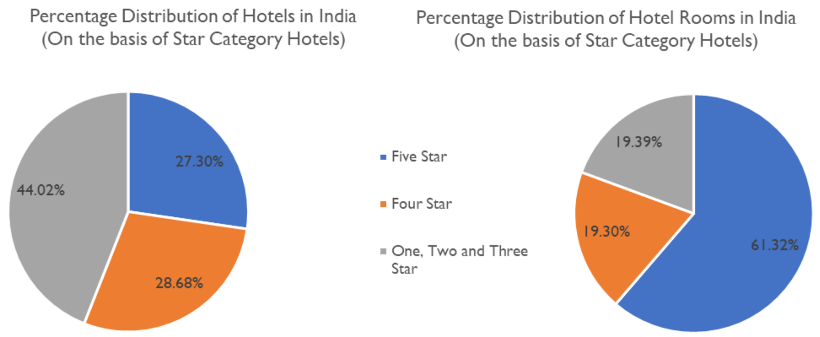
The country's hotel industry consists of large Indian companies as well as most of the international hotel operators. There are hotels at every end of the value chain to cater to budget and/or premium consumers. However, the sector continues to be fragmented and the unorganized sector, comprising standalone hotels and resorts, has a major presence.

Organized Hotel Sector in the Country	
Budget Hotels	Also called Economy Class Hotels, Business Class Hotels and Discount Hotels, these offer basic infrastructure facilities and cater to middle class and upper-middle-class consumers.
Luxury Hotels	Offers best in class amenities in lodging and dining experience. Hotels belonging to this segment caters to a high-income consumer group.
Heritage Hotels	These are hotels converted from old palaces and mansions and provide guests with royal experience. These are mostly concentrated in the states of Rajasthan, Gujarat, and Madhya Pradesh
Resorts	Hotels established in hill stations and other tourist destinations. Located amidst natural habitat, these hotels highlight the solitude that they provide to guests.

As per Ministry of Tourism, hotels in India are classified under the star rating system to conform to the expected standards for different classes of tourists, especially for international tourists. Under this system, hotels are given a rating, from One Star to Three Star, Four and Five Star with or without alcohol, Five Star Deluxe, Heritage (Basic), Heritage (Classic), Heritage (Grand), Legacy Vintage (Basic), Legacy Vintage (Classic) and Legacy Vintage (Grand) and Apartment Hotels.

Current Scenario

As on YTD January 2024, there are nearly 1,264 hotels operating in India which together accounted for nearly 76,946 rooms. Bulk of these hotel (and hotel rooms) fall into the four and five-star category. Other segments include one-, two- and three-star hotels.



Source: Ministry of Tourism, Government of India, as on January 2024

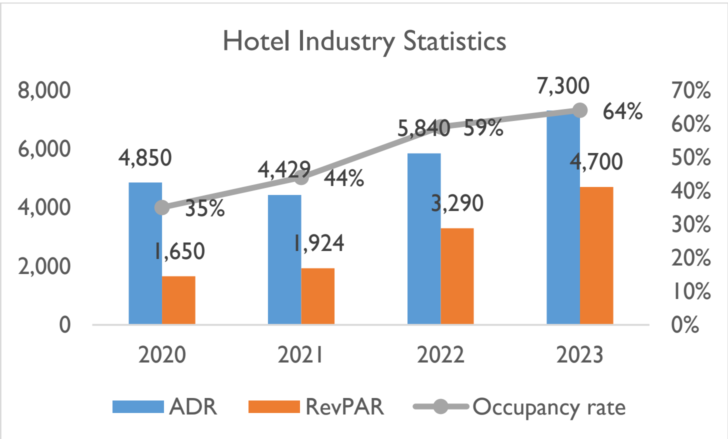
Performance of Hotel Industry

The Indian hotel industry in 2023 marked a significant chapter, witnessing a robust recovery post the challenges imposed by the Covid-19 pandemic. The Economic Survey 2023 highlighted the sector's resurgence, emphasizing improvements in key metrics such as occupancy rate, Average Daily Rate (ADR), and Revenue Per Available Room (RevPAR), which had returned to pre-pandemic levels.

According to the survey, the hotel industry reported a thriving scenario, with occupancies reaching around 68-70 percent in November 2022, completely recovering the average pre-pandemic level of 2019-20. The resurgence was attributed to factors such as the high vaccination rate in the country, effective pandemic management, and the resumption of regular international flights at full capacity, leading to a 52.9 percent year-on-year increase in overall aircraft movement between April and November 2022.

The Economic Survey also pointed out that the hotel industry had overcome a two-year hiatus, with a positive outlook for the future. The resumption of regular international flights, coupled with the successful hosting of various international events like the ICC Men's World Cup, contributed to the positive momentum. The survey anticipated a continued positive trend, forecasting an improvement in occupancy to 66 percent in 2023, accompanied by a 16-17 percent increase in ADR, resulting in a RevPAR of INR 4,690—almost 18 percent higher than the pre-pandemic RevPAR recorded in 2019.

In line with this, according to HVS Anarock, hotel occupancy rates in 2023 witnessed a notable rebound, reaching 61-65% in the first half of 2023. This surge, approximately 3 - 6% percentage point increase from the same period in 2022, was propelled by a resurgence in domestic demand and a gradual return of international travellers.



Source: Industry Sources

CY 2023 is estimated to have reached an occupancy rate of 64%, up from 35% observed in 2020. Other key metrics such as ADR and RevPAR witnessed positive trends as well. India's average hotel rates saw a strong increase of 30-32% in H1 2023 compared to H1 2022 and were 21-23% higher than in H1 2019. This steady rise in average rates helped the nationwide RevPAR to reach INR 4,700 in 2023. ADR increased from INR 4,850 in 2020 to INR 7,300 in 2023, with an anticipated further increase to over INR 8,000 in 2030. Similarly, RevPAR was expected to rise from approximately INR 3,300 in FY22 to Rs 6,000 in FY30. The recovery in these metrics signalled the industry's ability to adapt and thrive in the post-Covid landscape.

Key Demand Drivers

The hospitality sector in India primarily thrives on tourism, which is an important source of foreign exchange and employment. Demand for hotel rooms is driven by the increased flow of travelers – tourists as well as business. Both leisure travel and business travel have witnessed positive development in the past few years, leading to a higher demand for hotel rooms.

Tourism Scenario

The emergence of India as a tourist destination resulted in an increase in tourist visits to India. India ranked 34th in Travel and Tourism Index 2019 amongst 140 countries (as compared to 40th rank amongst 136 countries included in the previous edition published in 2017). According to the World Economic Forum's (WEF) latest study, India ranked 54th in the global Travel and Tourism Development Index in 2022. The Travel & Tourism sector is estimated to have contributed around USD 29.96 Bn to the country’s foreign exchange in 2019. By 2024, the industry’s contribution to foreign exchange earnings is expected to reach USD 30 Bn.

In March 2023, Foreign Tourist Arrivals (FTAs) were 7.95 million, showing a substantial growth rate of 132.5 percent compared to March 2022. Between Jan-Oct 2023, India noted 7.24 million FTAs, as compared to 6.44 million in 2022 during the same period. As per the data furnished by the State/UT Government and other information available with the Ministry of Tourism, there were 1,731.01 million Domestic Tourist Visits (DTVs) all over the country during the year 2022, up from 677.63 million in 2021.

As the industry looks ahead to 2024/25, a positive outlook prevails despite ongoing global challenges. Niche tourism segments, including religious, spiritual, cruise, and medical tourism, are expected to contribute to sustained accelerated growth. The hosting of international events, such as the ICC Men's World Cup and G20, boosted demand in cities where these events took place.

In Feb 2023, Ministry of Tourism sanctioned 76 projects for Rs. 5,399.15 crore (USD 678.39 million) under Swadesh Darshan Scheme for development of tourism infrastructure in the country for under Swadesh Darshan Scheme for development of tourism infrastructure in the country. In Feb 2023, the Ministry of Tourism revamped its Swadesh Darshan scheme as Swadesh Darshan 2.0 (SD2.0) for development of sustainable and responsible tourist destinations. The objective for the Swadesh Darshan 2.0 scheme envisages increase in private sector investment in tourism & hospitality. It may help in increasing Public Private Partnerships (PPP) in the field of tourism and operation and maintenance of the created assets under the scheme.

The Ministry of Tourism along with Associations of Indian Universities (AIU) initiated a 12-episode webinar series under ‘Azadi Ka Amrut Mahotsav’ (AKAM) to engage and expose young minds of our country to the rich and diverse heritage of the country. Till the end of November 2022, a total of 165 Dekho Apna Desh webinars have been organized by the Ministry of Tourism.

Visa on Arrival Scheme

The Indian tourist visa-on-arrival scheme was first introduced in India on January 1, 2010. To boost tourism, the Indian government expanded this scheme in February 2014, making it accessible to travellers from 180 countries. Subsequently, in November 2014, the Ministry of Home Affairs introduced Visa on Arrival with Electronic Travel Authorization for short-term visitors. On April 15, 2015, this service underwent a name change from Tourist Visa on Arrival-Electronic Travel Authorization to 'e-Tourist Visa' (eTV). Since the introduction of e-Tourist Visas, the annual influx has exceeded 2 million inbound travellers.

As of January 2024, India has embraced the e-visa facility, extending it to 171 countries. The e-visa is available in seven categories, including tourist, business, conference, medical, medical attendant, Ayush, Ayush Attendant, and Emergency. Entry through e-visas is permitted only at 31 designated international airports and 5 major seaports in India.

Under this facility, travellers must apply and pay online then present a print-out at a point of entry in India. Applications must be made at least 4 days to 120 days in advance of travel. Due to surge Covid- 19 pandemic, international air travel to and from 107 immigration check posts was suspended by the MHA on March 23, 2020. Visa restrictions were gradually relaxed where foreign nationals from the U.S., the U.K, Germany, and France on are allowed on "business, medical and employment" visas while e-tourist visa is still suspended by the government. The facility is available to 171 countries, but after restrictions was restored only for 156 countries when relaxation was announced October 2020. Now, this count stands at 163. The visa fee has been rationalized and reduced wherein e-Tourists Visa fee reduced to USD 80 for 5 years, USD 40 for 1 year and one-month e-tourist Visa fee reduced to USD 10 for lean season and USD 25 for peak season.

Business Travel

Over the past two decades, the business environment in the country has improved on the back of growth in the service sector. This has triggered business travel and led to a demand for hotel rooms. The further frequency of international business travellers visiting the country too went up as the integration of Indian economy with global economy increased.

But in the past two fiscal, business sentiment in the country has dampened and most economic sectors are witnessing a slowdown. Cost cutting has become a norm in most of the sectors and companies are cutting down on travel. Reduced business travellers have severally impacted the revenue of budget hotels, which came up specifically to cater to the needs of business travellers. During 2022, business travel spending in India reached USD 35.6 Bn. Further, according to industry sources, a large portion of Indian businesses (67%) anticipated a surge in business travel during 2023, with 77% of them augmenting their travel budget.

Growth Outlook

The resurgence of the Indian hotel industry is anchored by several key factors, with the sustained growth of domestic leisure travel at the forefront. In the wake of the COVID-19 pandemic, a notable shift in travel preferences has emerged, emphasizing domestic exploration. This trend is anticipated to persist, providing a consistent influx of guests to hotels across India. Furthermore, the rebound of meetings, incentives, conferences, and exhibitions (MICE) is contributing significantly to the industry's revival, as businesses resume normal operations.

The latter half of fiscal year 2024 is poised to witness an increase in Foreign Tourist Arrivals, propelled by the easing of international travel restrictions and a growing interest in India's diverse culture and landscapes. Notably, major international events such as the G20 Summit and the ICC World Cup 2023 have not only elevated the country's global profile but also attracted a substantial number of international visitors, bolstering the hotel industry.

Projections from the Hotel Association of India (HAI) indicate substantial growth, with the total contribution of the Indian hotel industry to GDP expected to rise from USD 65 billion in 2022 to USD 110 billion in 2027, exhibiting a CAGR of 11%. The domestic tourism forecast, including initiatives for infrastructural development and collaboration, indicates a significant increase in domestic tourist visits. HAI predictions suggest domestic tourist visits will surge from 1,731 million in 2022 to approximately 1.5 billion by 2030. Simultaneously, FTAs are projected to touch 25 million by 2030, reflecting a rising interest in India's diverse culture and landscapes among international tourists, leading to a boost in the hotel industry.

In the short term, ICRA estimates a improvement in premium hotel occupancy in India, reaching around 70-72% in FY2024, accompanied by an increase in Average Room Rates (ARRs) ranging from Rs 6,000-6,200. Despite the decade-high occupancy rates, Revenue per Available Room (RevPAR) is anticipated to remain 20-25% lower than the peak levels of 2008.

Looking at the medium-term outlook, the Indian hotel industry stands on positive ground, buoyed by factors such as improved infrastructure, air connectivity, favourable demographics, and the establishment of new convention centres. Major hotel chains are poised to benefit from expansions through management contracts and operating leases.

However, demand dynamics will vary based on location, competition, and property-related factors. Gateway cities like Mumbai and Delhi are expected to lead with occupancy rates exceeding 75%, driven by transient passengers, business travellers, and MICE events. Other cities like Pune and Bengaluru may experience improvement in FY2024.

The pandemic prompted cost-rationalization measures in the industry, resulting in expanded profit margins compared to pre-COVID levels. Additionally, the adoption of renewable energy sources has contributed to controlling operating costs.

Despite the surge in demand, the growth of supply in the hotel industry is projected at a CAGR of 3.5-4% over the medium term. However, supply is expected to lag behind demand due to land availability issues, particularly in premium micro-markets in metros and larger cities. This scarcity is prompting the rebranding and upgrading of existing properties and the development of new hotels in suburban areas.

Looking ahead, the Indian hospitality industry is poised for substantial growth, driven by both the significant domestic population base and rising international interest in leisure and business travel. This suggests that strategic initiatives, such as infrastructural development, effective collaboration, and the establishment of tourist zones, will play pivotal roles in boosting the hospitality industry.

Thus, the Indian hotel industry is set to witness a robust resurgence, fuelled by diverse factors that collectively paint a positive outlook for both short-term recovery and long-term growth.

Hotel Industry in India: Capital Expenditure

India's tourism sector is a rapidly growing economic force, exerting a substantial impact on employment and regional development while fostering a multiplier effect on associated industries. Projections indicate that by 2028, the country's tourism and hospitality industry is poised to generate revenue exceeding USD 59 billion, with Foreign Tourist Arrivals (FTAs) anticipated to reach 30.5 million. The hospitality sector is experiencing a notable resurgence in investment activity, rebounding from pandemic challenges. In the first half of 2023 alone, the industry saw a remarkable total deal volume of USD 175 million, building on the positive trend initiated in 2022 when the total deal volume reached USD 73 million. This positive trajectory is expected to continue into the second half of 2023, with an estimated transaction volume of around USD 88 million, extending into 2024.

In 2022, hotel signings reached a record-breaking 19,860 keys, with greenfield projects dominating the landscape, although brownfield projects gained ground, comprising 32% of the total signed rooms. The year 2022 also witnessed a record number of hotel openings, totalling 9,961 keys, with the midscale segment leading the market share, followed by the upscale, upper upscale, and luxury segments. The investment landscape remains enticing, supported by favourable macroeconomic factors, an expanding commercial market, and enhanced air connectivity, with expectations of heightened diversification into the hotel asset class by High-Net-Worth Individuals (HNIs).

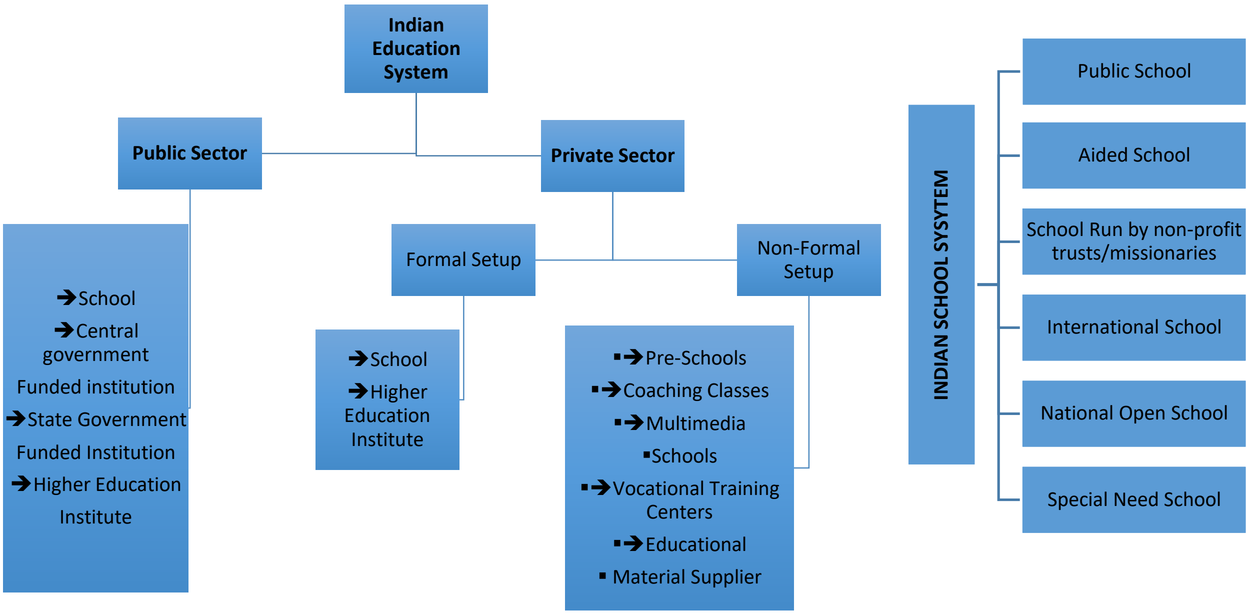
The hospitality landscape in India is witnessing dynamic growth, notably marked by the prolific announcements of hotel projects by key players in the last year. A closer look at the ownership structures reveals a notable trend, with 40 out of 63 projects spearheaded by private Indian companies, emphasizing the robust participation of domestic entities. Additionally, 11 projects are attributed to The Lemon Tree Group, followed by 6 & 4 projects announced by Tata Group and ITC Ltd. A total of 3 projects received backing from state governments, the rest projects were announced by Birla Aditya Group, Mahindra & Mahindra Group, Thapar, and Brigade Group.

The overwhelming majority of these endeavours, specifically 62 out of 63, are dedicated to establishing new hotels, reflecting the industry's forward-looking approach. This surge in hotel projects extends beyond major cities, with 34 out of 63 strategically located in Tier 2 or Tier 3 cities, a testament to the increasing demand for accommodation in these burgeoning urban centres. Furthermore, the diversity in hotel types is evident, with 22 out of 63 projects focusing on budget hotels, and 16 on luxury establishments.

In essence, these substantial investments underscore the resilience and adaptability of the hotel industry in India, positioning it as a key player in the global hospitality landscape. As the nation continues to attract diverse demographics of travellers, the strategic expansion and varied offerings herald a promising era for the hospitality sector, contributing significantly to India's economic growth.

Indian Education Sector

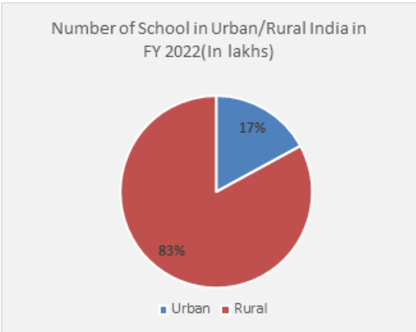
India has a significant presence in the global education industry. With a population of 580 million people aged between 5 to 24 years, India has massive potential in the education sector. The education system in India is diverse and renowned worldwide, consisting of both public and private institutions, and divided into formal and informal sectors. As of November 25, 2022, India had 1,072 universities, and over 250 million students attending schools, making it the country with the highest number of school-going students. The education sector in India was estimated to be worth USD 173 billion in FY 2023. Public institutions are government-run and offer free education up to a certain level, while private institutions charge tuition fees and are usually considered to provide better quality education.

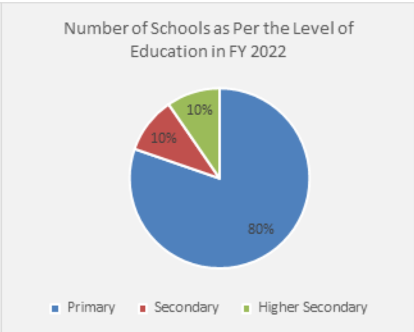


Education is a crucial sector in India, with school education being a significant portion of the Indian education system. Primary school is officially defined as starting at six years of age, and compulsory education includes education from ages 6-14, up to secondary education. However, school education, beginning from informal sectors like kindergarten, caters to students between the ages of 3-17. Over the years, the education sector in India has undergone significant changes. Schools are divided into primary, secondary, and higher secondary categories.

School Education in India

The Indian School Education System strives to maintain standards and uniformity across the country while giving ample scope for the country's diverse culture to grow and flourish. The school education sector has nearly 14.88 lakh schools, more than 95 lakh teachers, and nearly 26.5 Crore students of pre-primary to higher secondary levels, making the sector one of the largest in the world.



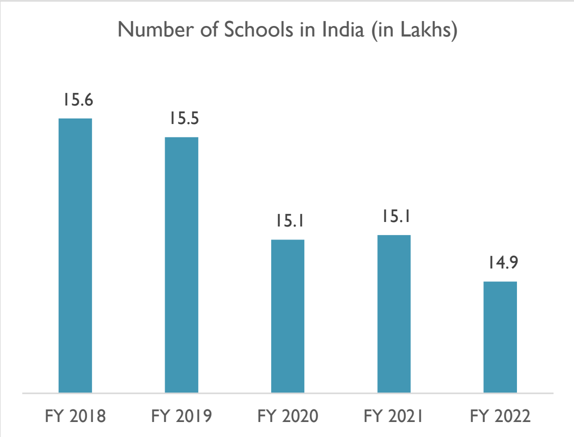


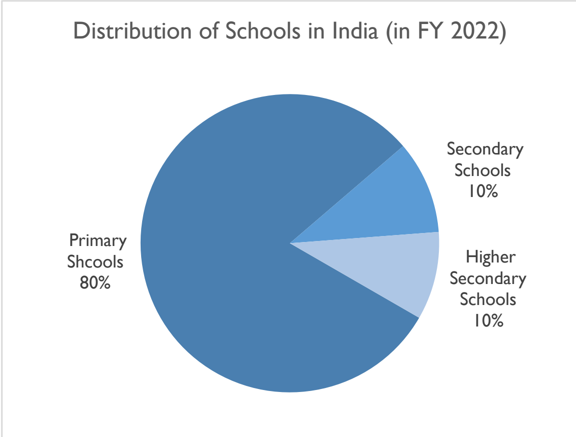
Source: UDISE+ Report 2022

As per the Ministry of Education, India has 14.88 Lakh schools as of FY 2022, covering primary, secondary, and higher secondary. The majority of schools, 85.8%, are government-managed, while 2.9% are private and the rest are aided & other. Primary schools comprise the largest share of schools in India, with 11.96 Lakhs in operation in FY 2022, followed by 1.50 Lakhs of secondary schools and 1.42 Lakhs of higher secondary schools.

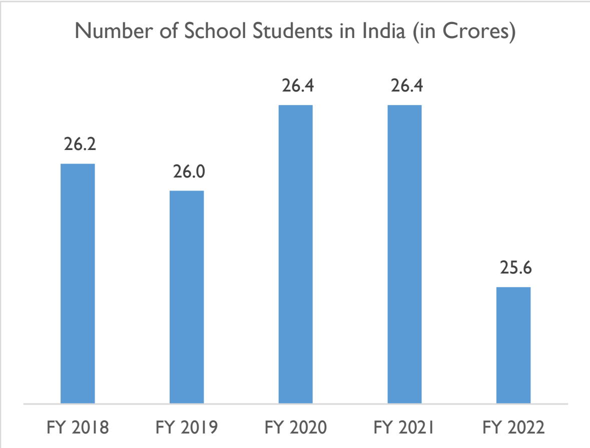
There are approximately 250,000 schools in urban areas and 1,200,000 schools in rural areas as of 2022. It is noteworthy that the number of schools in India has decreased since FY 2018, but this is solely due to the amalgamation of schools and not a decline in education standards. In FY 2017, there were 15.5 Lakh schools, which was an increase from 15.1 Lakhs in FY 2014. However, the trend of decreasing school numbers came to a halt in FY 2021 as the number of schools increased to 15,09,136 from 15,07,708 in FY 2020. We should also mention that the number of schools in the last fiscal year was 14.88 lakhs due to the amalgamation of schools across the country.

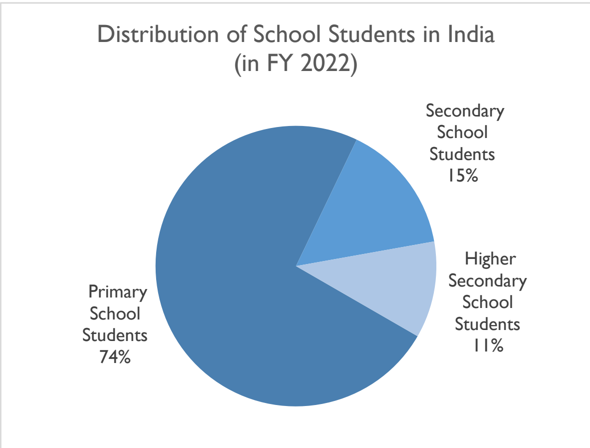
In these 5 years alone, more than 30 lakh students have been enrolled in schools in India, thus speaking at length regarding the awareness of the importance of education in India. Sure, there might have been some fluctuations, but what matters, in the end, is the overall notable increase in growth in the number of students in the 5 years span.





Source: Ministry of Education, Government of India

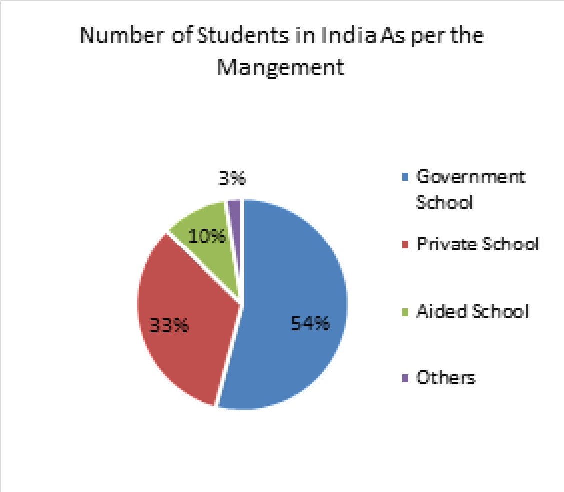


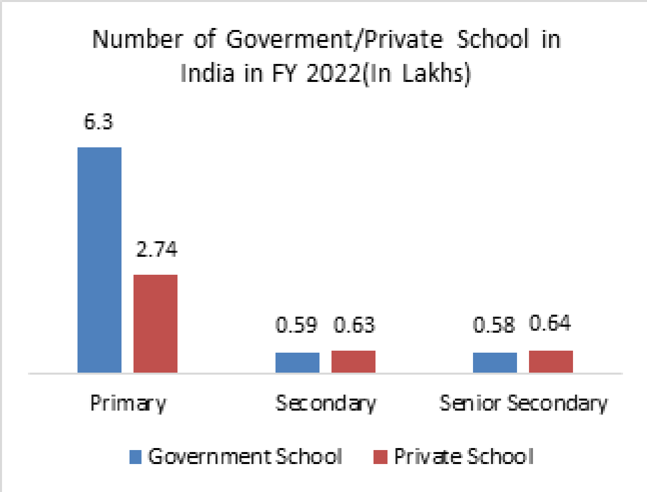


Source: Ministry of Education, Government of India

The education system in India is divided into government-managed and privately managed schools. According to the UDISE report for 2022, approximately 25.56 crores of students are currently enrolled in Indian schools, and over 54% of all students in India are enrolled in government schools, totalling 14.32 crores. The state of Bihar has the highest number of government school students, with a total of 2.19 crores, followed by Uttar Pradesh with 1.90 crores and West Bengal with 1.65 crores.

The number of students in private schools in India is 8.82 crores making up 33.3% of the total number of school students in India. Uttar Pradesh is home to 2.10 crores students, and it has 97,808 private school students in India, followed by Rajasthan with 75.84 Lakhs private Madhya Pradesh with 65.23 Lakhs private school students. Goa has the least number of government school students and is also known to be the state with the least number of private school students as well.





Source- Ministry of Education.

Based on the types, schools are segmented into co-education, girl-only, and boy-only, most of the schools in India fall under the co-educational schools, out of 14.88 lakhs total schools,14.4 Lakhs schools in India are currently co-ed, which make up 97.2% of the total schools in India. As of 2022, the sum of girls-only schools in India is 29,656.

On the other hand, the number of boy's schools in India stands at 11,956. The number of co-educational schools in India is utterly high as compared to girls-only and boys-only schools. The latest UDISE+ report states that the total enrolment of students from primary to higher secondary levels of education was more than 25.38 crore in 2020-21. Out of these, 13.17 crore were boys, while 12.21 crore were girls. This is a prominent increase, almost 28 lakhs, from 2019-20. The school education sector in India shows an improvement in the ability of the system of school education over time, as the levels of upper primary, secondary, and higher secondary, school enrolment have increased.

Gross Enrolment Ratio describes the increase or decrease in the student's enrolment in a particular country, In India GER in primary schools has grown from 101.3% in FY 2019 to 103.3% in FY 2021 and then to 103.39% in 2022. Correspondingly, the Gross Enrolment Ratio of upper primary schools has recorded significant growth as it has increased to 94.67% in FY 2022, though it was only 92.2% in FY 2021.

For secondary schools, the Gross Enrolment Ratio stands at 79.56 in 2021-22 while it was 79.8% in FY 2021. The GER for secondary schools was only 76.9% in 2018-19. The lowest GER is observed in higher secondary levels, as compared to the other levels of school education. The GER in Higher secondary levels also represents a notable growth curve from 50.14% in FY 2019 to 57.56% in 2021-22.

The market size of primary and secondary schools is higher than that of higher secondary levels, due to the country's growing economy and huge population, the gross enrolment ratio in also increased in the past three years.

Upcoming Education/ Schools related construction

India's education sector stands at the forefront of global significance, fueled by its demographic advantage as the world's largest population in the 5-24 age group, numbering 580 million. With a pivotal role in the global education industry, India possesses an extensive network of higher education institutions. In FY24(up to Sep

2023), the count of colleges reached 49,385, a notable increase from 43,796 in FY21 and 42,343 in FY20[1]. Similarly, the number of universities in India reached 1,196 in FY24, a significant rise from 760 in FY15. Notably, the education sector attracted USD 9.2 billion in Foreign Direct Investment from April 2000 to March 2023. The Union Budget for 2023-2024 allocated a historic INR 1.12 lakh crore (USD 13.5 billion), reflecting an 8.2% increase, highlighting the government's commitment to fostering educational development for national progress.

The Indian education sector is experiencing substantial development, marked by a noteworthy 66 announcements made by various entities in the last 6 months. These announcements, spearheaded by the Central Government and State governments, underscore a concerted effort to enhance the infrastructure of the Education sector. The 65 announcements are geared towards establishing new units, showcasing a commitment to expanding Education Infrastructure facilities across the country.[2]

At the central level, the Government of India, through entities like the Ministry of Health & Family Welfare, and Ministry of Tribal Affairs, has made 2 announcements. These announcements uniformly aim at establishing new units, reflecting the dedication to advancing Education infrastructure.

On a regional basis, state governments have announced 62 projects and state government statutory bodies announced one project. Out of 62 state government project announcements Bihar is leading with 11 projects. State Governments of Himachal Pradesh, Delhi, Andra Pradesh, Maharashtra, Karnataka, J&K, Rajasthan, Punjab, Nagaland and West Bengal, and have also announced projects in the Education sector for the development of new units.

In conclusion, the robust surge in announcements and the significant growth in educational institutions underscore a transformative phase in India's education sector. The collective commitment from both public and private entities, coupled with a substantial increase in colleges and universities, sets the stage for a brighter future in shaping the educational landscape of the country. As these initiatives materialize, they promise to empower the youth and contribute to the nation's intellectual capital, fostering progress and innovation.

Some of the key projects announced in the north region in the last 6 months catering to education sector:

Company Name	Project Name	Cost (Rs.million)	Project Status	Industry Group	Ownership Group	Project Type
Government of Bihar	Akbarpur B.R. Ambedkar Residential School Project	460.7	Announced	Education	State Government	New Unit
Government of Bihar	Bahadurpur B.R. Ambedkar Residential School Project	460.7	Announced	Education	State Government	New Unit
Government of Bihar	Belaganj B.R. Ambedkar Residential School Project	460.7	Announced	Education	State Government	New Unit
Government of Bihar	Chhatapur B.R. Ambedkar Residential School Project	460.7	Announced	Education	State Government	New Unit
Government of Bihar	Dobhi B.R. Ambedkar Residential School Project	460.7	Announced	Education	State Government	New Unit
Government of Bihar	Masaurhi B.R. Ambedkar Residential School Project	460.7	Announced	Education	State Government	New Unit
Government of Bihar	Phulwarisharif B.R. Ambedkar Residential School Project	460.7	Announced	Education	State Government	New Unit
Government of Bihar	Sadar B.R. Ambedkar Residential School Project	460.7	Announced	Education	State Government	New Unit
Government of Bihar	Tikari B.R. Ambedkar Residential School Project	460.7	Announced	Education	State Government	New Unit
Government of Bihar	Vibhutipur B.R. Ambedkar Residential School Project	460.7	Announced	Education	State Government	New Unit
Government of Jammu &	Rakh Hoshyari (Kathua) Government Homeopathy	700	Announced	Education	State Government	New Unit

1 UGC, India Ratings and Research FY19 Outlook

2 CMIE Capex

Company Name	Project Name	Cost (Rs.million)	Project Status	Industry Group	Ownership Group	Project Type
Kashmir	Medical College Project					
University of Delhi	Surajmal Vihar Delhi University East Campus Project	1200	Announced	Education	State Government	New Unit

Source: CMIE Capex

Demand Landscape

Education is highly valued and considered essential for socio-economic development in India, as a result, there has been a substantial demand for both government-funded and private schools across the country. The demand for quality education has led to the establishment of a wide range of schools, including primary, secondary, and higher secondary institutions, as well as various specialized schools focusing on specific subjects. Several other factors contributing to the growth of the Indian school education sector are the increasing population, increasing awareness about the importance of education, rising middle-class income, government initiatives aimed at promoting education, etc. Here are some of the key reasons for the high demand for schools in India:

Increasing Population Density & Income

India's Huge population and rising middle-class income are the primary factors driving the Indian school market. With a 1.4 billion population India comes in the second position after China in terms of population and this depicts the huge consumer base for the school education sector with nearly 27% population coming under the age of 0-14 which is the school-going age. With a growing population, the strength of school-going aged children and enrolment rates also rise, leading to an increase in the demand for primary and secondary school levels. With the increase in middle-class income among the population, people are now able to afford higher-quality education, and this is expected to drive growth in the school market.

Expansion of Schools in Urban and Rural Areas

The school education sector in India is more developed in urban areas compared to rural areas. However, since 70% of India's population resides in rural areas, the number of schools in such areas is significantly higher than in urban areas. As of FY 2022, there are 12.34 Lakh schools available in rural areas and 2.54 Lakh in urban areas. With urbanization on the rise, there will be an increased demand for schools in urban areas. People from rural and smaller towns are drawn to urban areas in search of better livelihoods, which contributes to the urban population and fuels the demand for schools.

Awareness about the benefits of education has been growing in rural areas, driven by exposure to media and information. Parents in rural communities are getting aware of the importance of schools to provide their children with an education that can enhance their quality of life. Education is often seen as a way to break the cycle of poverty in rural communities. Parents understand that education can provide their children with better opportunities for employment and socioeconomic advancement. Right to Education Act by the Indian government has improved access to education in rural areas. These initiatives have led to an increased demand for schools in rural communities.

Increasing Awareness of Education

Increasing education awareness has a significant impact on the demand for schools in various ways. As people become more informed about the importance of education, the benefits it offers, and the opportunities it provides, the demand for educational institutions tends to increase. As education awareness spreads, more parents and guardians recognize the value of education for their children's future, this leads to higher enrolment rates. In some regions of India, where education might have been historically undervalued, awareness often leads to heightened aspirations among parents for their children's education. Parents are more likely to seek out quality educational opportunities, leading to an increased demand for schools that offer better facilities and teaching methods. Education awareness campaigns often contribute to improved literacy rates.

Literacy rates in India are increasing as more people in India become literate, there's an increased demand for schools to provide basic education as well as opportunities for further learning. In earlier times girls' education was the challenging part of India's education sector but the importance of girls' education in India, led to increased demand for schools that encourage and support the education of girls.

Diversity of Curriculum

India with diverse education landscape, offering schools that follow different curricula, such as the Central Board of Secondary Education (CBSE), Indian Certificate of Secondary Education (ICSE), and various state boards. International curricula like the International Baccalaureate (IB) and Cambridge International Examinations (CIE) are valued by some families for their global recognition and emphasis on holistic education. This diversity caters to different preferences and demands.

Urban areas often offer a wider variety of schools with different curricula, including national and international boards, catering to diverse preferences and demands. On the other hand, In rural areas, there might be a preference for schools that teach in the local language and offer curricula that are appropriate to the local culture and context. With the increase in population, there's a diversity of educational needs and preferences, directing to a demand for schools offering different curricula, languages of instruction, and specializations to cater to the varied population. India's constitution recognizes 22 official languages that are spoken by the population, and the choice of curriculum often comes with the choice of language of instruction as some curricula are offered in regional languages, while others use English as the medium of instruction, which influence the demand for specific curricula based on language preferences. The Central Board of Secondary Education (CBSE) and various state education boards offer curricula that are designed to align with national and regional education standards. On the competition level, schools that offer a variety of curricular options can attract a broader range of students and cater to the diverse educational needs and preferences of the population.

In conclusion, the school market in India marked by both progress and challenges in recent years the number of students has increased in the primary and secondary levels of school which shows that there are huge opportunities in the primary and secondary schools as the population of school-going-age people is increasing significantly. However, there is a need to elevate the quality of education through improved teaching methodologies, relevant curricula, and a shift from rote learning to critical thinking is essential to preparing students for a rapidly changing world.

Key Challenges

The school education system in India has witnessed a paradigm shift over the past few decades. Despite its long history of development, the Indian school education system is facing numerous challenges, including unequal access to education, outdated curricula, and insufficient funding. Regardless of the country’s rapid economic growth, many rural and underprivileged communities still lack access to quality education. Low literacy rates have been observed in these areas, as well as in the high dropout rates for students from these communities.
Despite these challenges, however, the education system in India has made great strides in recent years, as the government of India has made significant progress in addressing challenges, and the country is now home to a large number of well-respected schools, universities, and colleges. With continued investment in India's education sector, India has the potential to become a leading center of learning.

Regulatory Landscape

Indian Government always pays attention to this sector as the education sector is the most crucial and important sector of any country. The Government of India has the largest share of the schools and students across the country providing education with nearly no expenses taken by the students. The Indian government is implemented various schemes and policies to strengthen the education system in India.

Right to Education Act

The Right to Education (RTE) Act, also known as The Right of Children to Free and Compulsory Education Act, is a legislation enacted by the Government of India in 2009. The purpose of this act is to provide free and compulsory education to all children in the age group of 6 to 14 years. The act also includes provisions for reserving a certain percentage of seats in private schools for children from economically weaker sections and disadvantaged groups. The Act also applies to private schools, and they are required to admit these children and are reimbursed by the government for their expenses. The act rules also include the Norms and Standards set by the government, no detention policy, teachers require to possess the minimum qualifications prescribed by the National Council for Teacher Education (NCTE), the act promotes the establishment of School Management Committees (SMCs) and the RTE Act bans physical punishment and mental harassment of students.

National Education Policy

The Union Cabinet approved the National Education Policy (NEP) On July 29, 2020, with an aim to transform India into an energetic knowledge society and global knowledge superpower by making school and college education more holistic, flexible, multidisciplinary, suited to current needs, and aimed at bringing out the unique capabilities of each student. The objectives of the NEP policy are to enhance the teacher-learning process, technology upgradation, vocational studies, flexibility, and choices in the subjects, and promote education in the mother tongue. The National Digital Education Architecture (NDEAR) and the National Education Technology Forum were launched at the NEP 2020 event. The National Education Policy (NEP) 2020 highlights early childhood care and education. The 10+2 structure of school curricula is to be replaced by a 5+3+3+4 curricular structure corresponding to ages 3-8, 8-11, 11-14, and 14-18 years, respectively.

Samagra Shiksha

The Samagra Shiksha initiative was launched on 24 May 2018 by the Department of School Education & Literacy, it is a comprehensive program that includes various existing schemes like Scheme of Sarva Shiksha Abhiyan (SSA), Rashtriya Madhyamik Shiksha Abhiyan (RMSA) and Teacher Education (TE). Under Samagra Shiksha, EFC has approved a total outlay of 294283.04 crores over the period of five years from 2021-22 to 2025-26. As per the Union Budget 2022-23, allocation towards the Samagra Shiksha Scheme has increased by around 20.3%, from INR 31,050.16 crore (US$ 4.16 billion) in FY22 to INR 37,383.36 crore (US$ 5.01 billion) in FY23.

The objectives of the Samagra Shiksha scheme were to support states in the implementation of the Right of Children to Free and Compulsory Education (RTE) Act, 2009. The aim of the policy is to ensure that all children have access to quality education, regardless of their socio-economic background, gender, or physical ability, bridge the educational gaps, improvement of quality education, teacher training, and curriculum development, increase enrolment and reduce dropout rates in schools, especially for girls, children from marginalized communities, and those with special needs. The policy also aims to ensure that every child has a chance to complete their schooling with minimum spending, holistic development of students, life skills education, and vocational training to equip them for real-world challenges, empowering teachers, upgrading and improving school infrastructure, increasing community participation and focus on early childhood care and education (ECCE) for development of creative mind from early ages.

PM Poshan

Pradhan Mantri Poshan Shakti Nirman (PM POSHAN), formerly known as the National Programme of Mid-Day Meal in Schools, is a significant rights-based Centrally Sponsored Scheme under the National Food Security Act, 2013 (NFSA). This program is dedicated to enhancing the nutritional well-being of children enrolled in classes I-VIII in eligible schools. The aim of this initiative is to elevate the nutritional status of these children, thereby promoting their holistic growth and development. In FY 2023-24 budget allocation for the flagship scheme of PM Poshan has increased by 13.35% from INR 10233.75 crores in FY 2022-23 to INR 11600.00 crores in BE 2023-24.

PM Schools for Rising India Scheme

The PM SHRI scheme, launched in September 2022, introduces the establishment of over 14,500 PM SHRI Schools (PM Schools for Rising India) by enhancing existing schools managed by the Central government, State, UT Governments, and local bodies. The scheme is set to operate from 2022-23 to 2026-27, with a projected reach of more than 20 lakh students as direct beneficiaries. The scheme of PM SHRI schools is to be implemented with a total project cost of INR 27360 crore which includes a central share of INR 18128 crore for the period of five years from the year 2022-23 to 2026-27. The PM SHRI Schools will serve as showcases for the implementation of the National Education Policy 2020. These institutions will progressively evolve into model schools, exemplifying the principles of the NEP 2020. They will not only deliver high-quality education but also take the lead in fostering a nurturing, inclusive, and joyful learning environment. This environment will cater to the diverse backgrounds, linguistic needs, and varying academic abilities of students, aligning with the vision outlined in the

NEP 2020.

Strengthening Teaching-Learning and Results for States

The STARS (Strengthening Teaching-Learning and Results for States) scheme, initiated by the Government of India, seeks to elevate the educational quality within schools, primarily at the elementary level. Supported through World Bank financing, the program concentrates on augmenting learning outcomes, enhancing teacher training, refining school administration, and establishing equitable pathways for quality education. Budget Allocation for FY 2023-24 for the World Bank-aided Scheme of STARS has increased by 45.45% from INR 550.00 crores in BE 2022-23 to INR. 800.00 crores in BE 2023-24.

STARS places emphasis on data-centric decision-making, inventive teaching methodologies, and comprehensive growth. It fosters strong collaboration with state and district authorities, tailoring interventions to ensure widespread access to high-quality education for all students.

Regular investment in the Education sector in India has increased the gross enrolment ratio of students in the primary. Secondary and higher secondary level. literacy rates in India also gaining remarkable growth, increase in investment in Budget allocation for FY 2023- 2024 will boost the school market in India.

Competitive Landscape

Currently, thousands of small and medium-sized enterprises (SMEs) dominate the market, making it highly fragmented. While this fosters diversity and local expertise, it also leads to uneven quality as these quality standards can vary significantly due to varying levels of competence and technology adoption. Many SMEs operate in the informal sector, leading to issues with transparency, labor welfare, and environmental compliance. Smaller firms often lack the resources and expertise to handle large-scale projects, restricting their scope. In recent years, the industry has witnessed the rise of large construction conglomerates. These players have access to greater capital enables them to invest in technology, skilled manpower, and efficient project management. Their geographical spread allows them to compete for large-scale projects across diverse regions. They can handle complex projects spanning various sectors, mitigating risk and boosting profitability.

Currently, with multitude of stakeholders, Indian Construction industry is very fragmented comprising of many small players and few large players. Large players dominate construction of complex projects in road, power, ports, airport, industrial plants and railways as large infrastructure development require high up-front capital investment. Moreover, stringent technical ability norms, experience, and operational and financial parameters defined by contract awarding authorities limit entry of small players in large projects.

Need for high upfront investments and longer break-even period have restricted the entry of small players into the sector. Consequently, small players dominate in construction of urban / rural / district roads as bidding norms set by state agencies are relatively less stringent. Also, scope for these projects is limited making it unviable for larger companies that dominate large infrastructure development sector. Subsequently, smaller contract firms dominate this segment.

Price plays a significant part as EPC contracts are won based on technical capability as well as cost at which a firm can execute the project. A fine balance of technical capability and cost is required to win and execute an EPC contract.

Indian EPC companies have developed their reputation, based on their sector focus. Some have also expanded their operations in other sectors, thereby segregating the entire EPC space, based on operational segments. EPC players can be broadly segmented based on the industry for which the work such as:

- **Infrastructure Construction/General Contracting**: This comprises of road, port, airport, railways and urban infrastructure and has been given as a priority sector status where government plays an active role of a facilitator. The level of competition in high in road sector whereas the port and urban infrastructure sector provides vast untapped opportunity. Facing high competition in infrastructure sector, many EPC companies has opted to diversify their sector reach (storage, water, ports) to protect their margins. The level of complexities is medium to high range in all sub- sector of infrastructure. Both domestic as well as foreign players have presence in this segment. High capex requirement restricts the entry of small player in this segment.

- **Building Construction (Residential & Commercial Segment):** This includes the real estate development, commercial complexes development. This segment currently faces a stiff completion as many big as well as small developers have presence in the market. Entry barriers are medium in this segment. Few foreign players too have presence in this segment. Sobha Developers Ltd. B L Kashyap, Shapoorji Pallonji etc. are the key players in this segment.
- **Power Sector (General Power EPC and Power Transmission, Solar Power):** Power sector growth is of key importance the growth of the economy. This competition level is high in this sector. Both domestic and foreign players have presence in this market segment. It provides attractive opportunity to the investor on the back of strong targeted growth low entry barriers etc.
- **Utilities Development:** This is another important sector necessary for the growth of the economy. Thus, government act as a facilitator promote investment in this sector and keeping the entry barrier low. The levels of complexities are very high in industry as quality standard and safety are key attribute to the industry. Over the year the sector has seen some maturity in terms of development but there still exist vast untapped opportunity. L&T , Punj Loyd, Essar Projects, Petron Engineering Construction Ltd.
- **Specialized EPC** (Marine construction, industrial construction, Hydle projects, Railways, Tunneling, Mining etc.): These segments offer a mixed opportunity portfolio to the investor on the back of different level of complexities, entry barrier, competition, government support, investment etc.

Based out of Bathinda, Girdhari Lal Construction is an EPC contractor that has executed many projects for Military Engineering Services (MES), National Buildings Construction Corporation Limited (NBCC) and Delhi Development Authority (DDA). Out of the station redevelopment projects awarded so far, Giridhari Lal Constructions has bagged 5 of them - Nagpur, Secunderabad. Bengaluru Yesvantpur, Surat and Jaipur. Ram Kripal Singh Construction Pvt Ltd, a Ranch-based engineering firm, has bagged 3 station redevelopment - Delhi Cantonment. New Jalpaiguri and Muzaffarpur.

Contractor	Station
Girdhari LAL Constructions Pvt Ltd	Nagpur, Secunderabad. Bengaluru Yesvantpur, Surat and Jaipur
Ram Kripal Singh Construction Pvt Ltd	Delhi Cantonment. New Jalpaiguri and Muzaffarpur.
Kamladityya Construction Pvt Ltd	Gaya, Bijwasan
Bridge & Roof Co. (India) Ltd.	Udhna, Ernakulam

Sports Infrastructure

India boasts a rich sporting history and talented athletes. To nurture this potential, good sports infrastructure is crucial. While significant strides have been made in recent years, there's still room for improvement. India's sporting landscape is undergoing a significant transformation, fueled by a growing focus on infrastructure development. This increased attention is driven by a two-pronged strategy: fostering a culture of mass participation in sports and nurturing potential champions on the global stage. This growth is crucial for nurturing potential athletes and propelling the country to the forefront of the global sporting arena. India's sports infrastructure landscape is a mixed bag. While the country boast around 100 facilities meeting international standards, a significant portion of existing infrastructure, including grounds in colleges, universities, and community centers, requires improvement in utilization and maintenance.
The government is actively working on improving sports infrastructure through several initiatives:

Khelo India: This flagship scheme by the Ministry of Youth Affairs and Sports (MYAS) is a game-changer. It focuses on creating world-class infrastructure at the grassroots level, with over 280 projects sanctioned in the last five years. Khelo India Centers and Khelo India State Centres of Excellence are prime examples, providing training facilities and nurturing young talent.

Sports Authority of India (SAI): As the apex body under MYAS, SAI plays a critical role. It develops and manages national-level facilities, regional centers, and academies across the country, promoting a wider range of sports and talent identification.

National Pipelines:

National Investment Pipeline (NIP): Over 90 projects for stadiums and complexes are underway, with private sector participation expected to contribute 21%. One such project, the Vishakapatnam Sports City, is nearing completion (August 2024).

National Monetization Pipeline: This aims to unlock value from existing facilities. Two national stadiums and two SAI regional centers are slated for monetization through a model where private entities manage and develop them for a set period.

State Governments: States are taking ownership, with proactive measures like Haryana and Odisha. This strengthens the pan-India effort.

- Haryana: Invested heavily on infrastructure development to host the Khelo India Youth Games.
- Odisha: Constructed numerous multi-purpose stadiums in preparation for global sporting events like the FIFA U-17 Women's World Cup and Men's Hockey World Cup.

Public-Private Partnerships: A Winning Combination

The private sector is emerging as a key player. Many organizations are setting up academies and training centers, particularly at the grassroots level. This not only broadens accessibility but also infuses innovation and expertise into the system.

Focus on Accessibility and Upgradation:

The emphasis lies on creating accessible and well-maintained facilities. This includes:

- Upgrading existing infrastructure: Renovation and modernization of existing stadiums, sports complexes, and college grounds ensure their optimal utilization.
- Developing new facilities: Construction of new multi-purpose indoor stadiums, Khelo India Centers, and specialized training centers widens the range of options available.
- Standardization: The National Playing Fields Association of India (NPFAI) plays a crucial role in establishing and maintaining standards for playing fields, ensuring quality across the board.

Challenges

Despite the progress, certain hurdles remain:

- Uneven distribution: Infrastructure is concentrated in urban areas, neglecting rural talents. Bridging this gap is crucial for inclusive development.
- Maintenance and Upkeep: Ensuring proper maintenance of existing facilities is vital to maximize their lifespan and utility.
- Focus on traditional sports: While cricket receives significant attention, development of infrastructure for other sports needs acceleration.

India's sports infrastructure development is on a positive trajectory. Continued government and private sector investment, along with proper maintenance of existing facilities, are crucial. Addressing the lack of balanced facilities across various sports is essential to nurturing a well-rounded sporting ecosystem and fostering India's position on the global sporting stage. The potential revenue generation of $2.2 billion in the sports infrastructure sector highlights the economic opportunities that go hand-in-hand with development. By overcoming these challenges and capitalizing on existing initiatives and pipelines, India can create a robust sporting infrastructure that empowers athletes, fuels a national sporting culture, and strengthens the country's sporting legacy.

Key Upcoming Sports Infrastructure Projects in India

Company Name	Project Name	Cost (INR Crore)	Project Status	Location	Sector
Uttar Pradesh Cricket Association (UPCA)	UPCA Cricket Stadium	330	Under construction	Gajari Village, Varanasi, Uttar Pradesh	Public
Rajasthan Cricket Association (RCA)	Anil Agarwal International Cricket Stadium	297	Under construction	Chaunp village, Jaipur, Rajasthan	Public
Ahmedabad Municipal Corporation (AMC)	Naranpura Sports Complex	590	Under construction	Naranpura, Ahmedabad, Gujrat	Public

Company Name	Project Name	Cost (INR Crore)	Project Status	Location	Sector
Building Construction Department, Bihar	BCD Sports Academy and International Stadium	633	Under construction	Thera, Rajgir, Bihar	Public
Odisha Bridge and Construction Corporation Limited (OBCC)	OBCC Multipurpose Sports Facility	750	Pre-construction	Bhubaneshwar, Odisha	Public
Public Works Department (PWD), Delhi	PWD Delhi Sports University	1000	Pre-construction	Ghevra, North West Delhi	Public
Ministry of Youth Affairs and Sports, Department of Sports	Jawaharlal Nehru Stadium Redevelopment	3000	Under Approvals	New Delhi	Public-Private Venture

Government Spending across industries creating a potential opportunity for construction sector.

Increased government spending across various sectors, like education, healthcare, and initiatives like the UP One Trillion Dollar Economy, creates a ripple effect of opportunities for the construction sector. Government spending on building new schools, hospitals, and upgrading existing facilities creates direct demand for construction services. This includes constructing classrooms, laboratories, libraries, dormitories, hospitals, clinics, and other related infrastructure. The ambitious infrastructure development plans under this UP's One Trillion Dollar Economy Initiative will require the construction of roads, bridges, railways, airports, industrial corridors, SEZs, smart cities, and tourist infrastructure, leading to a surge in construction activity.

Flagship Policies on Government Spending in Education Infrastructure Construction

The Indian government has implemented several flagship policies to enhance its spending and improve the overall effectiveness of the education sector. Here's an overview of some key initiatives:

Pradhan Mantri Schools for Rising India (PM SHRI):

Launched in 2018, with an objective too develop model schools across the country that provide high-quality education with modern infrastructure and amenities.

Infrastructure Focus:

- Envisions establishing 14,500 model schools across India. These schools will have state-of-the-art infrastructure, including smart classrooms, well-equipped science labs, computer labs, libraries, playgrounds, and sports facilities.
- Aims to create a holistic learning environment that fosters academic excellence, co-curricular activities, and skill development.

Samagra Shiksha Abhiyan (SSA):

Launched in 2018, SSA is an umbrella scheme aimed at providing universal access to quality school education from pre-primary to Class 12. It focuses on strengthening infrastructure, improving learning outcomes, and ensuring equity and inclusion in education.

Key features include:

- Free and compulsory education for children aged 6-14 years under the Right to Education (RTE) Act.
- Financial support for infrastructure development, teacher training, and learning materials.
- Special focus on bridging the gap in educational opportunities for disadvantaged groups like Scheduled Castes, Scheduled Tribes, and girls.

Rashtriya Madhyamik Shiksha Abhiyan (RMSA):

Launched in 2009, RMSA focuses on improving the quality of secondary education in India.

Key areas of focus include:

- Strengthening infrastructure in secondary schools, including classrooms, laboratories, and libraries.
- Enhancing teacher training and professional development for secondary school teachers.
- Providing scholarships for students from disadvantaged backgrounds.

Skill India Mission:

Launched in 2015, this mission aims to equip the Indian workforce with industry-relevant skills to enhance employability.

Key initiatives include:

- Setting up skill development institutes (SDIs) across the country.
- Offering skill development courses in various sectors like manufacturing, IT, and services.
- Providing financial assistance to individuals and organizations involved in skill development.

Flagship Policies on Government Spending in Healthcare Infrastructure Construction

The Indian government prioritizes improving healthcare infrastructure and access to quality medical services through dedicated policies and increased infrastructure spending. Some key flagship policies and their impact on healthcare infrastructure development:

Ayushman Bharat Yojana (ABY):

Launched in 2018, with an objective to provide comprehensive health coverage to over 500 million vulnerable and marginalized populations across India.

Focus on infrastructure:

- Strengthening existing primary healthcare centers (PHCs) and sub-centers: Upgrading infrastructure, including building new facilities, renovating existing ones, and equipping them with essential medical equipment.
- Establishing new Ayushman Bharat Health and Wellness Centers (AB-HWCs): These centers provide preventive, promotive, and curative healthcare services at the community level.
- Developing district hospitals and medical colleges: Expanding bed capacity, improving medical equipment availability, and upgrading facilities.

Pradhan Mantri Jan Arogya Yojana (PM-JAY):

Launched in2018 (a sub-scheme under ABY), with an objective to provide cashless and paperless hospitalization for secondary and tertiary healthcare needs to beneficiaries under ABY.

Impact on infrastructure:

Incentivizes private hospitals to upgrade their facilities and expand bed capacity to cater to the increased demand from ABY beneficiaries.

Pradhan Mantri Swasthya Suraksha Mission (PMSSM):
Launched in 2016, with an objective to strengthen and upgrade existing healthcare infrastructure across the country.

Focus on infrastructure:

- Developing new medical colleges: Increasing the number of medical professionals and improving access to specialized care.
- Upgrading district hospitals: Enhancing infrastructure and facilities to provide advanced healthcare services.
- Setting up new AIIMS (All India Institute of Medical Sciences) and other medical institutions: Expanding access to high-quality medical care and education.

UP's One Trillion Dollar Economy Initiative: A Boon for the Construction Sector

Uttar Pradesh (UP), India's most populous state, has embarked on an ambitious mission to become a one-trillion-dollar economy by 2027. This initiative, driven by the Yogi Adityanath government, aims to transform the state's economic landscape through various measures, with the construction sector positioned to play a significant role in this journey.

Key Pillars of the Initiative:

Infrastructure Development: The government is heavily investing in building robust infrastructure across the state, including:

- Expressways and highways: A network of new expressways and the expansion of existing highways is planned to improve connectivity within the state and with neighboring regions. This will enhance the movement of goods and people, facilitating trade and economic activity.
- Airports and railways: Upgrading existing airports and developing new ones, along with expanding the railway network, will improve connectivity and attract investments.
- Urban infrastructure: Investments are being made in developing smart cities, improving sanitation and water supply systems, and creating new urban centers.

Focus on Manufacturing: The government is actively promoting the establishment of industrial corridors and special economic zones (SEZs) to attract investments in various sectors like food processing, textiles, pharmaceuticals, and electronics. This will lead to a surge in demand for industrial and commercial construction projects.

Tourism Development: Initiatives are underway to promote religious tourism, heritage tourism, and eco-tourism, leading to the construction of new hotels, resorts, and tourist infrastructure.

Opportunities for the Construction Sector:

The focus on infrastructure development, industrial growth, and tourism within the one-trillion-dollar economy initiative presents immense opportunities for the construction sector in UP:

Increased Demand: The state government's ambitious infrastructure plans will require a significant workforce and resources in the construction sector. This includes building roads, bridges, airports, railways, and other infrastructure projects, creating a high demand for construction companies, engineers, skilled laborers, and material suppliers.

Specialized Construction Needs: The development of industrial corridors, SEZs, and other specialized projects will require expertise in industrial and commercial construction, creating opportunities for companies with relevant experience and capabilities.

Focus on Innovation and Sustainability: The government is emphasizing innovative and sustainable construction practices. This presents opportunities for companies specializing in green building technologies, prefabrication, and modular construction to participate in various projects.

Financial Performance

The financial performance of the construction industry can be described as average, with moderate revenue growth and stable profit margins. Between FY 2019 and 23, total sales have grown by a CAGR of 7.72%.

Expense Snapshot

	Raw Material	Power & Fuel	Salary & Wage	SG&A	Interest
FY 2019	44.6%	1.6%	6.1%	0.8%	4.0%
FY 2020	41.8%	1.7%	6.5%	0.9%	4.5%
FY 2021	41.4%	1.4%	6.7%	0.9%	4.2%

	Raw Material	Power & Fuel	Salary & Wage	SG&A	Interest
FY 2022	42.6%	1.7%	6.5%	0.7%	3.0%
FY 2023	43.5%	1.8%	6.5%	0.9%	2.9%

After a decline in FY 2020, the industry saw an increase in revenue from FY 2021 levels, where FY 202 saw a y-o-y increase of approximately 21% and FY 2023 noted a y-o-y increase of 13%. As economies reopened and industries bounced back, there was a noted uptick in a wide array of construction and infrastructure projects.

Ranging between 41.4% to 44.6% of sales, the raw material expenses are the key element in the industry. The projects involve the construction and development of complex infrastructures, which require significant quantities of raw materials such as metals, concrete, aggregates, fuels, and various construction materials. Moreover, EPC projects require materials that meet specific quality and performance standards. Ensuring that the materials meet these criteria might involve sourcing higher-cost materials or additional quality control measures. Thus, this share is perfectly justified.

In the sample considered, raw material expenses have been increasing at a CAGR of 7.06% during FY 2019-23. FY 2022 saw a sharp rise in prices of raw materials, where they increased by 25% over FY 2021. Following this rise, FY 2023 too recorded an increase of roughly 16% over FY 2022. These rise in prices could be attributed to the supply-demand dynamics, geopolitical events, and market fluctuations leading to volatile raw material costs.

Salary and wages accounts for second largest share in cost components accounting for average share of 6.1% to 6.7% of net sales. Growing at a CAGR of 9.21%, salary and wages have increased by 18% and 12% annually in FY 2022 and FY 2023 respectively. On the other hand, Power & Fuel and SGA expenses have remained relatively stable through the year. Interest expenses declined in FY 2021 and 2022, and rose by 9.86% in FY 2023.

Profitability Margins

	Operating Profit Margin	Net Profit Margin
FY 2019	15.5%	5.4%
FY 2020	16.9%	7.7%
FY 2021	23.5%	9.5%
FY 2022	13.8%	5.7%
FY 2023	11.6%	4.0%

The operating profit, as shown in the sample, has ranged between 11.6% to 23.5%. FY 2021 recorded the highest margins as raw material cost as a percentage of revenue in FY 2021 was the lowest in comparison to all years in the sample. Net profit margin, on the other hand, after showing an increase during FY 2019-2021, started declining to reach 4% in FY 2023 after a high of 9.5% in FY 2021.

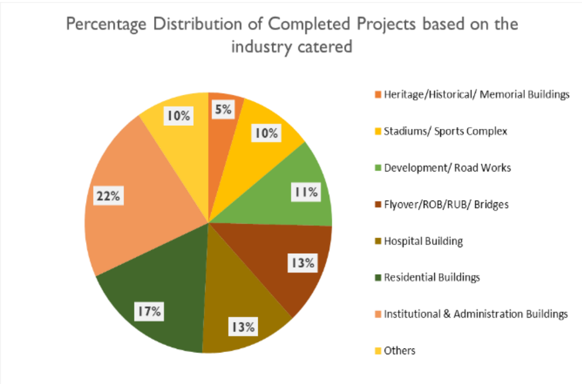
Key Ratios

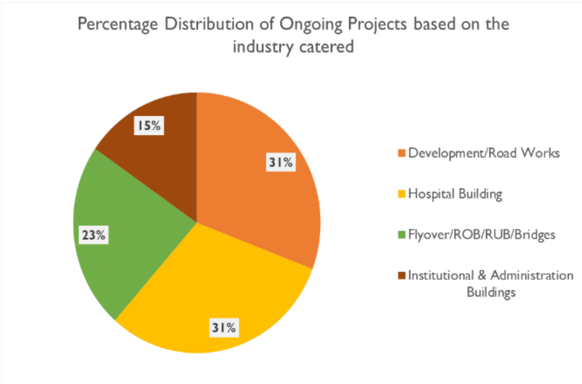
Key Ratio	Average FY 2021,22 & 23
Return on Assets	4.5%
Return on Capital Employed	16.9%
Return on Networth	9.9%
Debt Equity Ratio	0.20
Interest Coverage Ratio	4.73
Current Ratio	1.43
Asset Turnover Ratio	0.73
Working Capital Turnover Ratio	3.50

Key Projects backed by Deepak Builders & Engineers India Limited [1]

The company has completed around 63 key projects and is involved in construction of 13 ongoing projects across various industries and sector. These include construction activity across key industries such Commercial complexes (Heritage Historical / Memorial Buildings & Stadiums / Sports Complex), Logistics (Road Works, Flyover / ROB / RUB / Bridges), Healthcare (Hospital Building), Residential Buildings, Education (Institutional & Administration Buildings), which reflects towards their diverse portfolio and ability to tap in and provide wide range construction services.

Out of the 63 completed projects, 14 were dedicated towards establishing new education related buildings (Institutional & Administration Buildings), followed by residential buildings, hospital buildings, logistics related infrastructure and commercial complexes.





Source- Deepak Builders & Engineers India Limited

Major Ongoing projects being executed by Deepak Builders & Engineers India Limited

Project Name	Awarding Entity	Cost (INR Crore)	Project Status	Location	Duration of the Project
CPWD tender for Buildings & Roads	Govt. of India Directorate, CPWD	650.00	Ongoing	CPWD works in whole of the Indian Union	5-year contract
Major Upgradation/ Redevelopment of Ludhiana Junction Railway Station	Northen Railway Authority	472.95	Under construction	Ludhiana	30 months
Major Upgradation/ Redevelopment of Faridabad Railway Station	Northen Railway Authority	240.10	Under construction	Faridabad	30 months
Major Upgradation/ Redevelopment of Jalandhar Cantt Railway Station	Northen Railway Authority	95.93	Under construction	Jalandhar	17.7 months

KPI Comparison

Company-wise Financials

Particulars	IRCON International Limited			
	September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Order book	NA	3,32,280	4,37,580	3,46,890
Revenue from operations (1)	55,091.8	99,111.00	69,101.50	49,559.30

[1] As per the information provided by Deepak Builders & Engineers India Limited

Particulars	IRCON International Limited			
	September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Growth in Revenue from Operations (2)	NA	43.43%	39.43%	-
EBITDA (3)	5,495.3	8960.2	6378.2	6105.9
EBITDA Margin% (4)	9.97%	9.04%	9.23%	12.32%
PAT	3,921.0	7,768.30	5,443.20	4045.6
PAT Margin %(5)	7.12%	7.84%	7.88%	8.16%
NAV (6)	58.11	55.06	49.13	4.69
RoE% (8)	NA	15.00%	11.78%	9.18%
RoCE % (9)	10.26%	14.63%	13.52%	13.6%

Particulars	Ahluwalia Contracts (India) Limited			
	September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Order book	NA	139,306.7	130,336.1	122,625.5
Revenue from operations (1)	16,651.62	28,383.93	26,924.69	19,821.90
Growth in Revenue from Operations (2)	NA	5.42%	35.83%	-
EBITDA (3)	1,877.14	3,336.92	2,857.44	1,765.57
EBITDA Margin% (4)	11.27%	11.76%	10.61%	8.91%
PAT	1,050.33	1,941.62	1,552.59	772.40
PAT Margin %(5)	6.31%	6.84%	5.77%	3.90%
NAV (6)	198.95	183.59	154.73	131.37
RoE% (8)	NA	15.79%	14.98%	8.78%
RoCE % (9)	12.26%	23.98%	24.33%	16.60%

Particulars	PSP Projects Limited			
	September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Order book	NA	50,520.00	43,240.00	41210
Revenue from operations (1)	11,167.088	19,266.49	17,487.59	12,408.62
Growth in Revenue from Operations (2)	NA	10.17%	40.93%	-
EBITDA (3)	1,501.238	2,521.077	2,777.625	1,517.34
EBITDA Margin% (4)	13.44%	13.09%	15.88%	12.23%
PAT	761.292	1,330.182	1,624.042	807.904
PAT Margin %(5)	6.82%	6.90%	9.29%	6.51%
NAV (6)	241.22	222.17	190.2	149.44
RoE% (8)	NA	16.63%	23.72%	15.02%
RoCE % (9)	14.29%	26.52%	35.88%	23.44%

Partaiculars	ITD Cementation Limited			
	September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Order book	NA	1,92,330	143920	98500
Revenue from operations (1)	33,833.254	46,749.198	32,495.273	22,083.188
Growth in Revenue from Operations (2)	NA	43.86%	47.15%	-
EBITDA (3)	3,403.127	4,458.348	3,093.485	2,134.366

Partaiculars	ITD Cementation Limited			
	September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
EBITDA Margin% (4)	10.06%	9.54%	9.52%	9.67%
PAT	1,058.339	1,242.462	688.141	157.593
PAT Margin %(5)	3.13%	2.66%	2.12%	0.71%
NAV (6)	77.17	72.04	65.85	62.04
RoE% (8)	NA	10.04%	6.08%	1.48%
RoCE % (9)	16.1%	22.90%	17.05%	10.69%

OUR BUSINESS

*Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "**Forward-Looking Statements**" on page 26 for a discussion of the risks and uncertainties related to those statements and also "**Risk Factors**", "**Financial Information**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 36, 262 and 310 respectively, 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 Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular fiscal year are to the 12 months period ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on or derived from our Restated Financial Statement included in this Draft Red Herring Prospectus. For further information, see "**Restated Financial Statement**" on page 262. Additionally, see "**Definitions and Abbreviations**" on page 3 for certain terms used in this section. Unless the context otherwise requires, in this section, references to "**we**", "**us**" and "**our**" "**our Company**" or "**the Company**" or "**DBEIL**" refer to Deepak Builders & Engineers India Limited.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "**Industry Report on Construction Industry in India**" dated March 31, 2024" (the "**D&B Report**") prepared and issued by Dun & Bradstreet Information Services India Private Limited ("**D&B India**"), appointed by us on January 10, 2024, and exclusively commissioned and paid for by us in connection with the Offer. D&B India is an independent agency which has no relationship with our Company, our Promoters and any of our Directors or KMPs or SMPs. The data included herein includes excerpts from the D&B Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the D&B Report is available on the website of our Company at www.deepakbuilders.co.in until the Bid/Offer Closing Date. For more information, see **"Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the D&B Report which have been commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks"** on page 60.*

OVERVIEW

We are an integrated engineering and construction company, specializing in execution and construction of administrative & institutional buildings, hospitals and medical colleges, industrial building, historical memorial complex, stadium and sports complex, residential complex and various developmental and other construction activity ("**Construction Projects**"). While our primary focus and strength are deeply rooted in Construction Projects, we have diversified in undertaking specialized structural work such as flyovers, rail under bridge, rail over bridges, approach roads and development and redevelopment of railway stations ("**Infrastructure Projects**") (Construction Projects and Infrastructure Projects collectively referred to as "**Construction & Infrastructure Projects**"). We undertake Construction & Infrastructure Projects both, as EPC services on a fixed-sum turnkey basis as well as on an item-rate basis/percentage basis. As an engineering and construction company, we have a proven track record of executing turnkey projects comprising of architectural & structural work, civil works, HVAC, Mechanical Electrical & Plumbing ("**MEP**") works, firefighting & fire alarm systems, public health services, information technology system, modular operation theatre, medical gas pipeline systems and external development work, including landscaping work. Since incorporation, we believe we have transitioned into an established EPC player, demonstrating our expertise in various construction and infrastructure development projects including specialized structures across four (4) states of India, i.e. Punjab, Haryana, Rajasthan, Uttarakhand and two (2) Union Territories i.e. Chandigarh and National Capital Territory of Delhi. Our revenue from operations has increased significantly from ₹3,107.55 million in Fiscal 2021 to ₹4,334.55 million in Fiscal 2023 and to ₹2,494.49 million in the seven months period ended October 31, 2023.

Incorporated in September 2017, we acquired the business of M/s. Deepak Builders, a partnership firm ("**Deepak Builders Partnership Firm**" or "**Erstwhile Firm**"), vide a Business Takeover Agreement dated March 1, 2018.

Deepak Builders Partnership Firm was constituted by our Promoter, Deepak Kumar Singal on April 1, 1990. Deepak Kumar Singal (*through the Erstwhile Firm*) has been in the construction business for over 30 years and has also been instrumental in the growth of our Company. Since 1990, Deepak Kumar Singal has contributed towards the completion of sixty (60) Construction & Infrastructure Projects (inclusive of projects completed in Erstwhile Firm as well as our Company), which includes nine (9) EPC projects and fifty-one (51) projects on an item-rate/percentage rate basis.

Since our incorporation in September 2017, we have gradually increased our execution capabilities in terms of the size of projects that we can bid for and execute. One of our initial projects that was awarded to our Company in 2018 by PWD Haryana, was for an aggregate contract value of ₹514.40 million[1] for construction of flyover with underpass and service roads at Atul Kataria Chowk (Old Delhi - Jaipur Road). Whereas, more recently we have been awarded our first contract for construction of plant building (*under our industrial building projects*) by Indian Oil Corporation Limited ("**IOCL**"), Panipat, Haryana with a contract value amounting to ₹5,329.59 million[9].

Since, acquisition of business from Erstwhile Firm, we have completed sixteen (16) Projects[2] including some prestigious projects, such as construction of Jang-E-Azadi Memorial at Kartarpur, Jalandhar, Punjab with a contract value amounting to ₹2,183.60 million[1], development of Karuna Sagar Maharishi Valmiki Tirath Asthaan at Ram Tirath, Amritsar, Punjab with a contract value amounting to ₹1,972.40 million[1], construction of Geriatrics Block in AIIMS Campus, New Delhi with a contract value amounting to ₹2,243.20 million[1], construction of super specialty block at Government Medical College, Patiala with a contract value amounting to ₹665.00 million[1]. For information in respect of our completed projects, see "***Our Completed Projects***" on page 212.

Currently, our Company has eleven (11) ongoing projects, including six (6) EPC projects and five (5) item-rate/percentage rate contracts. Of our total ongoing projects, our Construction Projects comprises of four (4) hospital and medical college projects, one (1) administrative & institutional buildings; one (1) industrial building; and our Infrastructure Projects comprises of three (3) projects relating to upgradation/development/redevelopment of Railway Station and related work, and two (2) roads & bridges projects relating to rail over bridges. Further, we also undertake operation and maintenance ("**O&M**") activities in accordance with our contractual obligations under the projects.

We are accredited as a Class I – (Super) Contractor with Central Public Work Department, Government of India and as on the date of this Draft Red Herring Prospectus, we are pre-qualified to bid independently for single projects up to a tender value of ₹6,500.00 million. For details, see "***Government and Other Approvals***", on page 351.

Our order book, as on February 29, 2024, seven months period ended October 31, 2023 and Fiscal 2023, Fiscal 2022 and Fiscal 2021, amounts to ₹12,115.68 million, ₹13,607.09 million, ₹16,578.79 million, ₹7,196.32 million and ₹5,443.40 million, respectively. Of our total order book value as on February 29, 2024, projects awarded by Northern Railways contributed 52.51%, industrial building project awarded by IOCL contributed 30.32%, and hospital and medical project awarded by government-controlled entities collectively contributed 11.61%. Our book to bill ratio for seven months period ended October 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 was 4.86, 4.05, 2.11 and 1.66 times, respectively[3]. Our order book as of a particular date comprises of anticipated revenues from uncompleted portion of existing contracts (signed contract for which all pre-conditions to entry have been met, including letters of intents / allotment issued by the client). For information in respect of our ongoing projects, see "***Our Order Book***" on page 214.

The business of our Company can be classified under the below verticals:

- Construction Projects business;
- Infrastructure Projects business; and
- Sale of products.

Construction Project Business

1 The contract value is with GST
2 On the basis of work competition certificates or LOA issued in the name of the Company
3 Book to Bill ratio is calculated as Order Book at a particular period divided by the Revenue from operations for that period

Under our construction project business vertical, we undertake turnkey construction work and specialize in construction of administrative & institutional buildings, hospital and medical college buildings, industrial buildings, historical memorial complex, stadium and sports complex, and residential complex. We undertake construction projects awarded by government, semi-government and government-controlled entities. Such projects are awarded to us through a competitive bidding process.

Our construction business majorly comprises of government, semi-government and governement-controlled entities ("**Government Clients**") awarded civil construction projects including construction and development of:

(a) Administrative and Institutional Building Projects – These projects primarily involve the construction and development of multi storied administrative & institutional building such as Judicial court complex, district administrative complex, etc awarded by government clients. We typically undertake construction of the building structure including construction of specific structure inside the building such as auditorium, offices, internal and external civil works, external development work, HVAC, Mechanical Electrical & Plumbing ("**MEP**") works etc. in accordance with the specifications outlined in the project contract.

(b) Hospitals and Medical College Projects – These projects primarily involve the construction and development of multi storeyed government hospitals and medical college along with internal and external civil works, external development work, HVAC, MEP works, construction of modular operation theatre & medical gas pipeline system etc. in accordance with the specifications outlined in the project contract.

(c) Historical Memorial Complex – These projects primarily involve construction and development of historical memorial complex and monuments which includes construction of multi storeyed civil structures along with other structures such as domes, minars, statues and other components of buildings along with entrance foyer, auditorium, seminar halls, theaters, food courts, offices, library, galleria, etc. in accordance with the specifications outlined in the project contract. Our scope of work also includes internal and external civil works, external development work, HVAC, MEP works etc.

(d) Industrial Building – This is our new vertical which would primarily involve construction and development of plant & non-plant buildings for industrial use. The scope of building works includes complete architectural, civil, structural, electrical, HVAC and IT systems related work for the buildings in accordance with the specifications outlined in the project contract.

(e) Stadium and Sports Complex – These projects primarily involve construction and development of stadium and sports complex such as International Cricket Stadium, New Chandigarh etc. The scope of work includes construction of civil work, public work, health and electrical work, HVAC, CCTVs, electronic security system, etc. in accordance with the specifications outlined in the project contract.

(f) Residential complex - These projects primarily involve construction of government residential buildings along with finishing, public health services, electrical works complex under the projects awarded by government clients in accordance with the specifications outlined in the project contract.

(g) Developmental and other Construction Activity - We also undertake various developmental and construction activity such as beautification and land scaping work, environmental park, construction of fruit and vegetable market, painting works, erection and commissioning of utilities, etc. The contract for such developmental and construction activity also includes carrying out civil work, electrical and public health work, construction of roads, footpath, parking pavement, brick work, etc. in accordance with the specifications outlined in the project contract.

Infrastructure Project business

Under our Infrastructure Projects business verticals, we primarily undertake;

(a) Road Projects – We undertake projects on an EPC basis which comprises of designing, construction, realignment, widening, upgradation, diversion, improvements of approach roads, service road, foot path, rail over bridge, rail under bridge, underpass and flyovers, etc. in accordance with the specifications

outlined in the project contracts.

(b) Railway Projects – This being our new vertical where we undertake projects on EPC basis which comprises of designing, construction, development and redevelopment of railway stations along with construction of station building, arrival concourse, cover over platform, railway rest houses, railway hospitals, railway quarters, multi-level car parking, foot over bridges, internal roads, pavements, various interior and exterior work, etc. in accordance with the specifications outlined in the project contracts.

The table below outlines the Construction & Infrastructure Projects executed by us during Fiscal 2021 to Fiscal 2023 and for the seven months period ended October 31, 2023.

(₹ in million)

Project type	No of completed projects	Value of completed projects*
Hospitals & medical college building	4	4,408.55
Developmental and other Construction Activity	5	2,231.84
Road Projects	3	1,563.10
Stadium & Sports Complex	1	1,401.20
Residential Complex	1	1,185.38
Administrative & Institutional building	2	197.96

**Contract value is inclusive of GST*

We have rich domestic experience in executing construction projects. The scope of our services includes designing, detailed engineering of the project, procurement of construction materials, plant and machinery, construction and execution of the project and its operation and maintenance in accordance with the contractual provisions. Our manpower, resources and fleet of machinery and equipment, together with our engineering capabilities, enables us to execute multiple of projects simultaneously. We believe that our resources, quality of work and project execution skills have enabled us to enhance our relationships with existing clients and helps us to further secure projects from new clients.

We possess experience of executing projects with varying degrees of complexities such as design engineering and construction of 3D Domes at Jang-E-Azadi, Kartarpur, Punjab; Heritage Walk at Golden Temple Corridor, Amritsar, Punjab; construction of fire ramps in specialized steel structure at AIIMS, Delhi and other similar projects. We have developed and diversified our technical capabilities in executing varied projects and also our geographical presence across four (4) states of India, including Punjab, Haryana, Rajasthan, Uttarakhand and two (2) Union Territories ("**UT**") i.e. Chandigarh and National Capital Territory of Delhi.

Set forth below is few of the major Construction & Infrastructure Projects undertaken and executed by us:

Description of the Project	Category (Construction Projects / Infrastructure Projects)	Type (EPC or Item Rate/Percentage Rate)	Year of completion	Contract Value *(₹ in million)*
Jang-E-Azadi, Kartarpur, Punjab	Construction Projects	Item Rate / Percentage Rate	2018*	2,183.60
International Cricket Stadium, New Chandigarh, Punjab	Construction Projects	Item Rate / Percentage Rate	2023	1,401.20
Heritage Walk, Golden Temple, Amritsar, Punjab	Construction Projects	Item Rate / Percentage Rate	2016**	933.60
Karuna Sagar Maha Rishi Valmiki Tirath Asthan at Ram Tirath, Amritsar, Punjab	Construction Projects	Item Rate / Percentage Rate	2017**	1,972.40
Geriatrics Block in AIIMS Campus, New Delhi	Construction Projects	Item Rate / Percentage Rate	2022	2,243.20

**The project was undertaken by erstwhile partnership firm, i.e. Deepak Builders Partnership Firm. However, post business transfer, completion certificate was issued in the name of our Company*.

***Projects executed by erstwhile partnership firm, i.e. Deepak Builders Partnership Firm*

Pictorial representation of our major Construction & Infrastructre Projects

Jang-E-Azadi, Kartarpur, Punjab

International Cricket Stadium, New Chandigarh, Punjab

Heritage Walk, Golden Temple, Amritsar, Punjab

Karuna Sagar Maha Rishi Valmiki Tirath Asthan

Geriatrics Block in AIIMS Campus, New Delhi

Historically, we have undertaken projects independently without any joint venture partners and have a track record of successful execution of projects. At present, our operations are accumulated in the northern part of India comprising the states of Punjab, Haryana, Rajasthan, Uttarakhand and Union Territories of Chandigarh and National Capital Territory of Delhi.

We believe that our execution capabilities have helped us create a marquee client base consisting of government, semi-government and government-controlled entities. Our major clients include Northern Railways, Public Work (Roads & Buildings) Department, Punjab ("**PWD Punjab**"), Public Work (Roads & Buildings) Department, Haryana ("**PWD Haryana**"), Public Work Department, Uttarakhand ("**PWD Uttarakhand"**), WAPCOS, NPCCL, HSCC, IOCL, Greater Mohali Area Development Authority, Punjab ("**GMADA Punjab**"), Ludhiana Smart City Limited ("**LSCL**"), Punjab Cricket Association ("**PCA**") and Punjab Heritage and Tourism Promotion Board ("**PHTPB**").

Sale of Products

Our Company being in the business of construction requires steel, cement, sand, aggregates, etc., for executing the projects awarded to our Company. In order to execute the work on time and to reduce the cost of procurement for the above items required for completion of a projects, the Company has set-up RMC plants at different locations as backward integration and also stock other construction materials like iron and steel, cement, etc., required in construction of our projects. After captive consumption, certain residue construction material primarily steel, are sold in the open market to third party contractors, traders, etc. on commercially viable terms.

Our human resource and our owned and leased fleet of modern construction machinery and equipment, along with our engineering skills and capabilities, enable us to undertake a wide variety of construction projects that involve a varying degree of complexity. Our work force, as on February 29, 2024 consisted of 642 full-time employees, comprising both skilled and on-site workers engaged in various projects. We also engage contract labourers whom we hire based on our requirement from time-to-time. We believe that our in-house integrated model of equipment management reduces dependence on third party suppliers for construction machinery and equipment and thus enabling us in execution of our projects.

We are led by our Promoter and the Chairman cum Managing Director namely, Deepak Kumar Singal who has extensive experience of more than 30 years in the construction industry and has been intimately involved in our business since incorporation. Our Promoter remains actively involved in our operations and continues to bring his vision, business acumen and leadership to our Company, which has been instrumental in sustaining our business operations and growth. We also have dedicated management team with a strong understanding of the industry that enables us to effectively identify and take advantage of market opportunities. We believe that the experience of our senior management team has significantly contributed to our success and growth. For further details, see "***Our Promoters***" and "***Our Management***" on page 254 and 238, respectively.

Our Company's revenue from operations for seven months period ended October 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 are detailed as below:

(*₹ in million, unless stated otherwise*)

Our operations	As at and for the seven months period ended October 31, 2023	As % of Revenue from Operations	Fiscal 2023	As % of Revenue from Operations	Fiscal 2022	As % of Revenue from Operations	Fiscal 2021	As % of Revenue from Operations
Construction Projects								
Administrative & Institutional	-	-	-	-	21.85	0.60%	40.40	1.30%
Hospitals and medical college	677.23	27.15%	2,232.42	51.50%	1,647.15	45.37%	1,477.51	47.55%
Sports & Stadiums Complex	-	-	-	-	91.69	2.53%	112.14	3.61%
Developmental and other Construction Activity	20.86	0.84%	300.70	6.94%	232.43	6.40%	526.85	16.95%
Residential Buildings	16.80	0.67%	243.25	5.61%	599.66	16.52%	-	-
Industrial Building	684.46	27.44%	507.48	11.71%	-	-	-	-
Infrastructure Projects								
Road Projects	5.57	0.22%	161.09	3.72%	408.76	11.26%	760.83	24.48%
Railway Projects	967.67	38.79%	28.49	0.66%	-	-	-	-
Sale of Product								
Sale of	121.96	4.89%	861.12	19.87%	628.98	17.32%	189.82	6.11%

Our operations	As at and for the seven months period ended October 31, 2023	As % of Revenue from Operations	Fiscal 2023	As % of Revenue from Operations	Fiscal 2022	As % of Revenue from Operations	Fiscal 2021	As % of Revenue from Operations
Material								

As certified by our Statutory Auditor- Parmod G Gupta & Associates, Chartered Accountants, pursuant to their certificate dated April 9, 2024.

Key Performance Indicator

From the commencement of our business operations, we have witnessed a rise in our revenue from operations and moreover we have demonstrated profitability with operating performance. Our Company had achieved revenue from operations of ₹2,494.49 million for the seven months period ended October 31, 2023, ₹4,334.55 million in Fiscal 2023, ₹3,630.52 million in Fiscal 2022 and ₹3,107.55 million in Fiscal 2021, representing, 99.15%, 99.54%, 99.47% and 99.59% of our total income, respectively.

Our key financial performance indicator for the seven months period ended October 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 are detailed as below:

(₹ in million, unless stated otherwise)

Parameter	For the seven months period ended October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Total income[(a)]	2,515.95	4,354.60	3,649.87	3,120.38
Total revenue from operations [(b)]	2,494.49	4,334.55	3,630.52	3,107.55
Current Ratio[(c)]	1.55	1.46	1.26	1.44
EBIDTA[(d)]	493.91	528.93	438.71	351.94
EBIDTA Margin (in %)[(e)]	19.80%	12.15%	12.02%	11.28%
Net Profit for the Year[(f)]	206.28	213.95	176.64	129.28
Net Profit Margin (in %)[(g)]	8.27%	4.94%	4.87%	4.16%
Return on Net Worth (in %)[(h)]	20.53%	26.80%	28.40%	26.22%
Return on Capital Employed (in %)[(i)]	18.89%	26.10%	27.26%	27.12%
Debt-Equity Ratio[(j)]	1.23	1.04	1.11	1.24
Net Debt / EBITDA Ratio[(k)]	2.83	1.77	1.81	1.76

As certified by by our Statutory Auditor - Parmod G Gupta & Associates, Chartered Accountants by way of their certificate dated April 9, 2024

Notes:

(a) Total income includes revenue from operation and other income

(b) Revenue from operations represents the Contact receipt income from the projects executed by the Company as recognized in the Restated financial information.

(c) Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.

(d) EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year and adding back finance costs, depreciation, and amortization expense.

(e) EBITDA margin is calculated as EBITDA as a percentage of revenue from operations.

(f) Net Profit for the year represents the restated profits of our Company after deducting all expenses.

(g) Net Profit margin is calculated as restated profit & loss after tax for the year divided by total incomerevenue from operations.

(h) Return on Net worth attributable to the Equity Shareholders of our Company (%) = Restated net profit for the period/year attributable to Equity Shareholders of our Company / Restated Average Net worth attributable to the Equity Shareholders of our Company as at the end of the period/year. Return on Net worth attributable to the Equity Shareholders of the company is a non-GAAP measure.

(i) Return on capital employed is calculated as adjusted EBITDA less depreciation and amortisation / Capital Employed. Adjusted EBITDA is calculated as EBITDA less other income. Capital Employed is calculated as total equity plus total borrowings plus total lease liabilities and deferred tax liabilities (net) minus deferred tax assets (net).

(j) Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short-term borrowings. Total

equity is the sum of equity share capital and other equity excluding revaluation surplus.

(k) *Net Debt to EBITDA Ratio is a measurement of leverage, calculated as a company's interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA*

OUR STRENGTHS

We believe that the following are our primary competitive strengths:

Established presence and proven track record

We believe that we have established our presence in our areas of operation through dedicated focus on Construction & Infrastructre Projects. We believe that our construction and engineering capabilities helps us to augment our positioning as an engineering and construction company providing the full spectrum of construction services comprising architectural & structural work, civil, electrical, mechanical, HVAC, firefighting & fire alarm systems, public health services, information technology system, modular operation theatre, medical gas pipeline systems and external development, including landscaping work. We also believe that our track record of efficient execution has helped us build a brand that enjoys the trust of our customers and stakeholders.

Our Promoter, Deepak Kumar Singal, has been instrumental in completion of sixty (60) Construction & Infrastructure Projects. Since the acquisition of business from Deepak Builders Partnership Firm, our Company has completed 16 Construction & Infrastructure Projects. For information in respect of our completed projects, see "***Our Completed Projects***" on page 212. As on February 29, 2024, our order book consists of eleven (11) Construction & Infrastructure Projects which includes; (i) six (6) Construction Projects comprising of four (4) hospital and medical college building projects, one (1) institutional and administrative building projects, one (1) industrial building projects; and; (ii) five (5) Infrastructure Projects comprising of two (2) Road projects and three (3) Railway projects relating to upgradation/development/redevelopment of Railway Station and related work. For information in respect of our ongoing projects, see "***Our Order Book***" on page 214. We believe that our existing Order Book is reflective of our ability to successfully bid and secure new projects.

Our ability to execute our projects, in a satisfactory manner, using systems and processes that are aligned with the specific requirements of the construction business, has enabled us to provide differentiated services in our area of operations as well as enable us to qualify for government projects, which in turn, has enabled us to grow our order book. We are accredited as a Class I – (Super) Contractor with Central Public Work Department, Government of India and are pre-qualified to bid independently and undertake projects of contract value up to ₹6,500.00 million for Construction & Infrastructure Projects. We believe that our demonstrated experience in undertaking and executing large-scale projects provides us a crucial competitive advantage in our business, as we are in a position to meet the prequalification requirements necessary to enter the competitive bidding process for large potential projects.

Decent order book with a government client base

We believe that we have created a marquee client base consisting of government, semi-government and government-controlled entities, with our focus on executing high quality construction projects with the use of technology and processes along with a dedicated and efficient workforce. We have developed an effective business model of careful selection of projects in our area of operations, which is one of the important reasons for the growth and development of our business. We believe timely execution capacities financial strength as well as the price competitiveness of our bid provides us competitive edge and enables us to secure contracts from departments of governmental authorities and public sector bodies.

We believe that our ability to bid competitively and thereby secure repeated contracts from departments of governmental authorities and public sector bodies provides us financial as well as operational benefits, such as clarity regarding future revenue potential and, work requirements. This also assists us in maximizing efficiency in terms of our working capital and optimize the use of our assets and personnel and helps to avoid risks associated with macroeconomic factors such as economic downturns.

Continuous Focus on equipment ownership

Equipment asset management is a critical element of timely delivery of quality infrastructure development and construction projects. We believe that we own a large fleet of modern construction equipment which enables us to reduce our dependence on third party equipment providers and to efficiently manage our project execution schedules. We believe that this also provides us with a competitive advantage over other infrastructure development and construction companies that outsource their construction related activities to external contractors. We have consistently invested in fleets of modern construction equipment. We strive to acquire equipment of the same class and same brand to facilitate the training of operators and help reduce equipment down time and maintenance cost. With multiple projects in progress at any given time, ready access to such equipment is essential to our ability to execute existing projects on time and bid for additional projects. Easy access to our equipment fleet has enabled us to undertake complex and challenging projects and complete our projects efficiently and profitably. As on February 29, 2024, we own and maintain 397 major equipment and machineries including concrete mixer, boom pump, transit mixer, JCBs, roller, mobile tower crane, containers, among others. As on October 31, 2023, the aggregate gross block value of our Company's property, plant and equipment was ₹747.27 million of which gross block of plant and machinery is ₹501.59 million. In the Fiscal 2023, our Company had spent ₹93.63 million, ₹14.67 million in Fiscal 2022 and ₹28.14 million in Fiscal 2021 and ₹83.58 million for the seven months period ended October 31, 2023, on plant and machinery purchase.

Strong financial performance

The significant growth of our business in the last three Fiscals has contributed significantly to our financial strength. Our Company had achieved revenue from operations of ₹2,494.49 million in seven months period ended October 31, 2023, ₹4,334.55 million in Fiscal 2023, ₹3,630.52 million in Fiscal 2022 and ₹3,107.55 million in Fiscal 2021, representing 19.39%, year-on-year growth and 16.83% year-on-year growth in Fiscal 2023 and Fiscal 2022, respectively.

Our financial snapshot for the seven months period ended October 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 are detailed as below.

(₹ in million, *unless stated otherwise)*

Parameter	For seven months period ended October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Total income	2,515.95	4,354.60	3,649.87	3,120.38
Total revenue from operations	2,494.49	4,334.55	3,630.52	3,107.55
EBIDTA	493.91	528.93	438.71	351.94
EBIDTA Margin (in %)	19.80%	12.20%	12.08%	11.33%
Net Profit for the Year	206.28	213.95	176.64	129.28
Net Profit Margin (in %)	8.27%	4.94%	4.87%	4.16%

As certified by our Statutory Auditor - Parmod G Gupta & Associates, Chartered Accountants by way of their certificate dated April 9, 2024

We believe that we have been able to maintain our financial growth, due to efficient business model and our bidding strategy. We strive to maintain a robust financial position with emphasis on having a strong balance sheet. Our balance sheet enables us to fund our strategic initiatives, pursue opportunities for growth and better manage unanticipated cash flow variations. Our financial strength also enables us to access bank guarantees at reasonable terms.

Experienced Promoters and Strong Senior Management Expertise

We believe that the experience and leadership of our Promoters and Chairman cum Managing Director, Deepak Kumar Singal is a key factor in our growth and development. Deepak Kumar Singal has extensive experience, significant knowledge and understanding of the business segments in which we operate. Deepak Kumar Singal has been in the construction business for over 30 years and has been instrumental in completion of sixty (60) Construction & Infrastructure Projects. He also provides strategic guidance to our Company, while also being involved in our day-to-day functioning of the business. He in the capacity of Chairman cum Managing Director, oversees our overall business and is responsible for supervision, development and expansion of business and has been instrumental in our growth. Since acquisition of business, under his leadership, our revenues have grown at a CAGR of 19.81% till Fiscal 2023. For further details, see "***Our Promoters***" and "***Our Management***" on page 254 and 238, respectively

We also have qualified and experienced Key Managerial Personnel and Senior Management Personnel who have demonstrated their ability to anticipate and capitalize growth opportunities, manage and grow our operations and leverage and deepen customer relationships. We believe the stability of our management team and the industry experience brought on by Deepak Kumar Singal enables us to continue to take advantage of future market opportunities. We believe that our senior management team is well qualified to leverage our market position with their collective experience and knowledge in the infrastructure construction industry, to execute our business strategies and drive our future growth. For further details relating to our Key Managerial Personnel and Senior Management Personnel, see "***Our Management – Key Managerial Personnel and Senior Management Personnel***" on page 250.

Additionally, as on February 29, 2024, we had a workforce of 642 employees of which 238 employees are our in-house engineers, with requisite experience in use and handling of modern construction equipment and machinery, to effectively execute our projects. Our motivated senior management team and our indispensable workforce together with our internal systems and processes complement each other, to enable us to remain competitive and to execute projects in a timely manner.

Our Strategies

Establish our position in Northern India and expand our foot print in other geographies

We are an established integrated construction and engineering company having our operation in Northern India, particularly in four (4) states, i.e. Punjab, Haryana, Rajasthan, Uttarakhand and two (2) Union Territories i.e. Chandigarh and National Capital Territory of Delhi and intend to grow into one of the leading construction companies in Northern India. Our revenue from operation has grown from ₹3,107.55 million in Fiscal 2021 to ₹4,334.55 million in Fiscal 2023, at a CAGR of 18.10%, and the Company's profit after tax, as restated, has increased from ₹129.28 million in Fiscal 2021 to ₹213.95 million in Fiscal 2023, at a CAGR of 28.64%. Further, our revenue from operation for the seven months period ended October 31, 2023, was ₹2,494.49 million, and the Company's profit after tax, as restated, was ₹206.28 million. We intend to continue to focus on undertaking government projects in Northern India, where we believe we have reputation associated with quality and a track record of successful execution. We believe that economic growth in Northern India is expected to result in an increased demand for government projects. Thus, we intend to continue to leverage our growth and increased execution capacities to consolidate our position in Northern India market.

We also intend to expand our geographical footprint and grow our business by bidding for and undertaking Construction & Infrastructure Projects outside the Northern region of the country. To control diversification risks, we may at first, strengthen our position in the areas where our core competencies lie before we undertake expansion to other geographies. Through an increasingly diversified portfolio, we hope to broaden our revenue base and also hedge against risks in specific areas or projects and protect ourselves from fluctuations resulting from business concentration in limited geographical areas.

Constant expansion of our pre-qualification and bid capacities

Our business and growth are dependent on our ability to bid for and secure larger and more varied projects. Bidding for Construction & Infrastructure Projects is dependent on various criteria, including, bid capacity and pre-qualification capability. Bid capacity represents the aggregate value of the contracts that can be awarded to us and is computed based on pre-defined formulae of government agencies. Bid capacity also includes the highest possible value of a single project that can be awarded to us. In addition to meeting bid capacity requirements, we may also be required to pre-qualify for the projects. Pre-qualification depends on various factors such as the technical capability, enlistment with governmental department and experience of having executed similar projects. As on date, we are accredited as Class I – (Super) Contractor with Central Public Work Department, Government of India and we are pre-qualified to bid independently for single projects up to a tender value of ₹6,500.00 million We believe that it is imperative to enhance our bid capacity and pre-qualification capability which would give us a competitive edge over our competitors. We may for the purpose to secure large contracts may have to enter into project specific joint venture arrangement to meet requisite financial or technical capabilities. We have focused on increasing both these parameters and have continuously increased our bid capacity and the largest order that we can bid for, over the years.

Further enhance our project execution capabilities

One of the primary focus areas of our project execution strategy is to focus on performance and project execution in order to maximize client satisfaction and margins. We leverage technologies, designs and project management tools to increase productivity. We seek to optimize operating and overhead costs to maximize our operating margins. Our ability to effectively manage our projects will be crucial to our continued success as a reputed construction and engineering company. We intend to continuously strengthen our execution capabilities by adding to our existing pool of employees, attracting new graduates from engineering colleges in India, and facilitating continuous learning with in-house and external training opportunities. We also seek to implement an enterprise resource planning ("**ERP**") system for improved efficiency and better control over our project sites and offer our engineering and technical personnel a wide range of work experience, in-house training and learning opportunities by providing them with an opportunity to work on a variety of large, complex construction projects. We will also continue to focus on our health, safety and environmental management and quality management standards as we believe these elements of performance measurement have become important competition differentiators of contractors by potential clients.

Going forward, we intend to bid for and win major NHAI roads projects as well as airport construction projects by participating in the competitive tender process, either independently or through project specific joint venture with large player having requisite technical and financial capabilities.

Leverage core competencies with enhanced in-house integration

We believe that our in-house integration has been instrumental in our growth over the years and we seek to focus on further enhancing our in-house capabilities. Depending on the nature of projects that we intend to bid for, we intend to enhance our in-house integration model in the areas of design and engineering capabilities, project management and central procurement facilities. We believe that further developing specialized in-house integration capabilities would reduce dependence on third parties, thereby avoiding risks and minimizing costs and time associated with outsourcing.

PROJECT

We undertake Construction & Infrastructure Projects as an EPC service on a fixed-sum turnkey basis and also on item-rate / percentage basis. Our revenue based on the mode of the projects that we execute for seven months period ended October 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 are detailed as below:

(₹ in million, unless otherwise stated)

Our operations	As at and for the seven months period ended October 31, 2023	As % of Revenue from Operations	Fiscal 2023	As % of Revenue from Operations	Fiscal 2022	As % of Revenue from Operations	Fiscal 2021	As % of Revenue from Operations
EPC projects	1,091.94	43.77%	829.20	19.13%	757.30	20.86%	1,032.44	33.22%
Item-rate / percentage basis projects	1,280.59	51.34%	2,644.23	61.00%	2,244.24	61.82%	1,885.29	60.67%
Total	**2,372.53**	**95.11%**	**3,473.43**	**80.13%**	**3,001.54**	**82.68%**	**2,917.73**	**93.89%**

EPC Projects

Under an EPC agreement, we are primarily responsible for undertaking functions including the survey, investigation, design, engineering, procurement, construction, operation and maintenance of the concerned project and observe, fulfil, comply with and perform all the obligations set out in the contract or arising thereunder, including but not limited to compliance with applicable laws and permits, good industry practice, remedy of all loss or damage to the project during the maintenance period at our own cost, undertake necessary superintendence to plan, arrange, direct, manage, inspect and test the project works and make applications to the relevant government authorities to procure the relevant licenses, agreements, permits, proprietary rights and permissions for materials, methods, processes, know-how and systems used or incorporated in the project. The implementation of all design, engineering, procurement and construction efforts, in compliance with the specifications and standards, and other terms and conditions of the agreements. In such agreements, the client supplies conceptual information pertaining to the project and spells out the project requirements and specifications. We are required to inter alia design the proposed structure, estimate the quantities of various items that would be needed to complete the project based on the designs and drawings prepared by our design and engineering team.

Generally, construction contracts that we have entered into in the past fall within the following categories:

Design and Build Contracts – Design and build contracts provide for a single price for the total amount of work, subject to variations pursuant to changes in the client's project requirements. In design and build contracts, the client supplies conceptual information pertaining to the project and spells out the project requirements and specifications. We are required to (i) design the proposed structure, (ii) estimate the quantities of various items that would be needed to complete the project based on the designs and drawings prepared by our design and engineering team, and (iii) prepare our own bill of quantities ("**BOQ**") to arrive at the price to be quoted. We are responsible for the execution of all aspects of the project based on the above at our quoted price.

Lump Sum Contracts – Lump-sum contracts provide for a single price for the total amount of work, subject to variations pursuant to changes in the client's project requirements. In lump-sum contracts, the client supplies all the information relating to the project, such as designs and drawings. Based on such information, we are required to estimate the quantities of various items, such as raw materials, and the amount of work that would be needed to complete the project, and then prepare our own BOQ to arrive at the price to be quoted. We are responsible for the execution of the project based on the information provided and technical stipulations laid down by the client at our quoted price. Escalation clauses might exist in some cases to cover, at least partially, cost overruns.

Additionally, under EPC contract, we are usually required to indemnify the concessioning authority and its members, officers and employees against all suits, actions, proceedings, demands, claims from third parties, liabilities, damages, losses, costs and expenses due to failure on our part to perform our obligations or any negligence on our part under the contract.

Item Rate Contracts / Percentage Rate Contracts

These contracts are also known as unit-price contracts or schedule contracts. For item rate contracts, we are required to quote rates for individual items of work on the basis of a schedule of quantities provided in the bid. The design and drawings are provided by the client. Typically, our risk is lower in item rate contracts as, other than escalation in the rates of items quoted by us to the client, we are paid according to the actual amount of work on the basis of the per-unit price quoted. Item rate contracts typically contain price variation or escalation clauses that provide for either reimbursement by the client in the event of a variation in the prices of key materials or a formula that splits the contract into pre-defined components for materials, labour and fuel and links the escalation in amounts payable by the client.

Percentage rate contract requires us to quote a percentage above, below or at par with the estimated cost furnished by the client. In percentage rate contracts, the client supplies all the information such as design, drawings and BOQ with the estimated rates for each item of the BOQ. We are responsible for the execution of the project based on the information provided and technical stipulations laid down by the client at our quoted rates, which are arrived at by adding or subtracting the percentage quoted by us above or below the estimated cost furnished by the client.

Under our EPC project and Item-rate / Percentage rate projects, we are usually required to provide a guarantee equal to a fixed percentage of the contract price, ranging from 3% to 5%, as the performance security which are kept valid till the defect liability period. Also, additional bank guarantees are required to be submitted when bids are below the specified percentage of estimated cost. Earnest money in the form of bank guarantee or bid bond is submitted along with the bids. Earnest money is released after submission of PG, and in case Earnest Money is not released then the same is converted into Retention Money / Security Deposit.

We are usually required to procure insurance in relation to the employees employed for the execution of the works under the contract as well as necessary insurances for the execution of the project. Typically, we are required to procure contractor all risk policy, workmen's compensation insurance and plant and equipment insurance as may be stipulated under the contract.

Additionally, during the construction period as well as in the defect liability period after the completion of construction, we are usually required to cure construction defects at our own risk and costs and may be required to provide separate performance security upon the request of the employer. We are usually responsible for curing the defects during the defect notification period, which is usually for a period of one (1) to five (5) years after completion of work. Further, during the maintenance period, a failure to repair or rectify defects or deficiency within the prescribed period entitles the concessioning authority to reduce the monthly lump sum amounts payable for maintenance. Our clients are also entitled to deduct the amount of damages from the payments due to us.

Completed Projects

As on the date of this Draft Red Herring Prospectus, the key EPC projects and item-rate / percentage rate contracts undertaken and completed by us, are set out below:

(₹ in million)

S. No.	Particular of Work Nature of Projects	Client Name	Type (EPC or Item rate / Percentage Rate)	Year of Completion	Nature of work	Total Contract Value	Under Maintenance Period
Construction Projects							
1	Construction of Jang-E-Azadi Memorial at Kartarpur, Jalandhar, Punjab, India	PWD Punjab	Percentage Rate	2018	Historical memorial complex projects	2,183.60*	No
2	Construction of Geriatrics Block including associated works, operation and maintenance during defect liability period in AIIMS Campus, Masjid Moth, New Delhi	HSCC	Percentage Rate	2022	Hospitals and medical colleges building project	2,243.20**	No
3	Construction of Karuna Sagar Maha Rishi Valmiki Tirath Asthan at Ram Tirath, Amritsar	PWD (B&R), Punjab	Percentage Rate	2017^	Historical memorial complex projects	1,972.40	No
4	Construction of New International Cricket Stadium includes Civil, Public Health (Internal & External), Electrical (HT, LT, EI & AC) At Vill. TIRA, Mullanpur (New Chandigarh)	PCA	Percentage Rate	2023	Stadium & Sports Complex	1,401.20	Yes
5	Construction of Left out Building works and other Services at Lady Hardinge Medical College & Associated Hospitals, New Delhi	HSCC	Percentage Rate	2022	Hospitals and medical colleges project	2,243.20	No
Infrastructure Projects							
6	ROB and RUB at Pakhowal Road	LSCL	EPC	2023	Road Projects	790.00**	Yes
7	Flyover with Underpass and Service Roads at Atul Kataria Chowk (Old Delhi – Jaipur Road)	PWD Haryana	EPC	2023	Road Projects	514.40**	Yes
8	Flyover on Ludhiana	PWD	EPC	2021	Road	296.10***	Yes

S. No.	Particular of Work Nature of Projects	Client Name	Type (EPC or Item rate / Percentage Rate)	Year of Completion	Nature of work	Total Contract Value	Under Maintenance Period
	– Sangrur Road, Malerkotla	Punjab			Projects		

As certified by our Statutory Auditor - Parmod G Gupta & Associates, Chartered Accountants, pursuant to their certificate dated April 9, 2024

*Around ₹25 million of amount is pending with PWD Punjab, bill yet to be raised by the Company

**Final bill under process, amount may be upward

^The project was undertaken and completed by erstwhile partnership firm, i.e. Deepak Builders Partnership Firm.

***Provisional Completion Certificate received but the actual completion date will be considered after the satisfactory removal of all defects in the work and defect liability period will start from that date.

Ongoing Projects

As on the date of this Draft Red Herring Prospectus, the ongoing EPC projects and item-rate / percentage rate contracts, are set out below:

S. No.	Particular of Work Nature of Projects	Client Name	Type (EPC or Item rate / Percentage Rate)	Year of Award	Nature of work	Total Contract Value *(₹ in million)*
Construction Projects						
1	Indian Oil Corporation Plant Building	IOCL	Percentage Rate	2022	Industrial Building	5,329.59
2	All India Institute of Ayurveda (AIIA)-Ph-II, Sarita Vihar	NPCC	Percentage Rate	2019	Hospital & Medical Colleges	2,389.60
3	Advanced Neurosciences Centre at PGIMER	HSCC	EPC	2019	Hospital & Medical Colleges	2,042.63
4	Construction of National Institute of Ayurveda (NIA), Panchkula, Haryana	WAPCOS	Percentage Rate	2021	Hospital & Medical Colleges	2,002.45
5	New Medical College at Dausa	HSCC	Percentage Rate	2021	Hospital & Medical Colleges	1,288.71
6	Centre for Interfaith Studies in Guru Nanak Dev University*	PWD, Punjab	Percentage Rate	2021	Administrational & Institutional Building	863.68
Infrastructure Projects						
7	Major Upgradation/ Development/ Redevelopment of Ludhiana Junction Railway Station of Firojpur Division of Northern Railway	Northern Railway	EPC	2022	Northern Railways	4,729.46
8	Project At Faridabad Railway Station	Northern Railway	EPC	2022	Northern Railways	2,400.98
9	Project At Jalandhar Cantt Station	Northern Railway	EPC	2022	Northern Railways	959.28
10	Two Lane ROB at Pathankot	PWD, Punjab	EPC	2020	Road Projects	417.60
11	Two Lane ROB on NH – 74**	PWD Uttarakhand	EPC	2017	Road Projects	377.01

[*]slow moving project
[**]Project work is almost completed, final bill to be raised.
As certified by our Statutory Auditor- Parmod G Gupta & Associates, Chartered Accountants, pursuant to their certificate dated April 9, 2024

Our Order Book

Our order book as of a particular date comprises of anticipated revenues from uncompleted portion of existing contracts including any escalations approved by our clients signed contract for which all pre-conditions to entry have been met, including letters of intents issued by the client. For the purposes of calculating the Order Book value, our Company does not take into account any escalation or change in work scope of our ongoing projects as of the relevant date, or the work conducted by us in relation to any such escalation of change in work scope of such projects until such date unless such escalations is approved by our clients. The manner in which we calculate and present our Order Book is therefore not comparable to the manner in which our revenue from operations is accounted, which takes into account revenue from work executed, revenue relating to escalation or changes in scope of work of our projects, other income, etc.

The following table sets forth the break-up of our Order Book based on our business vertical:

S. No.	Particular of Work Nature of Projects	Client Name	Type (EPC or Item rate / Percentage Rate)	Year of Award	Nature of work	Total Contract Value	Work Executed till February 29, 2024	Order Book Value as on February 29, 2024
	Construction Projects							
1	Indian Oil Corporation Plant Building	IOCL	Percentage Rate	2022	Industrial Building	5,329.59	1,655.70	3,673.89
2	All India Institute of Ayurveda (AIIA) -Ph-II, Sarita Vihar	NPCC	Percentage Rate	2019	Hospital & Medical Colleges	2,389.60	2,220.40	169.20
3	Advanced Neurosciences Centre at PGIMER	HSCC	EPC	2019	Hospital & Medical Colleges	2,042.63	1,912.13	130.50
4	Construction of National Institute of Ayurveda (NIA), Panchkula, Haryana	WAPCOS	Percentage Rate	2021	Hospital & Medical Colleges	2,002.45	1,219.24	783.21
5	New Medical College at Dausa	HSCC	Percentage Rate	2021	Hospital & Medical Colleges	1,288.71	965.48	323.23
6	Centre for Interfaith Studies in Guru Nanak Dev University	PWD Punjab	Percentage Rate	2021	Administrational & Institutional Building	863.68	340.62	523.06
Infrastructure Projects								
7	Major Upgradation/ Development/ Redevelopment of Ludhiana Junction Railway Station of Firojpur Division of Northern Railway	Northern Railway	EPC	2022	Northern Railways	4,729.46	800.29	3,929.17
8	Project At Faridabad Railway	Northern Railway	EPC	2022	Northern Railways	2,400.98	396.44	2,004.54

S. No.	Particular of Work Nature of Projects	Client Name	Type (EPC or Item rate / Percentage Rate)	Year of Award	Nature of work	Total Contract Value	Work Executed till February 29, 2024	Order Book Value as on February 29, 2024
	Station							
9	Project At Jalandhar Cantt Station	Northern Railway	EPC	2022	Northern Railways	959.28	530.91	428.37
10	Two Lane ROB at Pathankot	PWD, Punjab	EPC	2020	Road Projects	417.60	292.09	125.51
11	Two Lane ROB on NH – 74*	PWD Uttarakhand	EPC	2017	Road Projects	377.01	352.01	25.00

**Project work is almost completed, final bill to be raised.*

The following table sets forth our Order Book of our ongoing projects, as on February 29, 2024, presented according to the relevant state:

No.	States /UT	No. of projects	Amount (₹ in million)	Percentage to total Order Book (%)
1	Punjab	4	5,006.10	41.32
2	Haryana	3	6,461.65	53.33
3	Rajasthan	1	323.23	2.67
4	Uttarakhand*	1	25.00	0.21
5	Nation Capital Territory of Delhi	1	169.20	1.40
6	Chandigarh	1	130.50	1.08
	Total	**11**	**12,115.68**	**100.00**

**Project work is almost completed, final bill to be raised.*

The following table sets forth our Order Book for ongoing projects, as on February 29, 2024, presented according to particular of work:

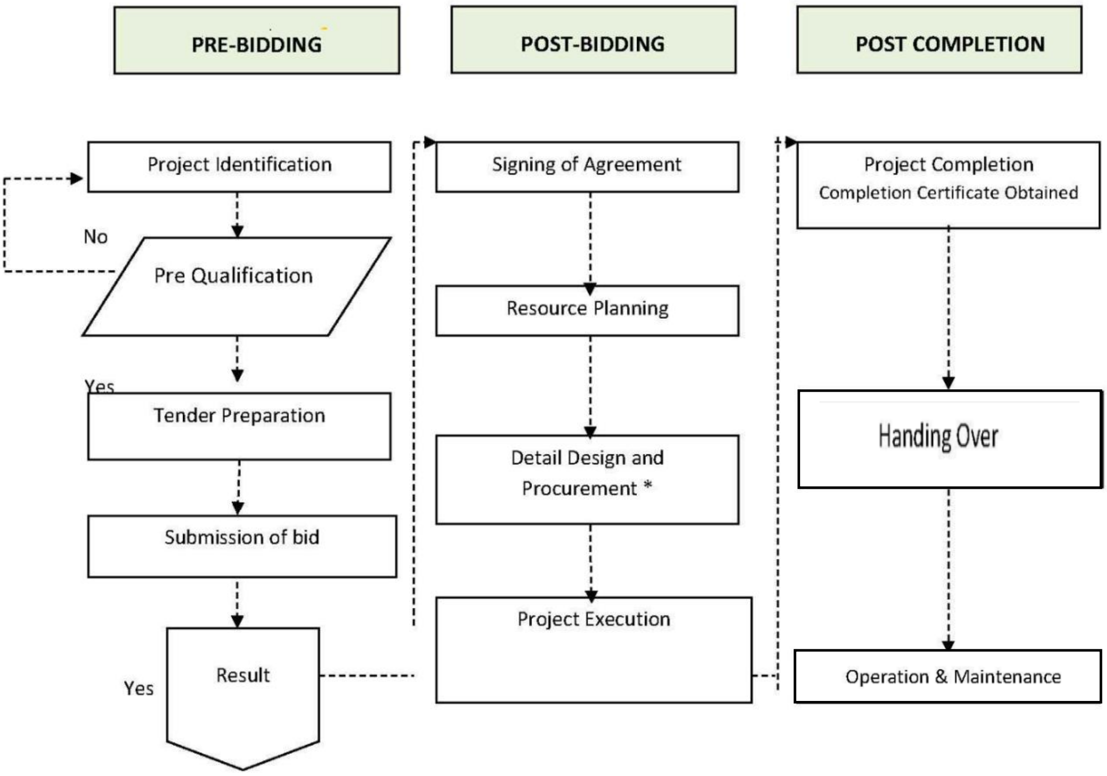
Sr. No.	Particular of Work	No. of projects	Amount (₹ in million)	Percentage to total Order Book (%)
1	Hospitals & Medical College Building	4	1,406.14	11.61
2	Railways	3	6,362.08	52.51
3	Road Projects	2	150.51	1.24
4	Industrial Building	1	3,673.89	30.32
5	Administrative & Institutional Building	1	523.06	4.32
	Total	**11**	**12,115.68**	**100.00**

Bidding of Projects

Currently, our Company has been working on various government, semi government and tenders floated by government-controlled entities projects on independent basis. Over the years, we have amassed a significant amount of experience in various Construction & Infrastructure Projects and have also built a financially sound balance sheet. There are many eligibility criteria set by the government agencies for particular projects such as financial eligibility, past projects executed by us etc. We intend to enhance our bidding activity for various projects for which tenders are invited and also intend to increase our presence in direct contracting project works. For instance, we are accredited as Class I – (Super) Contractor with Central Public Work Department, Government of India and as on the date of this Draft Red Herring Prospectus, we are pre-qualified to bid independently for single projects up to a tender value of ₹6500.00 million. For details, see "***Government and Other Approvals***", on page 351.

This will enable us to increase our financial results and also provide us a varied work profile.

Our Business Operations



Contracts are primarily awarded through "Competitive Bidding" Tender method based on combination of factors amongst which technical qualifications, proposed project team, schedule, past performance on similar projects, the bid amount are the major determining factors. The process requires each bidder to pre-qualify for the activities by meeting criteria that includes technical capabilities and financial strength. Given below is our project execution cycle:-

Pre-bidding

We enter into contracts primarily through a competitive bidding process. Our clients typically advertise for potential projects on government portal such as e-procurement, e-tenders etc. and in leading national newspapers. Accordingly, our tender department does a regular review of the leading national newspapers and relevant government portals to identify projects and other online platforms that could be potentially viable for us. We have also registered ourselves with an online tender portal which keeps us update-to-date on any new tender invitations, as soon as they are floated. Our clients issue various types of tenders depending on the kind of work that is required to be executed by the contractor. Our tendering department has to consider each tender by its type before preparing our Company's bid for a particular project.

Upon identifying a viable project, the tendering department seeks approval of our management in order to determine if the identified projects are to be pursued. These discussions are based on various factors which include discussion on the scope of work, geographic location of the project, the degree of complexity in executing the project in such location, evaluation of eligibility, our current and projected workload, the likelihood of additional work, the contract value and profitability estimates and our competitive advantage relative to other likely bidders. At times, our tender department also attend pre-bid meetings to understand amendments brought in by clients post invitation or clarify doubts, if any.

Our Company's dedicated tendering department is responsible for bidding and pre-qualifications. The tendering department evaluates our Company's credentials in light of the stipulated eligibility criteria. Historically, we endeavour to meet eligibility criteria for projects on our own. Notices inviting bids may either involve pre-qualification, or short listing of contractors, or a post qualification process. Pre-qualification applications generally require us to submit details about our organizational set-up, financial parameters (such as turnover, net worth and profit and loss history), employee information, details of equipment and machinery owned, submission of blueprints of projects, (if required), portfolio of executed and ongoing projects and details in respect of litigations and arbitrations in which we are involved. While awarding contracts for major projects, our clients generally consider contractors that they have pre-qualified based on several criteria, including experience, technical ability and performance, reputation for quality, safety record, financial strength, bidding capacity and size of previous contracts in similar projects. After technical evaluation, price competitiveness is the primary selection criteria.

After we pre-qualify for a bid, we are required to submit a financial bid. In order to submit a financial bid, our Company conducts an in-depth study of the proposed project, which inter alia includes, (i) study of the technical and commercial conditions and requirements of the project; (ii) a site visit to determine the site conditions; (iii) market survey to determine availability of key construction material, labour, and specialist sub-contractors, as the need may arise; and (iv) analysis of the incidence or levies (if any) at or around the project site. Further, our tender department invites quotations from vendors, sub-contractors and specialist agencies for various items or activities in respect of the tender. After the information gathered from the local market survey, our tender department arrives at the cost of items in the Bill of Quantities ("**BOQ**"). This estimate is then marked-up to arrive at the bid price to the client. The basis of determination of the mark-up is based on overheads, expenditure and profitability benchmarks as per our policies.

Alternatively, the client may choose to invite bids through a post-qualification process wherein the contractor is required to submit the financial bid along with the information mentioned above in two (2) separate envelopes. In such a situation, the client typically evaluates the technical bid or pre-qualification application initially and then opens the financial bids only to those contractors who meet the stipulated criteria.

Post-bidding

Once the client declares our Company as the lowest bidder, a letter of allotment is issued and thereafter Company is required to submit a bank guarantee as detailed in the letter of allotment/intent. For EPC based projects, our engineering and design department and consultants submit the working drawings and design calculations for approval with the concerned client and its consultants. Construction activity typically commences once the client approves working designs and issues drawings. The project team immediately identifies and works with the procurement department to procure the key construction materials and services required to commence construction. Materials cost form a major part of the total contract value. Therefore, the ability of our procurement department to ensure adequate and timely supply of the required materials at competitive prices during the tenure of the contract plays a very important role in overall execution of the contract.

Based on the contract documents, a detailed schedule of construction activities is prepared. For projects that are mainly construction contracts, the tender department forwards all documents and other necessary details to the project team. The Company adopts various methods for project planning, time frames, scheduling and getting the whole project completed within timelines along with balancing the cost of the project within reasonable time frames. The project team prepares the works plans and estimates of materials, budgeted rates for material, services, equipment and manpower to be deployed at the project site and forward them further to the procurement department. The procurement department proceeds to procure the material, manpower and equipment for the project from both internal and external sources as per the schedule of the project. We begin the project by mobilizing manpower and equipment resources and the setting up of site offices, stores and other ancillary facilities.

A detailed schedule of construction activities is prepared to ensure optimum project management at every stage of the project. Additionally, the senior management of our Company follow a hands-on approach with respect to project execution. Joint measurements with the client's representative are taken on a periodic basis and interim and final invoices are prepared and issued to the clients on the basis of such measurements. These invoices certified by the designated person for certification are sent to the client along with various certifications for release of payments. The finance department is also responsible for certifying the bills prepared by our vendors and sub-contractors for further processing.

Post-completion

Upon completion of construction of a project, typically an independent engineer appointed for the project certifies the work completed and a completion certificate is issued by the client. Our completed projects also include those projects for which we have been issued provisional completion certificates by the relevant authority. Provisional completion certificates include projects where symbolic possession has been taken by the client and final bills are pending approval. Upon completion of the project and processing of final bill, defect liability period commences as per the work order. Depending on the scope of work for a project, maintenance may be required to be carried out by us upon completion of construction. Work completion certificate is issued by the client at the time of final bill and closure of the project. After completion of the defect liability period CPBG (Contract Performance BG) or retention money/ security deposit (which is typically 5% to 10% of the contract value), if any, is released by the client.

Integrated In-House Model

We undertake our construction business in an integrated manner as we have the key competencies and in-house resources to deliver a project from its conceptualization to completion. Our in-house integrated model reduces dependence on third parties for designing and engineering, procurement of key materials and availability of machineries required to execute our projects. Our integrated business model facilitates execution of projects within scheduled timelines. Our in-house resources include a dedicated engineering and design department, procurement team, owned fleet construction equipment and machineries and light transportation vehicles, more particularly described hereunder;

Project Management team

Our project management team ("PMT") is supported by all the departments that are involved in the planning of a project, namely, design and engineering, procurement, quality control, logistics as well as our on-site teams. Further, we mobilise the equipment at the project sites based on requirements of the project. Our design and engineering consultants thereafter initiate the design work based on the technical requirements of the projects in order of priority which is thereafter verified by our internal design and engineering team before finalisation. Our supply logistics team, in coordination with the PMT, ensures timely delivery of materials at sites to avoid delays in achieving project timelines.

Engineering and Design Team

Our engineering and design team uses various software tools such as AUTOCAD, BIM, PIMS and PRIMAVERA software in the planning and execution of our projects since the pre-bidding stage. At the pre-bidding stage, this team prepares a basic design to facilitate preparation of estimates of quantities of key materials that will be required for construction of the project. Upon the award of a project, various sections of the engineering and design team plan and co-ordinate the work towards efficient completion of the design elements of the project. Once the pre-design activities such as surveys and site investigation are carried out, this team prepares a quality assurance plan for detailed design and planning based on the terms of the contract as well as the result of the surveys carried out. The final detailing and designing are carried out by the designers for timely execution of the project. Additionally, when specialist engineering and design services are required as per a contract's requirements, we avail third party consultants' services for the aforesaid purpose.

Procurement Team

Our central procurement team handles the procurement required in connection with the various aspects of the projects such as for civil works, MEP works, electrical works etc, and includes all materials and engineering items like cement, steel, fuel and consumables. We procure materials in bulk which not only results in economy in procurement but also helps us in developing good relationships with our vendors. We also enter into MOUs for procurement of our key raw materials such as iron and steel, from the identified manufacturers and vendors. Our project sites have procurement managers who oversee the local material requirement and report the same to central procurement team, thereby, ensuring good coordination in material procurement for all ongoing projects.

Quality Management Team

We endeavour to ensure that we maintain stringent quality standards at all stages of our project. Our aim is to reduce cost and cycle times through effective and efficient use of resources. We have a team of 238 engineers, who ensure compliance with our quality management systems and statutory and regulatory compliances. For instance, we have been accredited with ISO 9001:2015 for construction of buildings, bridges and roads, issued by

Otabu Certifications private Limited. For details, see "***Government and other Approvals***" on page 351. In executing the projects, we monitor and test for quality conformity, track non-conformities and make rectifications to ensure clients' satisfaction.

Equipment & Fleet

We have over the years acquired a significant equipment base that we use in our operations. We continue to expand our equipment base as productive equipment asset management is a critical element in timely execution of our projects. We believe that our strategic investment in equipment assets provides us with a competitive advantage as it enables rapid mobilization of high-quality equipment thereby reducing project execution time. Some of the equipment used by us in the projects include RMC, poclain, concrete pumps, cranes etc. We often acquire equipment of the same class and same brand to facilitate the training of operators and help reduce equipment down time and maintenance cost.

Our vehicle base facilitates timely transportation of the key raw materials for construction, which reduce pilferage and ensures the quality of products. This also ensures that the exact movement of vehicles is tracked thereby reducing any changes or pilferage in products being transported ensuring that the quality of our products is maintained

The following table provides a list of the major machineries and equipment owned by us as on February 29, 2024:

S.No.	Item / Capacity	Nos.
1.	JCB	17
2.	HYDRA	13
3.	Transit Mixture	20
4.	Tractor	22
5.	Tipper	5
6.	Water Tanker	25
7.	Ready Mix Concrete Plant with Silo*	10
8.	Boom Pump	5
9.	Disel Generator	57
10.	Roller	9
11.	Baby Roller	4
12.	Concrete Pump	10
13.	Poclain	2
14.	Concrete Mixer	16
15.	Mobile Tower Crane	13
16.	Survey Equipments (Total Stations)	11
17.	Self-Loading Concrete Mixture	1
18.	Weighing Bridge**	5
19.	Container	148
20.	Hot Mixer**	2
21.	Paver	2

**Currently only 8 in use*
***Currently not in use*

We are able to dispatch our construction vehicles or machinery to worksites where they can be utilized at an efficient level without delay. With high control and availability of our construction equipment, we can take measures to use and maintain our equipment to improve our efficiency and profitability and decide the use of our equipment pursuant to the needs of our projects. In order to do so, a qualified and experienced team works to execute our projects in an efficient manner. To ensure high quality, low cost and timely completion of projects, we have an in-house repair and maintenance team, which carries out scheduled preventive maintenance, breakdown maintenance, proactive maintenance and other activities.

In addition, we also enter in rental arrangement whereby we rent the equipment on the basis of our requirement from local players. As on October 31, 2023, we rented equipment such as, JCB, tractors, cranes, etc. on rent basis as per our requirement. Our rental expense for the seven months period ended October 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 was ₹27.22 million, ₹19.14 million, ₹14.85 million and ₹6.08 million which constituted 1.09% and 0.44%, 0.41% and 0.20% respectively, of our revenue from operations.

Insurance

We maintain insurance policies to cover risks related to our projects in accordance with the terms of our contracts/ projects and best industry practices. Our insurance policies include policies such as professional indemnity policy, workmen compensation policy, contractor risk policy, vehicle and equipment policy. Further, we have taken Vehicle insurance policies to insure our vehicles. We believe that we maintain all material insurance policies that are customary for companies operating in similar businesses and as required under the work contract. We believe that our insurance policies insure us against various foreseen hazards that may cause injury and loss of life, damage and destruction of property, equipment and environmental damage, professional indemnity. However, our insurance coverage may not adequately protect us against all material hazards as the policies may not be sufficient to cover all our economic losses. Please see "***Risk Factors - Our insurance coverage may not be sufficient or may not adequately protect us against all or any hazards, which may adversely affect our business, results of operations and financial condition*** " on page 57.

Our Customer Base

The revenue and percentage of revenue from operations derived from our top clients is given below:

(in ₹ million)

S. No.	Particulars	For seven months period ended October 31, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
		Revenue	As a % of revenue from operations	Revenue	As a % of revenue from operations	Revenue	As a % of revenue from operations	Revenue	As a % of revenue from operations
	Revenue from Top five (5) Clients	2,329.30	93.38	3,094.37	71.39	2,723.38	75.01	2,440.38	78.53
	Revenue from Top ten (10) Clients	2,372.53	95.11	3,473.43	80.13	2,999.31	82.61	2,917.73	93.89

**As certified by by our Statutory Auditor - Parmod G Gupta & Associates, Chartered Accountants by way of their certificate dated April 9, 2024*

Health, Safety & Environment

We are committed to globally accepted practices and compliance with applicable health, safety and environmental legislation and other requirements in our operations. We undertake induction training, fire-fighting training, emergency preparedness and job specific training of skilled and unskilled manpower, in addition to the provision of protective equipment to ensure safety our manpower. We believe that we comply in all material respects with applicable occupational health and safety laws, regulations and other contractual requirements relevant to health and safety of employees at our project sites. We monitor and assess compliance issues in connection with our operations and undertake mock drills and other safety orientation programmes to create awareness and promote a safe working environment. Additionally, pursuant to the EPC contracts entered into by us, most of the necessary approvals and environmental clearances for the construction of the project are to be procured by our customers. We have accreditations such as the ISO 9001:2015 and this certificate is valid until February 27, 2025.

Utilities

Water - Water requirement for each of our project is fulfilled from the nearby local area. If water is not readily available in nearby local area, we arrange to get the same from our water tankers or hire the same to meet the water requirements of our project.

Power - Power requirement for our business is sourced from their respective state grids or normal power distribution channel to meet the power requirements. Additionally, to ensure uninterrupted power supply, we also use diesel generators as back-up.

Competition

We operate in a competitive atmosphere where we face competition from other construction companies. Our competition depends on various factors, such as the type of project, total contract value, potential margins, the complexity, location of the projects and risks relating to revenue generation. While service quality, technical ability, performance record, experience, health and safety records and the availability of skilled personnel are key factors in client decisions among competitors, price often is the deciding factor in most tender awards. Some of our competitors may have greater resources than those available to us. We believe that we majorly face competition from other construction companies which operate in the same geographies or with similar clients like ours. The listed peer set companies engaged in similar line of business are ITD Cementation Limited, PSP Projects Limited, Ahluwalia Contracts (India) Limited, IRCON International Limited *(Source: D&B Report)*. As we may expand our business activities in other parts of India, we may experience competition in the future from local infrastructure

For further details, see "***Industry Overview***" on page 133 and "***Risk Factors – We operate in the construction industry where there are low entry barriers and is highly competitive. Our failure to successfully compete may adversely affect our business, financial condition, results of operations and prospects***" on page 50.

Collaborations

We have not entered into any technical or other collaboration or into joint venture agreements for the purposes of bidding and execution of projects.

Export & Export Obligation

Currently, we do not have any outstanding export obligations.

Capacity and Capacity Utilization

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

Human Resources

As of February 29, 2024, we had 642 permanent employees (comprising of skilled and on-site workers), in addition to the contract labour engaged by us at our project sites. We undertake selective and need-based recruitment every year to maintain the size of our workforce, which may otherwise decline as a result of attrition and retirement of employees.

We are committed to the development of the expertise and know-how of our employees through technical seminars and training sessions organised or sponsored by the Company. Our personnel policies are aimed 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.

Following is a department wise employee break up:

Particulars	No. of Employees
Top Management	5
Finance and Accounts team	30
Engineering & Designing team	238
Procurement team	10
Quality Management team	22
Tendering team	5

Particulars	No. of Employees
Admin	15
General Staff	317
Total	**642**

We hire contract laborers depending on various factors like the location, size, duration, etc. and have several contractors providing skilled and unskilled labour at competitive prices.

Intellectual Property

As on the date of this Draft Red Herring Prospectus, our Company has registered the following trademark with the Registrar of Trademarks under the Trademarks Act, 1999:

Date of Issue	Trademark Holder	Trademark Number	Class	Trademark
March 9, 2023	Deepak Builders & Engineers India Limited	5841356	36	Deepak Builders
March 7, 2023	Deepak Builders & Engineers India Limited	5838707	37	

As on the date of this Draft Red Herring Prospectus, our Company has made application for registration of some of our Trademarks with the Registrar of Trademarks under the Trademarks Act, 1999. We set out below the details of such trademark:

Date of Application	Trademark	Class	Application Number	Status
March 7, 2023	Device	36	5838706	Objected
March 9, 2023	Deepak Builders	37	5841357	Objected
March 29, 2024	DEEPAK BUILDERS & ENGINEERS INDIA LIMITED	37	10376839	Pending

Properties

As on the date of this Draft Red Herring Prospectus, our Company has following properties.

Primary Purpose	Location	Owned/Leased	Validity
Registered Office	Ahluwalia Chambers, 1st floor, Plot No. 16 & 17, Local Shopping Centre, Madangir, near Pushpa Bhawan South Delhi, New Delhi – 110 062, India	Leased	For a period of 10 years from March 20, 2023 (*including a lock in provision of five (5) years*)
Corporate Office	Near Lodhi Club, Shaheed Bhagat Singh Nagar Ludhiana – 141012, Punjab, India	Leased	For a period of 15 years with effect from October 1, 2023
Guest House	3rd Floor, No. S-288, Panchsheel Park,	Leased	For a period of 36

Primary Purpose	Location	Owned/Leased	Validity
(unoccupied)	New Delhi		Months with effect from October 1, 2022 (including minimum 1 year lock-in period)
Labour Residence	Opposite Gate No. 4, P-25 Project IOCL, Panipat	Leased	For a period of 10 years with effect from May 1, 2023
Guest House	Flat B-6 (2nd Floor), Multi-Storey Building, Crosswinds Luxury Homes, Near BRS Nagar Underpass, Ludhiana	Owned	NA
Guest House	Flat B-6 (3rd Floor), Multi-Storey Building, Crosswinds Luxury Homes, Near BRS Nagar Underpass, Ludhiana	Owned	NA
Guest House	Penthouse #A-6 (6th & 7th Floor), Multi Storey Building, Crosswinds Luxury Homes, Near BRS Nagar Underpass, Ludhiana	Owned	NA
Guest House	Penthouse #A-7 (6th & 7th Floor), Multi Storey Building, Crosswinds Luxury Homes, Near BRS Nagar Underpass, Ludhiana	Owned	NA
Guest House	Penthouse #A-3 (6th & 7th Floor), Multi Storey Building, Crosswinds Luxury Homes, Near BRS Nagar Underpass, Ludhiana	Owned	NA

Additionally, our Company also enters into leases to set-up site offices, for storage of materials and placement of machinery and equipment as required at the construction sites from time to time. Presently, our site offices are situated at Chandigarh, Dausa (Rajasthan), Kashipur (Uttarakhand) and Gurugram (Haryana).

Corporate Social Responsibility

Our Company has adopted a Corporate Social Responsibility ("**CSR**") policy and our CSR activities are administered by the CSR Committee. As per the applicable laws, Our Company is required to spend 2% of its average net profits made during preceding three financial year on CSR activities. We believe in contributing to the communities in which we operate. We are committed towards our community by committing our resources and energies to social development and have aligned our CSR programs with Indian legal requirements. In line with the CSR Policy adopted by us, we have undertaken CSR activities towards financial contributions in Medical Field, Charitable Activities, and Educational Activities etc. For further details on the composition of the CSR committee and its terms of reference, see "***Our Management – Corporate Social Responsibility Committee***" on page 247.

KEY REGULATIONS AND POLICIES IN INDIA

The following description is a summary of certain key regulations in India which are applicable to the business and operations of our Company. The information detailed in this section has been obtained from publications available in public domain. The description of laws and regulations set forth below may not be exhaustive and is only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The information in this section is based on the current provisions of applicable laws in India that are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

For details of regulatory approvals obtained by us in compliance with the *applicable regulations, see* "***Government and Other Statutory Approvals***" *on page 351.*

Regulations governing our Business

1. National Building Code, 2016

The National Building Code of India ("**NBC**"), contains administrative regulations, development control rules and general building requirements for regulating the building construction activities across the country. It serves as a Model Code for adoption by all agencies involved in building construction activities by the Public Works Departments, other government construction departments, local bodies or private construction agencies. The NBC mainly contains administrative provisions, development control rules and general building requirements; fire and life safety requirements; stipulations regarding building materials, structural design and construction (including safety); building and plumbing services; approach to sustainability; and asset and facility management.

2. Town Planning Legislations

The Company is governed by various town planning legislations, as applicable in the States where its projects are located. These legislations make provision for planning the development and use of land in regions established for that purpose and for the constitution of regional planning boards. The Company is primarily governed by the following town planning legislations:

(i) The Punjab Regional and Town Planning and Development Act, 1995 along with any rules framed thereunder and as amended from time to time;
(ii) The Rajasthan Urban Improvement Act, 1959 along with any rules framed thereunder and as amended from time to time;
(iii) The Haryana Development and Regulation of Urban Areas Act, 1975 along with any rules framed thereunder and as amended from time to time;
(iv) The Delhi Development Act, 1957 along with any rules framed thereunder and as amended from time to time; and
(v) Chandigarh Building Rules (Urban) – 2017 and as amended.

3. National Highways Act, 1956

The Central Government is responsible for the development and maintenance of 'National Highways' and may delegate any function relating to development of 'National Highways' to the relevant state government in whose jurisdiction the 'National Highway' falls, or to any officer or authority subordinate to the central or the concerned state government.

The Central Government may also enter into an agreement with any person (being, either an individual, a partnership firm, a company, a joint venture, a consortium or any other form of legal entity, Indian or foreign, capable of financing from own resources or funds raised from financial institutions, banks or open market) in relation to the development and maintenance of the whole or any part of a 'National Highway'. Such an agreement may provide for designing and building a project and operating and maintaining it, collecting fees from users during an agreed period, which period together with construction period is usually referred to as the 'concession period'. Upon expiry of the 'concession period', the right of the person to collect fees and his obligation to operate and maintain the project ceases and the facility stands transferred to the central government.

Under the National Highways Act, 1956 (the "**NH Act**"), the Central Government is vested with the power to declare a highway as a national highway and also to acquire land for this purpose. The Central Government may, by notification, declare its intention to acquire any land when it is satisfied that for a public purpose such land is required to be acquired for the building, maintenance, management or operation of a national highway or part thereof. The NH Act prescribes the procedure for such land acquisition which inter alia includes entering and inspecting such land, hearing of objections, declaration of acquisition and the mode of taking possession. The NH Act also provides for payment of compensation to owners and any other person whose right of enjoyment in that land has been affected.

4. National Highways Authority of India Act, 1988

The National Highways Authority of India Act, 1988 (the "**NHAI Act**") provides for the constitution of an authority for the development, maintenance and management of National Highways. Pursuant to the same, the National Highways Authority of India ("**NHAI**"), was constituted as an autonomous body in 1989 and operationalised in 1995. Under the NHAI Act, Central Government carries out development and maintenance of the national highways system, through NHAI. The NHAI has the power to enter into and perform any contract necessary for the discharge of its functions under the NHAI Act.

The NHAI Act prescribes a limit in relation to the value of the contracts that may be entered into by NHAI. However, the NHAI may enter into contracts exceeding the value so specified, on obtaining prior approval of the Central Government. NHAI Act provides that the contracts for acquisition, sale or lease of immovable property on behalf of the NHAI cannot exceed a term of 30 years unless previously approved by the Central Government.

5. The Explosives Act, 1884 (the "Explosives Act")

The Explosives Act regulates the manufacturing, use, possession, sale, transport, export and import of explosives, defined under the Explosives Act as any substance, whether a single chemical compound or a mixture of substances, whether solid or liquid or gaseous, used or manufactured with a view to produce a practical effect by explosion or pyrotechnic effect. As per the Explosives Act, the Central Government may, for any part of India, make rules consistent with the Explosives Act to regulate or prohibit, except under and in accordance with the conditions of a license granted as provided by those rules, the manufacture, possession, use, sale, transport, import and export of explosives, or any specified class of explosives. Penalty provisions including imprisonment, have been prescribed for manufacture, import or export, possession, usage, selling or transportation of explosives in contravention of the rules made under the Explosives Act.

6. Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996

The central government has enacted the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (the "BOCWA") as a comprehensive central legislation governing construction workers The BOCWA aims at regulating the employment and conditions of service of construction workers and to provide for their safety, health and welfare measures and for other related matters. The responsibility of providing for immediate assistance in case of accidents, old age pension, loans for construction of houses, premium for group insurance, financial assistance for education, to meet medical expenses, maternity benefits etc. to beneficiaries vests with the building and other construction workers welfare board. The Central Government has notified the Building and other Construction Workers (Regulation of Service and Conditions of Service) Central Rules, 1998 which deals with the health and safety measures that must be taken in relation to construction workers.

7. Land Acquisition Act, 1894 (the "LA Act")

Land holdings are subject to the LA Act which provides for the compulsory acquisition of land by the appropriate government for 'public purposes' including planned development and town and rural planning. However, any person having an interest in such land has the right to object and claim compensation. The award of compensation must be made within two years from the date of declaration of the acquisition. Any person who does not accept the compensation awarded may make an application for the matter to be referred to the appropriate civil court, whether his objection is with respect to the quantum of compensation, the apportionment of the compensation among the persons interested, etc.

8. Urban Land (Ceiling and Regulation) Act, 1976 (the "ULCA")

The ULCA prescribes the limits to urban areas that can be acquired by a single entity. The ULCA allows the government to take over a person's property and fixes ceilings on vacant and urban land. Under the ULCA, excess vacant land is required to be surrendered to a competent authority for a minimum level of compensation. Alternatively, the competent authority has been empowered to allow the land to be developed for permitted purposes. Even though the ULCA has been repealed, it remains in force in certain States like Haryana, Punjab, Uttar Pradesh, Gujarat, Karnataka, Madhya Pradesh, Rajasthan, Orissa and the Union Territories.

A. Intellectual Property Laws

1. *The Trade Marks Act, 1999 (the "Trade Marks Act")*

The Trade Marks Act provides for the application, registration and protection of trademarks in India. The Trade Marks Act provides exclusive rights to the use of trademarks such as brands, labels and headings that have been registered and to provide relief in case of infringement of such marks. The Trade Marks Act prohibits any registration of deceptively similar trademarks. The Trade Marks Act also provides for penalties for infringement and for falsifying and falsely applying trademarks and using them to cause confusion among the public.

Our Company has obtained and applied for trademark registrations for the various brands and logos used in our business which are subject to the provisions of the Trade Marks Act, 1999.

2. *The Copyright Act, 1957 (the "Copyright Act")*

The Copyright Act provides for registration of copyrights, assignment and licensing of copyrights, and protection of copyrights, including remedies for infringement. The Copyright Act protects original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. In the event of infringement of a copyright, the owner of the copyright is entitled to both civil remedies, including damages, accounts and injunction and delivery of infringing copies to the copyright owner, and criminal remedies, including imprisonment and imposition of fines and seizure of infringing copies. Copyright registration is not mandatory under the Copyright Act for acquiring or enforcing a copyright, however, such registration creates a presumption favouring ownership of the copyright by the registered owner.

B. General Corporate Compliance

1. The Companies Act, 2013

The consolidation and amendment in the law relating to the Companies Act, 1956 made way for the enactment of the Companies Act, 2013. The Companies Act, 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post-incorporation. The conversion of the private company into a public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, the appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to bank companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of a public company and by two or more persons in case of a private company. A company can even be formed by one person i.e., a One-Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act. Further, The Companies Act, 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified.

Further, Schedule V (read with Sections 196 and 197), Part I lay 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 the firm. The provisions relating to remuneration of the director's payable by the companies is under Part II of the said schedule.

Further, The Companies Amendment Act, 2015 is passed on May 25, 2015, also The Companies Amendment Act, 2017 is passed on January 3, 2018. The Companies Amendment Act, 2017 includes major amendments in the definition, financial statement, and corporate social responsibility, disclosure under boards report, general meeting, and disclosure in the Red Herring prospectus.

C. Other Relevant Legislations

1. Shops and Establishments Legislations

Under the provisions of local shops and establishments legislations applicable in different states, commercial establishments are required to be registered. Such legislations regulate the working and employment conditions of workers employed in shops and commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

2. The Environment Protection Act, 1986 (the "Environment Act")

The Environment Act has been enacted for the protection and improvement of the environment. The Environment Act empowers the GoI to take measures to protect and improve the environment such as by laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and so on. The GoI may make rules for regulating environmental pollution.

3. The Water (Prevention and Control of Pollution) Act, 1974 (Water Act)

The Water Act aims to prevent and control water pollution by factories and manufacturing units and to maintain and restore the quality and wholesomeness of water. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, using of any new or altered outlet for the discharge of sewage or causing new discharge of sewage, must obtain the consent of the relevant state pollution control board, which is empowered to establish standards and conditions that are required to be complied with.

4. The Air (Prevention and Control of Pollution) Act, 1981 (Air Act)

The Air (Prevention and Control of Pollution) Act, 1981 **(Air Act)** provides for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant. The state pollution control board must decide on the application within a period of 4 months of receipt of such application. The consent may contain certain conditions relating to specifications of pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the state pollution control board.

5. Foreign Investment Regulations

The foreign investment in India is governed, among others, by the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 ("**FEMA Rules**") and the consolidated FDI policy (effective from October 15, 2020) issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion ("**FDI Policy**"), each as amended. Further, the Reserve Bank of India has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 on October 17, 2019 which regulates mode of payment and remittance of sale proceeds, among others. The FDI Policy and the FEMA Rules prescribe inter alia the method of calculation of total foreign investment (i.e., direct foreign investment and indirect foreign investment) in an Indian company.

6. Municipality Laws

State governments are empowered to endow municipalities with such powers and authority as may be necessary to enable them to perform functions in relation to permitting the carrying on of trade and operations. Accordingly, State governments have enacted laws authorizing municipalities to regulate use of premises, including regulations for issuance of a trade license to operate, along with prescribing penalties for non-compliance.

7. The Consumer Protection Act, 1986 (the "COPRA")

The COPRA provides for the protection of the interests of consumers and the settlement of consumer disputes. The COPRA sets out a mechanism for consumers to file complaints against, *inter alia,* service providers in cases of deficiencies in services, unfair or restrictive trade practices and excessive pricing. The terms "defect" and "deficiency" are broadly defined and cover any kind of fault, imperfection or shortcoming in the quality, quantity, potency, purity or standard. A three-tier consumer grievance redressal mechanism has been implemented pursuant to the COPRA at the national, state and district levels. If the allegations specified in a complaint about the services provided are proved, the service provider can be directed to *inter alia* remove the deficiencies in the services in question, return to the complainant the charges paid by the complainant and pay compensation, including punitive damages, for any loss or injury suffered by the consumer. Non-compliance with the orders of the authorities may attract criminal penalties in the form of fines and/or imprisonment.

8. Taxation Laws

The tax related laws that are applicable to our Company include the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017 and the relevant state legislations for goods and services tax.

9. Laws Relating to Employment

Our operations are subject to compliance with certain additional labour and employment laws in India. These include, but are not limited to, the following:

- the Child Labour (Protection and Prohibition) Act, 1986
- the Contract Labour (Regulation & Abolition) Act, 1970
- the Employees Compensation Act, 1923
- the Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- the Employees' State Insurance Act, 1948
- the Equal Remuneration Act, 1976
- the Maternity Benefit Act, 1961
- the Minimum Wages Act, 1948
- the Payment of Bonus Act, 1965
- the Payment of Gratuity Act, 1972
- the Payment of Wages Act, 1936
- the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes:

The Code on Wages, 2019

The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. Through its notification dated December 18, 2020, the GoI brought into force sections 42(1), 42(2), 42(3), 42(10), 42(11), 67(ii)(s), 67(ii)(t) (to the extent that they relate to the Central Advisory Board) and 69 (to the extent that it relates to sections 7, 9 (to the extent that they relate to the GoI) and 8 of the Minimum Wages Act, 1986)) 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 GoI.

The Occupational Safety, Health and Working Conditions Code, 2020

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this Code will be brought into force on a date to be notified by the Central Government. The GoI has issued the draft rules under the Occupational Safety, Health and Working Conditions Code, 2020. The draft rules provide for operationalization of provisions in the Occupational Safety, Health and Working Conditions Code, 2020 relating to safety, health and working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.

The Industrial Relations Code, 2020

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this Code will be brought into force on a date to be notified by the GoI.

The Code on Social Security, 2020

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act,1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The provisions of this Code will be brought into force on a date to be notified by the GoI. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganised workers, gig workers and platform workers.

10. The Information Technology Act, 2000 (the "IT Act")

The IT Act creates liability on a body corporate which is negligent in implementing and maintaining reasonable security practices and procedures, and thereby causing wrongful loss or wrongful gain to any person, while possessing, dealing or handling any sensitive personal data or information in a computer resource owned, controlled or operated by it but affords protection to intermediaries with respect to third party information liability. The IT Act also provides for civil and criminal liability including compensation, fines and imprisonment for various computer related offences. These include offences relating to unauthorized access to computer systems, damaging such systems or modifying their contents without authorization, unauthorized disclosure of confidential information and committing fraudulent acts through computers.

In April 2011, the Department of Information Technology under the then Ministry of Communications and Information Technology notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (the "IT Personal Data Protection

Rules") under Section 43A of the IT Act and notified the Information Technology (Intermediaries Guidelines) Rules, 2011 and Information Technology (Reasonable security practice and procedure and sensitive personal data or information) Rules, 20211 (the "**IT Intermediaries Rules**") under Section 79(2) of the IT Act. The IT Personal Data Protection Rules prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data. The IT Intermediaries Rules require persons receiving, storing, transmitting or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the Intermediaries Rules and to disable such information after obtaining knowledge of it.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History of our Company

Our Company was originally incorporated as 'Deepak Builders & Engineers India Private Limited', a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated September 11, 2017 issued by the Registrar of Companies, Central Registration Centre on behalf of Jurisdictional Registrar of Companies. Our Company then acquired the business of M/s. Deepak Builders, a partnership firm, vide a Business Takeover Agreement dated March 1, 2018. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our shareholders at an extraordinary general meeting held on May 25, 2022 and a fresh certificate of incorporation dated October 12, 2022 was issued by the Registrar of Companies, Delhi, recording the change in the name of our Company to 'Deepak Builders & Engineers India Limited'.

Changes in the Registered Office of our Company since incorporation

Except as stated below, there has been no change in the address of our registered office since incorporation.

Date of Board resolution	Details for change	Reasons for change
March 20, 2023	The registered office of our Company was shifted from Y-8, Room No. 5, 1st Floor, Loha Mandi, Narayana New Delhi – 110 028 to Ahluwalia Chambers, 1st floor, Plot no. 16 & 17, Local Shopping Centre, Madangir, near Pushpa Bhawan, South Delhi, New Delhi – 110 062, India.	For business and administrative convenience.

MAIN OBJECTS OF OUR COMPANY

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

1. *To carry on the business of construction, builders, contractors, engineers, colonizers, town planners, surveyors, values, appraisers, decorators, furnishers, manufacturers of prefabricated and precast houses, and to act as agents and contractors for construction/development of real estates, residential complexes/flats/enclave/commercial complexes/multi-storied buildings etc., and to act as consultants, advisors, technical consultants, collaborators, designers and architects for all kinds of construction activities in India and abroad and to undertake all civil, mechanical electrical works, and all types of infrastructure facilities/works/projects including roads, highways, flyovers, bridges, dams, power plants, reservoirs, tramways, railways, sanitary, water, gas electric, telephonic and telegraphic projects in India or abroad either individually or as joint venture with any other Company/firm/individual/consultant whether Indian or foreign participant, or under BOOT/BOT basis through Lease, acquisition/taking over projects/Companies/firms; and also to act as manufacturers, importers, exporters, buyers, sellers, repairers, stockists and otherwise dealers of all types of plant, Equipment, machinery. spare part and accessories required in connection therewith.*

2. *To take over the partnership firm Deepak Builders and its entire business having Registration No. 250 registered with the Registrar of Firms and Societies, Ludhiana.*

Amendments to the Memorandum of Association of our Company since incorporation

The following changes have been made in the Memorandum of Association of our Company since incorporation:

Date of Meeting	Meeting	Nature of Amendment
September 25, 2017	EGM	Clause 3(A) of the Memorandum of Association was amended to reflect the change in the main objects of the Company from 'To carry on the business of

Date of Meeting	Meeting	Nature of Amendment
		construction, builders, contractors, engineers, colonizers, town planners, surveyors, appraisers, decorators, furnishers, manufacturers and toi act as agents and contractors for construction/development of real estates, residential complexes/ flats/ enclave/ commercial complexes/ multi-stories buildings etc.' to '1. To carry on the business of construction, builders, contractors, engineers, colonizers, town planners, surveyors, values, appraisers, decorators, furnishers, manufacturers of prefabricated and precast houses, and to act as agents and contractors for construction/development of real estates, residential complexes/ flats/ enclave/ commercial complexes/ multi-storied buildings etc., and to act as consultants, advisors, technical consultants, collaborators, designers and architects for all kinds of construction activities in India and abroad and to undertake all civil, mechanical, electrical works, and all types of infrastructure facilities/works/projects including roads, highways, flyovers, bridges, dams, power plants, reservoirs, tramways, railways, sanitary, water, gas electric, telephonic and telegraphic projects in India or abroad either individually or as joint venture with any other Company/firm/individual/consultant whether Indian or foreign participant, or under BOOT/BOT basis through Lease, acquisition/taking over projects/Companies/firms; and also to act as manufacturers, importers, exporters, buyers, sellers, repairers, stockists and otherwise dealers of all types of plant, equipment, machinery, spare part and accessories required in connection therewith; 2. To take over the partnership firm Deepak Builders and its entire business having Registration No. 250, registered with the Registrar of Societies and Firms, Ludhiana'
March 1, 2018	EGM	Clause 5 of the Memorandum of Association was amended to reflect increase in the Authorized Share Capital of our Company from ₹10,000,000 divided into 1,000,000 Equity Shares of ₹10 each to ₹250,000,000 divided into 25,000,000 Equity Shares of ₹ 10 each.
March 30, 2018	EGM	Clause 5 of the Memorandum of Association was amended to reflect the increase in the Authorized Share Capital of our Company from ₹250,000,000 divided into 25,000,000 Equity Shares of ₹10 each to ₹ 360,000,000 divided into 36,000,000 Equity Shares of ₹ 10 each.
May 25, 2022	EGM	Clause 1 of the Memorandum of Association of our Company was amended to reflect the change in our name from 'Deepak Builders & Engineers India Private Limited' to 'Deepak Builders & Engineers India Limited'.
September 30, 2023	AGM	Clause 5 of the Memorandum of Association was amended to reflect the increase in the Authorized Share Capital of our Company from ₹360,000,000

Date of Meeting	Meeting	Nature of Amendment
		divided into 36,000,000 Equity Shares of ₹ 10 each to ₹550,000,000 divided into 55,000,000 Equity Shares of ₹10 each.

Major Events in the history of our Company

Year	Major Events / Milestone / Achievements
2018	Business Takeover Agreement dated March 1, 2018 was entered for takeover of business of M/s Deepak Builders, a partnership firm.
2018	Business of M/s Deepak Builders, partnership firm, was taken over with effect from March 31, 2018.
2018	Expanded our geographic reach to the Northern State of Haryana by entering into a construction project of flyover with underpass and service roads at Atul Kataria Chowk (Old Delhi - Jaipur Road), Gurugram, Haryana amounting ₹ 477.0 million.
2019	Secured construction project of Advanced Neurosciences Centre at PGIMER having contract value amounting to ₹2,042.63 million.
2021	Secured construction project of National Institute of Ayurveda, Panchkula, Haryana having contract value amounting to ₹2,002.45 million.
2022	Conversion of our Company to a public limited company
	Completed the Geriatrics Block in AIIMS Campus project amounting to ₹ 2,243.20 million.
	Secured our first industrial building order worth ₹ 5329.59 million to construct the Plant building at the refinery of Indian Oil Corporation, Panipat.
	Secured major redevelopment / development of 3 railways station having total contract value of ₹8,089.72 million
	Secured our single largest order from railways worth ₹ 4,729.46 million to redevelop Ludhiana Junction Railway Station.
2023	Completed International Cricket Stadium, Chandigarh worth ₹ 1,401.20 million

Key awards, accreditations or recognitions

Our Company has not received any awards, accreditations or recognitions as on date of this Draft Red Herring Prospectus.

Time/Cost Overrun in Setting up Projects

As on the date of this Draft Red Herring Prospectus, our Company has not experienced any time/cost overrun in setting up any projects or business operations. However, in past, we have experienced certain delay in execution and payment of escalation claims, on account of delays on the part of our government clients. For details, see "***Risk Factor - Our portfolio of projects is concentrated in certain large-scale projects. Any delay or impediment to such projects may have adverse impact on our financial position***" on page 36.

Launch of key products or services, entry into new geographies or exit from existing markets

For details of entry into new geographies, see ***"Major Events / Milestone / Achievements"*** on page 233.

Capacity/facility creation, location of plants

Since our Company is engaged in EPC business, we do not have any product manufacturing facilities. However, for execution of our EPC projects, we have in-house facilities with capacities as set out herein:

Plants	Quantity	Capacity (per plant)
Ready-Mix Concrete Plants (Schwing Stetter CP18, Schwing Stetter CP30 and	10*	18 CUM per hour to 45 CUM per hour

Schwing Stetter CP45)		
Diesel Generator	57	7.5 KVA to 125 KVA

As on the date of this Draft Red Herring Prospectus two (2) Ready-Mix concrete plants are non-operational. As certified by Er. Abhishek Tiwari, Independent Chartered Engineer vide his certificate dated March 27, 2024.

These plants and units are temporarily installed at the project locations and are shifted to other locations after completion of work, on need basis. These plants are primarily used for production of intermediate products such as RMC used in construction activities at our project sites. It reduces our dependency on external suppliers, thereby helping in smooth execution of our projects. These plants are part of our equipment fleet.

Defaults or rescheduling of borrowings with financial institutions/banks

There have not been any defaults or rescheduling of borrowings from financial institutions/banks by our Company.

Material acquisitions of businesses or divestment of business / undertakings, mergers, amalgamation or revaluation of assets, if any since incorporation

Except as disclosed below, our Company has not acquired any material business or undertaken any mergers or amalgamations or divestments of business or undertaking or undertaken any revaluation of assets since its incorporation.

Acquisition of business of M/s Deepak Builders

Our Company acquired the running business of M/s Deepak Builders, a partnership firm (the "**Erstwhile Firm**") registered with the Registrar of Firms and Societies, Ludhiana pursuant to a Business Takeover Agreement dated March 1, 2018 ("**BTA**"). In terms of the BTA, our Company acquired the running business of construction work, as a going concern along with all the assets and liabilities w.e.f. March 31, 2018 for the lump sum consideration amounting to ₹358,608,600.

Revaluation of Assets

Our Company has revalued its fixed assets by an amount of ₹180.80 Million during the Fiscal 2021.

Our holding company

As on the date of this Draft Red Herring Prospectus, we do not have a holding company.

Details of our Associates

As on the date of this Draft Red Herring Prospectus, our Company does not have any Associates.

Our joint ventures

Our Company has not entered into any joint venture agreements which are subsisting, as on the date of this Draft Red Herring Prospectus

Our subsidiaries

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries.

Details of shareholders' agreements or any other inter-se agreements/ arrangements between the shareholders

Our Company does not have any subsisting shareholders' agreements or any other inter-se agreements/ arrangements between our Shareholders vis-a-vis our Company.

Except for the Business Takeover Agreement, there are no inter-se agreements/ arrangements to which the Company or any of its Promoters or Shareholders are a party to and therefore, there are no clauses/ covenants which are material and which needs to be disclosed, and that there are no other clauses / covenants in the inter-se agreements or arrangements or the Articles of Association which are adverse / pre-judicial to the interest of the minority / public shareholders of the Company.

No Directors or KMPs of our Company are appointed pursuant any inter-se agreement/agreement to which our Company or any of its Promoters or Shareholders are a party to.

Significant financial and/or strategic partners

Our Company does not have any significant financial and / or strategic partners as of the date of this Draft Red Herring Prospectus.

Key terms of other subsisting material agreements

Except as disclosed in "***– Material acquisitions of businesses or divestment of business / undertakings, mergers, amalgamation or revaluation of assets, if any since incorporation***" on page 234, and the Lease Deed registered on January 18, 2024 with respect to the lease of the Corporate Office, our Company has not entered into any subsisting material agreements including with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of the business of our Company or which are otherwise material and need to be disclosed in this Draft Red Herring Prospectus in context of the Offer.

Guarantees given by Promoter Selling Shareholders

As on the date of this Draft Red Herring Prospectus, Deepak Kumar Singal and Sunita Singal, our Promoter Selling Shareholders, have issued the following guarantee to third parties. There guarantees are in the nature of corporate guarantees and personal guarantees and have been issued towards contractual obligations in respect of loans availed by our Company.

Name of Lender	Type of borrowing/facility	Amount Guaranteed (in ₹ million)	Amount outstanding as on February 29, 2024 (in ₹ million)
Axis Bank Limited	Commercial Vehicle Loan	1.90	1.72
Axis Bank Limited	Business Loan	5.00	2.63
Kotak Mahindra Bank Limited	Business Loan	7.50	4.17
Kotak Mahindra Bank Limited	Business Loan	10.00	9.30
Aditya Birla Finance Limited	Loan Against Property	175.30	169.32
PNB Bank	Cash Credit Limit	610.00	602.27
PNB Bank	Bank Guarantee	3,600.00	2,945.75
PNB Bank	GECL	59.00	29.50
HDFC Bank Limited	Cash Credit Limit	60.00	0.00
HDFC Bank Limited	Commercial Equipment Loan	60.00	0.00
HDFC Bank Limited	Bank Guarantee	520.00	70.12
HDFC Bank Limited	Commercial Equipment Loan	1.97	0.09
HDFC Bank Limited	Commercial Equipment Loan	1.37	0.27
HDFC Bank Limited	Commercial Equipment Loan	1.29	0.19
HDFC Bank Limited	Commercial	1.34	0.20

Name of Lender	Type of borrowing/facility	Amount Guaranteed (in ₹ million)	Amount outstanding as on February 29, 2024 (in ₹ million)
	Equipment Loan		
HDFC Bank Limited	Commercial Equipment Loan	1.97	0.28
HDFC Bank Limited	Commercial Equipment Loan	2.26	0.33
HDFC Bank Limited	Commercial Equipment Loan	3.58	0.52
HDFC Bank Limited	Commercial Equipment Loan	9.49	1.40
HDFC Bank Limited	Commercial Equipment Loan	1.00	0.12
HDFC Bank Limited	Commercial Equipment Loan	4.46	0.56
HDFC Bank Limited	Commercial Equipment Loan	1.59	0.88
HDFC Bank Limited	Commercial Equipment Loan	1.59	0.88
HDFC Bank Limited	Commercial Equipment Loan	3.42	2.16
HDFC Bank Limited	Commercial Equipment Loan	1.99	1.31
HDFC Bank Limited	Commercial Equipment Loan	0.55	0.37
HDFC Bank Limited	Commercial Equipment Loan	1.61	1.09
HDFC Bank Limited	Commercial Equipment Loan	1.61	1.09
HDFC Bank Limited	Commercial Equipment Loan	1.61	1.09
HDFC Bank Limited	Commercial Equipment Loan	2.91	2.25
HDFC Bank Limited	Commercial Equipment Loan	2.67	2.09
HDFC Bank Limited	Commercial Equipment Loan	3.84	3.08
HDFC Bank Limited	Commercial Equipment Loan	1.92	1.58
HDFC Bank Limited	Commercial Equipment Loan	1.92	1.58
HDFC Bank Limited	Commercial Equipment Loan	8.90	7.31
HDFC Bank Limited	Commercial Equipment Loan	0.97	0.80
HDFC Bank Limited	Commercial Equipment Loan	1.19	1.00
HDFC Bank Limited	Commercial Equipment Loan	3.58	2.98
HDFC Bank Limited	Commercial Equipment Loan	0.50	0.45
HDFC Bank Limited	Commercial Equipment Loan	0.50	0.45
HDFC Bank Limited	Commercial	2.29	2.08

Name of Lender	Type of borrowing/facility	Amount Guaranteed (in ₹ million)	Amount outstanding as on February 29, 2024 (in ₹ million)
	Equipment Loan		
HDFC Bank Limited	Commercial Equipment Loan	3.29	2.98
HDFC Bank Limited	Commercial Equipment Loan	3.01	2.71
HDFC Bank Limited	Commercial Equipment Loan	3.15	2.81
HDFC Bank Limited	Commercial Equipment Loan	3.15	2.76
HDFC Bank Limited	Car Loan	0.96	0.86
HDFC Bank Limited	Car Loan	1.10	0.98
HDFC Bank Limited	Commercial Equipment Loan	3.00	2.64
HDFC Bank Limited	Commercial Equipment Loan	3.26	2.86
HDFC Bank Limited	Commercial Equipment Loan	8.92	7.77
HDFC Bank Limited	Commercial Equipment Loan	2.85	2.46
HDFC Bank Limited	Commercial Equipment Loan	2.85	2.42
HDFC Bank Limited	Commercial Equipment Loan	2.85	2.42
HDFC Bank Limited	Car Loan	0.69	0.59
HDFC Bank Limited	Car Loan	0.90	0.68
HDFC Bank Limited	Car Loan	0.93	0.71
HDFC Bank Limited	Commercial Equipment Loan	1.99	1.49
HDFC Bank Limited	Commercial Equipment Loan	1.99	1.49
HDFC Bank Limited	Commercial Equipment Loan	2.85	2.16
HDFC Bank Limited	Commercial Equipment Loan	2.85	2.16
HDFC Bank Limited	Commercial Equipment Loan	4.26	3.18

Other confirmations

None of our Promoters, Key Managerial Personnel, Directors or any other employees has entered into an agreement, 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 the dealings of the securities of our Company.

OUR MANAGEMENT

Board of Directors

As on the date of this Draft Red Herring Prospectus, we have five (5) directors on our Board, comprising of one (1) Chairman cum Managing Director, one (1) Whole-time Director (who is also the woman director) and three (3) independent directors. The present composition of our Board of Directors and its committees are in accordance with the Companies Act, 2013, and SEBI Listing Regulations.

The following table sets forth details regarding our Board as on the date of this Draft Red Herring Prospectus.

Name, date of birth, designation, address, occupation, term, period of directorship and DIN	Designation	Other Directorships
Deepak Kumar Singal **Date of birth**: September 9, 1957 **Age (years):** 67 **Address**: H. No. 629-B, Aggar Nagar, Ludhiana – 141 012, India **Occupation**: Business **Term**: From January 19, 2024 till January 18, 2029 **Period of directorship**: Since September 11, 2017 **DIN**: 01562688	Chairman cum Managing Director	*Indian Companies* Nil *Foreign Companies* Nil
Sunita Singal **Date of birth**: July 24, 1960 **Age (years):** 64 **Address**: H. No. 629-B, Aggar Nagar, Ludhiana – 141 012, India **Occupation**: Business **Period of Directorship:** Since September 11, 2017 **Current Term:** From January 19, 2024 till January 18, 2029 **DIN**: 01534585	Whole-time Director	*Indian Companies* • Deepak Singal Engineers and Builders Private Limited *Limited Liability Partnership* Nil *Foreign Companies* Nil
Inder Dev Singh **Date of birth**: April 15, 1950 **Age (years):** 74 **Address**: House No. 1591, ESIC	Independent Director	*Indian Companies* • Satia Industries Limited *Limited Liability Partnership* Nil

Name, date of birth, designation, address, occupation, term, period of directorship and DIN	Designation	Other Directorships
Society, Sector 51-B, Chandigarh – 160047, India **Occupation**: Professional **Term**: From May 25, 2022 to May 24, 2027 **Period of directorship**: Since May 25, 2022 **DIN**: 00825892		*Foreign Companies* Nil
Kashish Mittal **Date of birth**: July 29, 1989 **Age (years):** 35 **Address**: House No. – 2251, Phase 7, Sector 61, SAS Nagar (Mohali), Sector 62, Punjab – 160062, India **Occupation**: Professional **Term**: From May 25, 2022 to May 24, 2027 **Period of directorship**: Since May 25, 2022 **DIN**: 06975800	Independent Director	*Indian Companies* • Blendnet Tech Solutions Private Limited *Limited Liability Partnership* Nil *Foreign Companies* Nil
Vinod Kumar Kathuria **Date of birth**: July 23, 1958 **Age (years):** 66 **Address**: Poonam Heights, Flat 1403, Wing B, S. V Road, Udyog Nagar, Goregaon West, Mumbai – 400 104, Maharashtra, India **Occupation**: Professional **Term**: From January 19, 2024 to January 18, 2029 **Period of directorship**: Since January 19, 2024 **DIN**: 06662559	Independent Director	*Indian Companies* • A. K. Capital Services Limited; • A. K. Capital Finance Limited; • Western Capital Advisors Private Limited; • Samavesh Finserve Private Limited; • Jayaswal Neco Industries Limited; • Satia Industries Limited; and • Anand Rathi Global Finance Limited *Limited Liability Partnership* Nil *Foreign Companies* Nil

Arrangement or understanding with major Shareholders, customers, suppliers or others

None of our Directors have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others. For details, please see ***"History and Certain Corporate Matters"*** on page 231.

Brief profiles of our Directors

Deepak Kumar Singal is the Chairman cum Managing Director of our Company. He has completed his secondary school education in the year 1974. He started his partnership firm under the name M/s Deepak Builders in the year 1990 ("**Partnership Firm**"). The business of the Partnership Firm was eventually taken over by our Company in the year 2018. He has been on the Board since the incorporation of our Company. He has more than 30 years of experience in the construction industry. He currently looks after the day-to-day affairs of the Company and contributes to the overall growth and expansion of the Company. He was awarded as "The Businessman of the Year" by the Chief Minister of Punjab in 2012.

Sunita Singal is a Whole-time Director of our Company. She has been on the Board since the incorporation of our Company. She holds a bachelor's degree in Arts from Khalsa College of Women, Ludhiana. She was a partner of M/s Deepak Builders since the year 2012 ("**Partnership Firm**"). The business of the Partnership Firm was eventually taken over by our Company in the year 2018. She has 11 years of experience in the construction industry. She is responsible for the administrative affairs of our Company.

Inder Dev Singh is an Independent Director of our Company. He has been on the Board of our Company since May 25, 2022. He holds Bachelor's degree in Law (Non-Professional) from the Punjab University. He was in employment with Punjab National Bank and served in various capacities as a professional banker and retired as Chief General Manager on April 30, 2010. He has over 40 years of experience in the field of banking and finance.

Kashish Mittal is an Independent Director of our Company. He has been on the Board of our Company since May 25, 2022. He has completed his degree in Bachelor of Technology in Computer Science from the Indian Institute of Technology, Delhi. He qualified as an IAS officer and served as an Administrative Officer, with the Government of India and has over 8 years of experience

Vinod Kumar Kathuria is an Independent Director of our Company. He has been on the Board of our Company since January 19, 2024. He holds Master's degree in Commerce from The University of Delhi. He is also an Associate of the Indian Institute of Bankers. He has previously worked with the Punjab National Bank in various capacities from February 1980 till January 2016 and retired as Executive Director from Union Bank of India in July 2018. He has over 43 years of experience in the fields of banking and finance.

Relationship between Directors and Key Managerial Personnel or Senior Management

Other than Deepak Kumar Singal and Sunita Singal, who are husband and wife, none of our Directors are related to each other or to our Key Managerial Personnel or Senior Management.

Terms of appointment of our Executive Directors

Deepak Kumar Singal, Managing Director

The following table sets forth the terms of appointment of Deepak Kumar Singal with effect from January 19, 2024 till January 18, 2029:

Sr. No	Particulars	Salary and perquisites
1.	Basic Salary	Managing Director shall be entitled to basic salary amounting up to ₹3.00 million per month.
2.	Other Benefits	i) Housing accommodation; ii) Medical reimbursement of all expenses incurred for self and family on actual basis as per company policy; iii) Leave travel expenses for self and family as per the Company policy;

Sr. No	Particulars	Salary and perquisites
		iv) Personal accident insurance premium as per the Company policy; v) Fees of one corporate club in India (inclusive admission and annual membership fee); vi) Reimbursement of entertainment, travelling and all other expenses as per the Company policy; vii) Leave and encashment of leave as per the Company policy; viii) Gratuity and/or contribution to the gratuity fund as per the Company policy; ix) Any other such one-time/ periodic retirement allowances/ benefits as may be decided by our board at the time of retirement; and x) Conveyance and communication facilities.

Sunita Singal, Whole Time Director

The following table sets forth the terms of appointment of Sunita Singal with effect from January 19, 2024 till January 18, 2029:

Sr. No	Particulars	Salary and perquisites
1.	Basic Salary	Sunita Singal shall be entitled to basic salary amounting up to ₹ 2.00 million per month
2.	Other Benefits	i) Medical reimbursement of all expenses incurred for self and family on actual basis as per company policy; ii) Leave travel expenses for self and family as per the Company policy; iii) Personal accident insurance premium as per the Company policy; iv) Fees of one corporate club in India (inclusive admission and annual membership fee); v) Reimbursement of entertainment, travelling and all other expenses as per the Company policy; vi) Leave and encashment of leave as per the Company policy; vii) Gratuity and/or contribution to the gratuity fund as per the Company policy; viii) Any other such one-time/ periodic retirement allowances/ benefits as may be decided by our board at the time of retirement; and ix) Conveyance and communication facilities.

Terms of appointment of our Non-executive Directors (including Independent Directors)

Except for sitting fees, our Independent Directors are not entitled to receive any remuneration or compensation from our Company.

Pursuant to the Board resolution dated January 2, 2024, each Independent Director, is entitled to receive sitting fees of ₹ 25,000 per meeting for attending meetings of the Board and ₹ 10,000 per meeting for attending meetings of the committees of the Board of Directors.

The details of payments (including sitting fees, salaries, commission and perquisites) and professional fees, paid to our Independent Directors during Fiscal 2023 are as follows:

Name of Director	Remuneration (₹ in million)
Inder Dev Singh	0.25
Kashish Mittal	0.25
Vinod Kumar Kathuria	-

Compensation of Whole-time Director/ Compensation of Managing Directors

The details of the Remuneration paid to our Executive Directors in the Fiscal 2023 is set out as below:

Name of Director	Designation	Remuneration (₹ in million)
Deepak Kumar Singal	Managing Director	9.00
Sunita Singal	Whole-time Director	6.00

Remuneration paid or payable to our Directors from our Subsidiaries

Our Company does not have any subsidiaries as on date.

Bonus or profit-sharing plan for the Directors

Our Company does not have any bonus or profit-sharing plan for our Directors.

Shareholding of our Directors

Our Articles of Association do not require our Directors to hold any qualification shares.

The table below sets forth details of Equity Shares held by the Directors, as on date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Director	No. of shares held	Percentage (%)
1	Deepak Kumar Singal	32,305,970	90.04
2	Sunita Singal	3,564,890	9.93
Total		**35,870,860**	**99.97**

Service contracts with Directors

As on the date of filing of this Draft Red Herring Prospectus, our Company has not entered into any service contracts with the Directors.

Contingent and/or deferred compensation payable to our Whole-time Director:

Except as disclosed under "***Our Management – Terms of appointment of our Executive Directors***" on page 242 there are no contingent or deferred compensation payable to our Executive Director which does not form part of his remuneration.

Borrowing Powers

Pursuant to our Articles of Association and the applicable provisions of the Companies Act, 2013 and the rules framed thereunder, and pursuant to our Board resolution dated September 29, 2023, and the special resolution passed by our Shareholders on September 30, 2023, our Board is authorized to borrow sums of money, which, together with the monies borrowed by our Company (excluding temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of our Company and its free reserves, provided that the aggregate borrowings and outstanding at any time shall not exceed the amount of ₹20,000.00 million or the aggregate of the paid-up share capital and free reserves of our Company, whichever is higher.

Interest of Directors

Our Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them by our Company for attending meetings of our Board or committees thereof.

Our Directors may be interested to the extent of Equity Shares, if any, held by them, or held by the entities in which they are associated as partners, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees and any dividend and other distributions payable in respect of such Equity Shares.

Our Director, Deepak Kumar Singal is entitled to receive rent for the use of the Corporate Office of our Company and to the extent of security deposit received against the said property. For further details, please see "***Our Business – Properties***" and "***Restated Financial Statements – Note 38 – Related Party Transactions***" on page 222 and 296, respectively.

None of our Directors have availed any loan from our Company.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/ her to become, or to qualify him/ her as a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

Interest in property

Except to the extent of properties transferred pursuant to the Business Takeover Agreement, none of our Directors are interested in any property acquired or proposed to be acquired by our Company.

Interest in promotion or formation of our Company

Deepak Kumar Singal, Managing Director and Sunita Singal, Whole-time Directors are the Promoters of our Company. For further details regarding our Promoters, see ***"Our Promoters"*** on page 254.

Business interest

Except as stated in the sections titled ***"Restated Financial Statements – Note 38 – Related Party Transactions"*** on page 296, our Directors do not have any other business interest in our Company.

Confirmation

None of our Directors is or was a director of any listed company whose shares have been or were suspended from being traded on any stock exchanges in India during the term of their directorship in such companies, in the last five years preceding the date of this Draft Red Herring Prospectus.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchanges, during the term of their directorship in such Companies.

None of our Directors have been declared as Wilful Defaulters.

Neither our 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.

None of our Directors are prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court. 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.

Confirmation in relation to RBI Circular dated July 1, 2016

Neither our Company nor any of our Directors have been declared as Fraudulent Borrowers by RBI in terms of the RBI circular dated July 1, 2016.

Changes in our Board during the last three years

The changes in our Board of our Company during the last three years till the date of this Draft Red Herring Prospectus are set forth below.

Name of Director	Date	Reason
Inder Dev Singh	May 25, 2022	Appointment as Independent Director
Kashish Mittal	May 25, 2022	Appointment as Independent Director
Akash Singal	March 13, 2023	Appointment as Additional Director
Akash Singal	September 30, 2023	Change in designation from Additional Director to Whole-time Director
Akash Singal	October 12, 2023	Cessation as Whole-time Director
Vinod Kumar Kathuria	January 19, 2024	Appointment as Independent Director

Corporate Governance

As on the date of this Draft Red Herring Prospectus, we have five (5) directors on our Board, comprising of one (1) Chairman cum Managing Director, one (1) Whole-time Director (who is also the woman director) and three (3) independent directors. The present composition of our Board of Directors and its committees is in accordance with the Companies Act and SEBI Listing Regulations.

The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act, 2013 and the SEBI Listing Regulations in relation to the composition of our Board and constitution of committees thereof. Our Company undertakes to take all necessary steps to continue to comply with all applicable requirements of the SEBI Listing Regulations and the Companies Act.

Board committees

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

a. Audit Committee;
b. Nomination and Remuneration Committee;
c. Stakeholders Relationship Committee;
d. Corporate Social Responsibility Committee; and
e. IPO Committee.

Details of each of these committees are as follows:

Audit Committee

The Audit Committee was constituted pursuant to a meeting of our Board held on December 10, 2022 and reconstituted on February 9, 2024.

The Audit Committee currently consists of:

a) Inder Dev Singh *(Chairperson)*
b) Vinod Kumar Kathuria *(Member)*; and
c) Deepak Kumar Singal *(Member)*.

Further, the Company Secretary of our Company shall act as the secretary to the Audit Committee.

The scope, functions and the terms of reference of the Audit Committee is in accordance with the Section 177 of the Companies Act, 2013 and Regulation 18 (3) Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule II Part C.

The role of the audit committee shall include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
    (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
    (b) Changes, if any, in accounting policies and practices and reasons for the same;
    (c) Major accounting entries involving estimates based on the exercise of judgment by management;
    (d) Significant adjustments made in the financial statements arising out of audit findings;
    (e) Compliance with listing and other legal requirements relating to financial statements;
    (f) Disclosure of any related party transactions;
    (g) modified opinion(s) in the draft audit report
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right 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;
7. Review and monitor the auditor's independence, performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. 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;
14. Discussion with internal auditors any significant findings and follow up there on;
15. 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;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non – payment of declared dividends) and creditors;
18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases;
19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary (if any) exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders
23. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Further, the Audit Committee shall mandatorily review the following:

(a) Management discussion and analysis of financial condition and results of operations;
(b) Management letters / letters of internal control weaknesses issued by the statutory auditors;
(c) Internal audit reports relating to internal control weaknesses; and
(d) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;

(e) Statement of deviations:

1. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of regulation 32(1);
   (a) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Nomination and Remuneration Committee:

The Nomination and Remuneration committee was constituted by a resolution of our Board dated March 20, 2023 and was reconstituted on February 9, 2024.

The Nomination and Remuneration Committee currently consists of:

a) Kashish Mittal *(Chairperson)*;
b) Inder Dev Singh *(Member)*;
c) Vinod Kumar Kathuria *(Member) and*
d) Deepak Kumar Singal *(Member).*

The scope, functions and the terms of reference of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of Nomination and Remuneration Committee shall include the following:

(1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
(2) For every appointment of an independent director, the Nomination and Remuneration 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 for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may: a. use the services of an external agencies, if required; b. consider candidates from a wide range of backgrounds, having due regard to diversity; and c. consider the time commitments of the candidates;
(3) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
(4) Devising a policy on diversity of board of directors;
(5) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
(6) 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.
(7) Recommend to the board, all remuneration, in whatever form, payable to senior management

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted pursuant to a meeting of our Board held on February 9, 2024. The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders' Relationship Committee currently consists of:

a) Kashish Mittal *(Chairperson)*;
b) Sunita Singal *(Member)*; and
c) Deepak Kumar Singh *(Member)*.

Role of Stakeholders' Committee

The role of Stakeholder Relationship Committee, together with its powers, is as follows:

(1) Resolving grievances of our security holders, including complaints related to transfer/transmission of shares, 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 our Company in respect of various services

being rendered by the Registrar & Share Transfer Agent;

(4) Review of various measures and initiatives taken by our 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.

Corporate Social Responsibility Committee

The CSR Committee was constituted by a resolution of our Board dated September 30, 2019 and was last reconstituted on December 10, 2022 by a resolution of our Board. The current constitution of the CSR Committee is as follows:

a) Deepak Kumar Singal *(Chairperson)*;

b) Sunita Singal *(Member)*; and

c) Inder Dev Singh *(Member)*

The terms of reference of the Corporate Social Responsibility Committee shall include the following:

1. formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;
2. identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
3. review and recommend the amount of expenditure to be incurred on the activities referred to in clause (i) and the distribution of the same to various corporate social responsibility programs undertaken by the Company;
4. delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
5. review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
6. any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and
7. exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

IPO Committee

The IPO Committee was constituted pursuant to a meeting of our Board held on February 9, 2024.

The IPO Committee currently consists of:

a) Deepak Kumar Singal *(Chairperson);*

b) Sunita Singal *(Member)*;

c) Rishabh Gupta *(Member)*; and

d) Anil Kumar *(Member)*.

The terms of reference of the IPO Committee shall include the following:

1. to decide in consultation with the BRLM the actual size of the Offer, and taking on record the number of equity shares proposed to be offered and/or reservation on a competitive basis, and/or green shoe option and/or any rounding off in the event of any oversubscription and/or any discount to be offered to retail individual bidders or eligible employees participating in the Offer and all the terms and conditions of the Offer, including without limitation timing, opening and closing dates of the Offer, price band, matter relating to pre-IPO placement, allocation/ allotment to eligible persons pursuant to the Offer, including any anchor investors, and to accept any amendments, modifications, variations or alterations thereto;

2. to appoint, instruct and enter into agreements with the BRLM, and in consultation with BRLM appoint and enter into agreements with intermediaries, underwriters, syndicate members, brokers, escrow collection bankers, auditors, independent chartered accountants, advisors to the company, refund

bankers, registrar, grading agency, monitoring agency, industry expert, legal counsel, depositories, custodians, credit rating agencies, printers, advertising agency(ies), and any other agencies or persons (including any successors or replacements thereof) whose appointment is required in relation to the Offer and to negotiate and finalize the terms of their appointment, including but not limited to execution of the engagement letters and offer agreement with the BRLM, and the underwriting agreement with the underwriters, and to terminate agreements or arrangements with such intermediaries;

3. to take all actions as may be necessary or authorized, in connection with the Offer for Sale, including taking on record the approval of the Selling Shareholder(s) for offering their Equity Shares including the quantum in terms of number of Equity Shares/amount offered by the Selling Shareholder(s) in the Offer for Sale, allow revision of the Offer for Sale portion in case the Selling Shareholder decides to revise it, in accordance with the Applicable Laws;

4. to finalise, settle, approve, adopt and arrange for submission of the draft red herring prospectus, the red herring prospectus, the Prospectus, any amendments, supplements, notices, clarifications, reply to observations, addenda or corrigenda thereto, to appropriate government and regulatory authorities, respective stock exchanges where the Equity Shares are proposed to be listed, the Registrar of Companies, Delhi and Haryana, institutions or bodies;

5. to issue advertisements in such newspapers and other media as it may deem fit and proper, in consultation with the relevant intermediaries appointed for the Offer in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"), Companies Act, 2013, as amended and other applicable laws;

6. to decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any;

7. to open separate share escrow account to hold Offer Shares from Selling Shareholders and escrow accounts as the escrow account to receive application monies from anchor investors/ underwriters in respect of the bid amounts and a bank account as the refund account for handling refunds in relation to the Offer and in respect of which a refund, if any will be made;

8. to open account with the bankers to the Offer to receive application monies in relation to the Offer in terms of Section 40(3) of the Companies Act, 2013, as amended;

9. to negotiate, finalise, sign, execute and deliver or arrange the delivery of the offer agreement, syndicate agreement, share escrow, cash escrow and sponsor bank agreement, underwriting agreement, agreements with the registrar to the Offer, monitoring agency and the advertising agency(ies) and all other agreements, documents, deeds, memorandum of understanding and other instruments whatsoever with the registrar to the Offer, monitoring agency, legal advisors, auditors, Stock Exchanges, BRLM and other agencies/ intermediaries in connection with Offer with the power to authorize one or more officers of the Company to execute all or any of the aforesaid documents;

10. to make any applications, seek clarifications, obtain approvals and seek exemptions, if necessary, from the Stock Exchange, the Securities and Exchange Board of India, the Reserve Bank of India, Registrar of Companies and such other statutory and governmental authorities in connection with the Offer, as required by applicable law, and to accept, on behalf of the Board, such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, exemptions, permissions and sanctions as may be required, and wherever necessary, incorporate such modifications / amendments as may be required in the DRHP, RHP and the Prospectus;

11. to make in-principle and final applications for listing and trading of the Equity Shares on one or more stock exchanges, to execute and to deliver or arrange the delivery of the equity listing agreement(s) or equivalent documentation to the Stock Exchanges and to take all such other actions as may be necessary in connection with obtaining such listing;

12. to determine and finalize, in consultation with the BRLM, the price band for the Offer and minimum bid lot for the purpose of bidding, any revision to the price band and the final Offer price after bid closure,

and to finalize the basis of allocation and to allot the Equity Shares to the successful allottees (including anchor investors) and credit Equity Shares to the demat accounts of the successful allottees in accordance with applicable laws and undertake other matters in connection with or incidental to the Offer, including determining the anchor investor portion, in accordance with the SEBI ICDR Regulations;

13. to issue receipts/ allotment advice/ confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of the Company to sign all or any of the aforementioned documents;

14. to do all such deeds and acts as may be required to dematerialise the Equity Shares and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with National Securities Depository Limited, Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, as may be required in this connection with power to authorise one or more officials of the Company to execute all or any of the aforesaid documents;

15. to approve the code of conduct, suitable insider trading policy, whistle blower/vigil mechanism policy and other corporate governance requirements considered necessary by the Board or the IPO Committee or as required under applicable law;

16. to seek, if required, the consent and waivers of the parties with whom the Company and/or its subsidiaries have entered into various commercial and other agreements, including but not limited to lenders, lessors, customers, suppliers, strategic/ joint venture partners, all concerned governmental and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Offer in accordance with the applicable laws;

17. to determine the price at which the Equity Shares are offered, issued, allocated, transferred and/or allotted to investors in the Offer in accordance with applicable regulations in consultation with the BRLM and/or any other advisors, and determine the discount, if any, proposed to be offered to eligible categories of investors;

18. to settle all questions, difficulties or doubts that may arise in relation to the Offer, as it may in its absolute discretion deem fit;

19. to do all acts and deeds, and execute all documents, agreements, forms, certificates, undertakings, letters and instruments as may be necessary for the purpose of or in connection with the Offer;

20. to authorize and approve the incurring of expenditure and payment of fees, commissions, brokerage and remuneration in connection with the Offer;

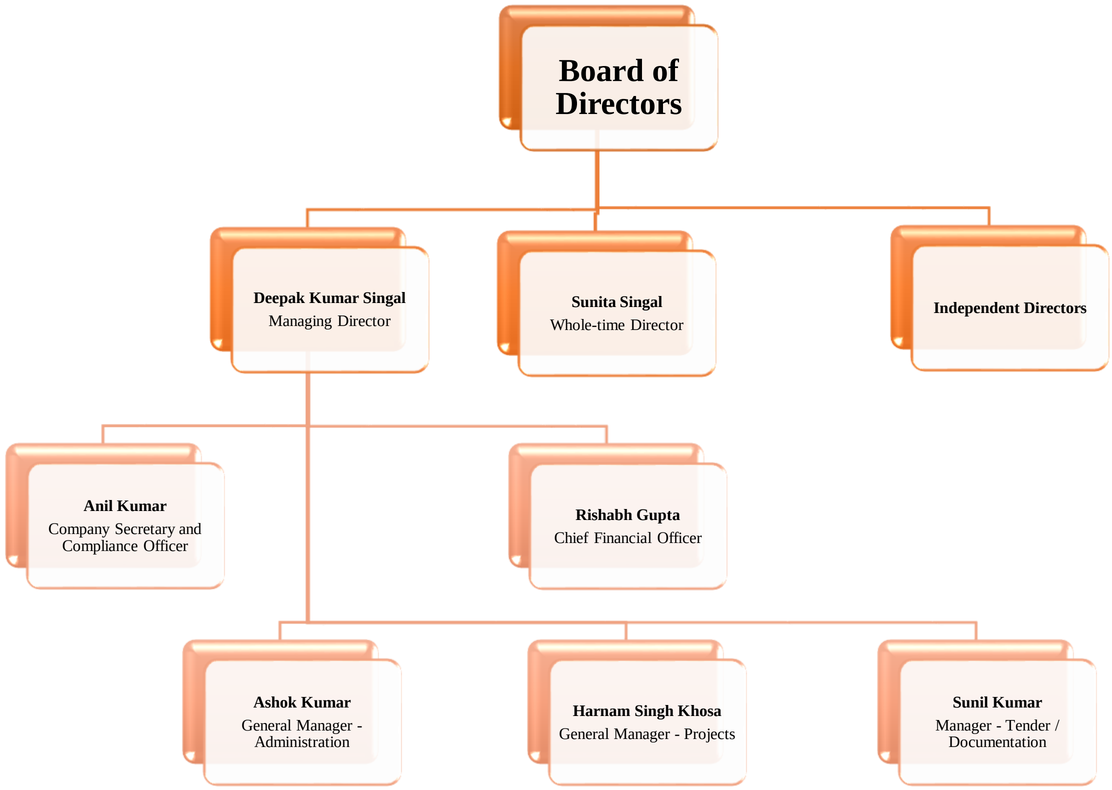
21. to withdraw the DRHP or RHP or to decide not to proceed with the Offer at any stage, in consultation with the BRLM and in accordance with the SEBI ICDR Regulations and applicable laws;

22. to submit undertaking/certificates or provide clarifications to the SEBI, Registrar of Companies and the relevant stock exchange(s) where the Equity Shares are to be listed; and

23. to authorize and empower officers of the Company (each, an "**Authorized Officer(s)**"), for and on behalf of the Company, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the Authorized Officer(s) consider necessary, appropriate or advisable, in connection with the Offer, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreement(s) with the stock exchange(s), the registrar's agreement and memorandum of understanding, the depositories' agreements, the offer agreement with the BRLM (and other entities as appropriate), the underwriting agreement, the syndicate agreement with the BRLM and syndicate members, the stabilization agreement, the cash escrow and sponsor bank agreement, confirmation of allocation notes, allotment advice, placement agents, registrar to the Offer, bankers to the Company, managers, underwriters, escrow agents, accountants, auditors, legal counsel, depositories, advertising agency(ies), syndicate members, brokers, escrow collection bankers, auditors, grading

agency, monitoring agency and all such persons or agencies as may be involved in or concerned with the Offer, if any, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Offer by the BRLM and to do or cause to be done any and all such acts or things that the Authorized Officer(s) may deem necessary, appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the Offer; and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer(s) shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing.

Management Organization Structure



Key Managerial Personnel and Senior Management Personnel

Key Managerial Personnel

Other than Deepak Kumar Singal, Chairman cum Managing Director and Sunita Singal, Whole-time Director, whose details are provided hereinabove, the details of our Key Managerial Personnel, as on the date of this Draft Red Herring Prospectus are set forth below.

Anil Kumar is the Company Secretary and Compliance Officer of our Company. He has been working with our Company since October 1, 2022. He has completed the degree of Bachelor of Commerce from Punjab University. He is an associate of the Institute of Company Secretaries of India from June 10, 1996. He was previously associated with Jindal Cotex Limited as its Company Secretary and Compliance Officer. He has more than 21 years of experience in the field of legal and secretarial compliances. He received a gross remuneration of ₹0.39 million in Fiscal 2023.

Rishabh Gupta is the Chief Financial Officer of our Company. He has been associated with our Company since June 1, 2023. He has completed the degree of Bachelor of Commerce from Punjab University. He qualified as a Chartered Accountant in the year 2013. He is responsible for handling finance and accounting matters of our Company. He was admitted as a partner with M/s Pradeep Tangri and Associates, Chartered Accountants, Ludhiana from the year 2014 till the year 2020. He has over a decade of experience in the field of accounts, finance

& taxation. He was appointed with our Company in June 2023 and hence, he has not received any compensation from the Company in the Fiscal 2023.

Senior Management

In addition to the Chief Financial Officer and the Company Secretary and Compliance Officer of our Company, whose details are provided in "***Our Management – Key Managerial Personnel***" on page 250, the details of our other Senior Management are set out below:

Ashok Kumar is the General Manager – Administration of our Company. He has been working with our Company since April 1, 2018. He has completed his Bachelor of Arts degree from Kalinga University. He has previously worked with M/s Deepak Builders partnership firm since June 1994 till March 31, 2018. He has more than 29 years of experience in the construction and EPC industry. He is responsible for the office administration, setting up of rules, regulations and measures to regulate accounting and management accurately, guiding in drafting of technical documents, whenever required, to make inventory records and monitoring budget etc. He received a gross remuneration of ₹0.42 million in Fiscal 2023.

Harnam Singh Khosa is the General Manager – Projects of our Company. He has been associated with our Company since April 1, 2018. He has completed his masters of engineering from the Punjab University. He is responsible for handling project management of our Company. He has around 6 years of experience in the field of construction and EPC. He is responsible for reviewing designs to ensure that they comply with government regulations and standards for safety, materials and construction techniques, overseeing the installation of new equipment as well as repairs to existing equipment, monitoring budgets and making adjustments when necessary, reviewing work orders and making decisions, overseeing daily business operations, developing and implementing growth strategy and training low-level managers and staff. He received a gross remuneration of ₹1.10 million in Fiscal 2023.

Sunil Kumar is the Manager – Tender / Documentation of our Company. He has been working with our Company since April 1, 2018. He has completed the degree of Bachelor of Commerce from Himachal Pradesh University. He has previously worked with M/s Deepak Builders partnership since the year 2001 till March 31, 2018. He has more than 23 years of experience in the field of construction and EPC. He is responsible for overlooking the tender process such as, streamlining and assisting in the development and preparation of organization's tender process strategy along with general business planning. He received a gross remuneration of ₹0.48 million in Fiscal 2023 and is also entitled for rent free accommodation.

Service Contracts with Key Managerial Personnel

No Key Managerial Personnel and Senior Management has entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Interest of Key Managerial Personnel and Senior Management Personnel

For details of the interest of our Managing Director and Whole-time Directors in our Company, see "***Our Management – Interest of Directors***" on page 242.

Other than to the extent of the remuneration, benefits, interest of receiving dividends on the Equity Shares, reimbursement of expenses incurred in the ordinary course of business, our Key Managerial Personnel and Senior Management Personnel have no other interest in the equity share capital of the Company.

No loans have been availed by our Key Managerial Personnel and Senior Management Personnel from our Company as on the date of this Draft Red Herring Prospectus.

Relationship amongst Key Managerial Personnel and Senior Management Personnel

Except as disclosed in the "***Our Management*** **– Relationship between Directors and Key Managerial Personnel or Senior Management**", none of our Key Managerial Personnel and Senior Management Personnel are related to each other.

Arrangements and understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel and Senior Management Personnel have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Payment or benefit to officers of our Company (non-salary related)

Except the rent-free accommodation provided to Sunil Kumar in addition to his remuneration, no non-salary related amount or benefit has been paid or given to any officer of our Company including Key Managerial Personnel or Senior Management within the two years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

Contingent and deferred compensation payable to our Key Managerial Personnel and Senior Management Personnel

There is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management Personnel.

Bonus or profit-sharing plan for the Key Managerial Personnel and Senior Management Personnel

There is no bonus or profit-sharing plan for the Key Managerial Personnel and Senior Management Personnel.

Status of Key Managerial Personnel and Senior Management Personnel

All our Key Managerial Personnel and Senior Management Personnel are permanent employees of our Company.

Shareholding of Key Managerial Personnel and Senior Management Personnel

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%)*
1.	Deepak Kumar Singal	32,305,970	90.04
2.	Sunita Singal	3,564,890	9.93
3.	Ashok Kumar	100	Negligible
4.	Harnam Singh Khosa	100	Negligible
Total		**35,871,060**	**99.97**

Changes in Key Managerial Personnel and Senior Management Personnel during the last three years

The changes in our Key Managerial Personnel and Senior Management Personnel during the last three years till the date of this Draft Red Herring Prospectus are set forth below.

Name of KMP/SMP	Date	Reason
Swati Gupta	September 30, 2022	Cessation as Company Secretary
Anil Kumar	October 1, 2022	Appointment as Company Secretary
Rishabh Gupta	June 1, 2023	Appointment as CFO
Akash Singal	September 30, 2023	Appointment as WTD
Akash Singal	October 12, 2023	Cessation as WTD
Anil Kumar	February 9, 2024	Re-designated as Company Secretary and Compliance Officer

Attrition of Key Managerial Personnel and Senior Management Personnel

The attrition of Key Managerial Personnel and Senior Management Personnel is not high in our Company

Employee Stock Options and Stock Purchase Schemes

As on date of this Draft Red Herring Prospectus, our Company does not have any Employee Stock Options and other Equity-Based Employee Benefit Schemes.

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OUR PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS

Deepak Kumar Singal and Sunita Singal are the Promoters of our Company.

As on the date of this Draft Red Herring Prospectus, our Promoters' shareholding in our Company is as follows:

Name of the Promoter	No. of Equity Shares	% of pre-Offer issued, subscribed and paid-up Equity Share Capital
Deepak Kumar Singal	32,305,970	90.04
Sunita Singal	3,564,890	9.93
Total	**35,870,860**	**99.97**

For further details, see ***"Capital Structure*** **– The aggregate shareholding of the Promoters and Promoter group*"*** on page 98.

The details of our Promoters are as under:

Deepak Kumar Singal

Deepak Kumar Singal, aged 67 years is the Chairman cum Managing Director of our Company. He is an Indian national. For details of his educational qualifications, residential address, date of birth, experience, positions and posts held in the past, other directorships and interest in other entities, business, financial activities and special achievements, see "***Our Management***" on page 238. Other than the entities forming part of the Group Companies and Promoter Group, Deepak Kumar Singal is not involved in other ventures.

His permanent account number is AIZPS1486R.

Sunita Singal

Sunita Singal, aged 64 years is the Whole-Time Director of our Company. She is an Indian national. For details of her educational qualifications, residential address, date of birth, experience, positions and posts held in the past, other directorships and interest in other entities, business, financial activities and special achievements, see "***Our Management***" on page 238. Other than the entities forming part of the Group Companies and Promoter Group, Sunita Singal is not involved in other ventures

Her permanent account number is AIZPS1477N.

Confirmations and Undertakings

We confirm that the Permanent Account Number, Bank Account number, Passport number and Aadhaar card number of our Promoters and driving license number of our Promoter, Deepak Kumar Singal have been submitted to the Stock Exchange(s) at the time of filing of this Draft Red Herring Prospectus.

Change in Control of our Company

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.

Other ventures of our Promoters

Other than as disclosed in the section "***Our Management – Other Directorships***" on page 238, and our Promoter Group entities and Group Companies, our Promoters are not involved in any other ventures. For details see, "***Our Group Companies***" on page 259 and "***Risk Factors – Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company after the Offer, which will allow them to determine the outcome of matters submitted to shareholders for approval***" on page 60. Further, except our Promoter Group entities and Group Companies our Promoters do not have any interest in a venture that is involved in any activities similar to those conducted by our Company.

Experience of our Promoter in the business of our Company

Our Promoters have adequate experience in the industry in which our Company conducts its business. For further details please see "***Our Management – Brief profiles of our Directors***" on page 240.

Interest of our Promoters

Our Promoters are interested in our Company to the extent of: (i) having promoted our Company; (ii) their shareholding and the shareholding of their relatives in our Company and the dividend payable, if any, and other distributions in respect of the Equity Shares held by him or their relatives; (iii) of remuneration payable to them as Directors of our Company; (iv) rent received for the use of the Corporate Office of our Company and to the extent of deposit received against the said property; and (v) receivables in the ordinary course of business. For further details, see "***Capital Structure***", "***Our Management***", "***Summary of the Offer Document – Related Party Transactions***" and "***Our Management - Interest in property***" and "***Restated Financial Statements***" on pages 93, 238, 31, 243 and 262 respectively.

Except as stated in "***Summary of the Offer Document – Related Party Transactions***" on page 31 and disclosed in "***Our Management – Interest of Directors***" on page 242, there has been no payment of any amount or benefit given to our Promoters or Promoter Group during the two years preceding the date of filing of the Draft Red Herring Prospectus nor is there any intention to pay any amount or give any benefit to our Promoters or Promoter Group as on the date of filing of this Draft Red Herring Prospectus.

Interest of our Promoters in our Company arising out of being a member of a firm or company

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to any firm or company in cash or shares or otherwise by any person either to induce him to become, or to qualify him as a director, promoter or otherwise for services rendered by such Promoters or by such firm or company, in connection with the promotion or formation of our Company.

Interest of our Promoters in the property of our Company

Except as stated in the section ***"Our Business"*** and ***"Financial Information",*** on pages 194 and 262, respectively, our Promoters are not interested in the properties acquired by our Company within the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by it, or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery, other than in the normal course of business.

Payment of Amounts or Benefits to the Promoters or Promoter Group During the last two years

Except as stated in the section **"*Restated Financial Information – Related Party Transactions*"** on page 296 there has been no payment of benefits paid or given to our Promoters or Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any amount or benefit to our Promoters or members of our Promoter Group.

Material Guarantees

Except as stated in the chapters **"*History and Certain Corporate Matters*", "*Financial Information*"** and ***"Financial Indebtedness"*** on pages 231, 262 and 308, 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 with which the Promoters have disassociated in the last three years

Except for Deepak Kumar Singal who has resigned from the directorship of DSB Steels Private Limited (although he still continues to hold shares in DSB Steels Private Limited), none of our other Promoters have disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Draft Red Herring Prospectus.

Confirmations

Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters or a fraudulent borrower by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

Our Promoters have not been declared as a fugitive economic offender under the provisions of section 12 of the Fugitive Economic Offenders Act, 2018.

Our Promoters, members of our Promoter Group, are not prohibited from accessing or operating in the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Except for investigation initiated by SEBI against some of the members of our Promoter Group, our Promoters and members of the Promoter Group are not promoters, directors or persons in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

For details on litigation involving our Promoters in accordance with SEBI ICDR Regulation, see "***Outstanding Litigation and Material Developments – Litigation involving our Promoters***" on page 348.

Other Confirmations

Except as stated below, none of our Promoters or individuals forming part of our Promoter Group are appearing in the list of directors of struck-off companies by the RoC or the MCA under Section 248 of the Companies Act. Further, none of the entities forming part of our Promoter Group are appearing in the list of struck-off companies by the RoC or the MCA under Section 248 of the Companies Act.

Persons	Struck-off Entities
Rakesh Singal	Kohinoor Energy India Limited*

**Voluntary Strike off*

Our Promoter Group

Persons constituting the Promoter Group (other than our Promoters) of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations 2018 are set out below:

Natural persons forming part of our Promoter Group (other than our Promoters):

Sr. No.	Name of Individuals	Relationships
Deepak Kumar Singal		
1.	Sunita Singal	Spouse

Sr. No.	Name of Individuals	Relationships
2.	Seema Aggarwal	Sister
3.	Kamini Goyal	Sister
4.	Vishal Singal	Brother
5.	Akash Singal	Son
6.	Henna Singal	Daughter
7.	Geeta Gupta	Spouse's Sister
8.	Kiran Gupta	Spouse's Sister
9.	Shashi Gupta	Spouse's Sister
10.	Rakesh Singal	Spouse's Brother
11.	Ramesh Gupta	Spouse's Brother
12.	Munish Gupta	Spouse's Brother
Sunita Singal		
1.	Deepak Kumar Singal	Spouse
2.	Akash Singal	Son
3.	Henna Singal	Daughter
4.	Geeta Gupta	Sister
5.	Kiran Gupta	Sister
6.	Rakesh Singal	Brother
7.	Shashi Gupta	Sister
8.	Ramesh Gupta	Brother
9.	Munish Gupta	Brother
10.	Seema Aggarwal	Spouse's Sister
11.	Kamini Goyal	Spouse's Sister
12.	Vishal Singal	Spouse's Brother

Entities forming part of our Promoter Group (other than our Promoters):

Sr. No.	Name of entities	Nature
1.	Deepak Buildcon Infrastructure	Proprietorship
2.	Deepak Buildcon	Proprietorship
3.	E9 News	Partnership firm
4.	Deepak Builders	Partnership firm
5.	Henna Enterprises Private Limited	Company
6.	DSB Steels Private Limited	Company
7.	AKS Luxuries Infra	Partnership firm
8.	H&S Infra	Proprietorship
9.	Deepak Singal Engineers and Builders Private Limited	Company
10.	Munish Gupta HUF	HUF
11.	Rakesh Gupta HUF	HUF
12.	Navrang International Private Limited	Company
13.	Windsor Exports	Partnership firm
14.	Eastman Industries	Partnership firm
15.	Windsor Chocolatiers	Partnership firm
16.	Windsor Perfumery	Partnership firm
17.	Eastman International	Partnership firm
18.	Eastman International Private Limited	Company
19.	Eastman Tubes Private Limited	Company
20.	Giant Securities Private Limited	Company
21.	Eastman Enterprises	Partnership firm
22.	Ramesh Steels	Partnership firm
23.	Nirmaan Developers	Partnership firm
24.	Zannat Developers	Partnership firm
25.	Rita International	Proprietorship
26.	R. K. Cloth Mills	Partnership firm

Sr. No.	Name of entities	Nature
27.	Eastman India	Partnership firm
28.	Ramesh Gupta HUF	HUF
29.	Aastik Builders	Proprietorship
30.	Shashi Gupta (Boutique)	Proprietorship

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term "***Group Companies***", includes (i) such companies (other than promoter(s) and subsidiary(ies), if any) with which there were related party transactions during the period for which financial information is disclosed, in accordance with Ind AS 24, as disclosed in the Restated Financial Statement ("**Relevant Period**"), including any additions or deletions in such companies, after the Relevant Period and until the date of the respective offer documents; and (ii) any other companies considered material by the Board of Directors.

Accordingly, all such companies with which the Company had related party transactions, in accordance with Ind AS 24, during the Relevant Period and as disclosed in the Restated Financial Statement, which is contained in Draft Red Herring Prospectus, shall be considered as group companies of the Company for the purpose of disclosure in this Draft Red Herring Prospectus to be filed in relation to the Issue.

Pursuant to a resolution of our Board dated February 9, 2024, with respect to item (ii) mentioned above, our Board has considered that such companies, which are a part of the Promoter Group (as defined in the SEBI ICDR Regulations) with whom our Company has entered into one or more transactions during Fiscal 2023, Fiscal 2022 and Fiscal 2021 and the seven months period ended October 31, 2023, if any, the monetary value of which individually or cumulatively exceeds 5% of the total revenue of our Company for the Relevant Period as per the Restated Financial Statement shall also be considered as group companies of the Company.

Set forth below, based on the aforementioned criteria, are the details of our Group Company as on the date of this Draft Red Herring Prospectus.

Deepak Singal Engineers and Builders Private Limited

Corporate Information

Deepak Singal Engineers And Builders Private Limited was incorporated on August 31, 1992 under the Companies Act, 1956. The registered office is located at Near Lodhi Club, Shaheed Bhagat Singh Nagar, Ludhiana – 141 012, Punjab, India. The Corporate Identification Number of Deepak Singal Engineers and Builders Private Limited is U70100PB1992PTC012566.

Financial Information

In accordance with SEBI ICDR Regulations, certain financial information pertaining to (i) the details of reserves (excluding revaluation reserves); (ii) sales; (iii) profit/loss after tax; (iv) earnings per share; (v) diluted earnings per shares; and (vi) net asset value in relation to Deepak Singal Engineers and Builders Private Limited for the last three Fiscals, extracted from its audited financial statements (as applicable) is available at the website of our Company at www.deepakbuilders.co.in.

It is clarified that such details available in relation to Deepak Singal Engineers and Builders Private Limited on the website of the Company do not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, would be doing so at their own risk. The link above has been provided solely to comply with the requirements of the SEBI ICDR Regulations.

Nature and extent of interests of our Group Companies

In the promotion of our Company

Our Group Company does not have an interest in the promotion or formation of our Company.

In the properties acquired by our Company

Our Group Company does not have any interest in any property acquired by our Company in the 3 years preceding the date of filing this Draft Red Herring Prospectus or proposed to be acquired by it as on date of this Draft Red Herring Prospectus.

In transactions for acquisition of land, construction of building and supply of machinery

Our Group Company does not have an interest in any transaction by our Company pertaining to acquisition of land, construction of building and supply of machinery.

Business interests in our Company

Except in the ordinary course of business and as disclosed under "***Restated Financial Statements***" on page 262, our Group Company does not have any business interest in our Company.

Related Business Transactions within our Group Companies and significance on the financial performance of our Company

Except as disclosed under "***Restated Financial Statements***" on page 262, there are no related business transactions with our Group Company.

Common pursuits of our Group Companies

There are common pursuits amongst our group company and our Company by virtue of engagement in the similar line of activities. However, the objects of the memorandum of association of our Deepak Singal Engineers and Builders Private Limited is authorised by their constitutional documents to engage in a similar line of business as that of our Company and accordingly there are certain common pursuits amongst our Group Companies and our Company. However, there is no conflict of interest among our Group Companies and Company and our Company will adopt necessary procedures and practices as permitted by law and regulatory guidelines to address any conflict situations if and when they arise. Whilst we cannot assure you that a conflict of interest will not arise if the entity decides to pursue such activities in future. Our Company shall adopt necessary procedures and practices as permitted by law and regulatory guidelines to address any instances of conflict of interest, if and when they may arise. For risks related to conflict of interest, please see "***Risk Factor on page 33 – Our Promoter holds interest in the Promoter Group entities some of which is authorised to undertake business activities which are similar to the business conducted by our Company.***

Litigation

As on date of this Draft Red Herring Prospectus, our Group Company is not party to any pending litigation which will have a material impact on our Company.

Utilisation of Offer Proceeds

There are no material existing or anticipated transactions with our Group Company in relation to utilisation of the Offer Proceeds.

DIVIDEND POLICY

The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and the applicable laws including the Companies Act, 2013 together with the applicable rules issued thereunder. The dividend distribution policy of our Company was approved and adopted by our Board on February 9, 2024 (the "***Dividend Distribution Policy***").

The Dividend Distribution Policy provides that our Board may consider the following financial/internal parameters while declaring or recommending dividend to Shareholders: (i) our Company's net profits earned during the Fiscal after tax; (ii) retained earnings; (iii) working capital requirement and repayment of debts, if any, (iv) contingent liabilities; (v) earnings outlook for at least next three years; (vi) current and expected future capital/liquidity requirements including expansion, modernization, investment in group companies and acquisitions; (vii) buyback of shares or any other profit distribution measure; (viii) stipulations/covenants of any agreement to which our Company is a party (including; financing documents, investment agreements and shareholders agreement); (ix) applicable legal restrictions; (x) and overall financial position of our Company; and (xi) any other factors and material events considered relevant by our Board, including those set out in any annual business plan and budget of our Company.

Our Board may consider the following external parameters while declaring or recommending dividend to Shareholders: (i) the applicable legal requirements, regulatory conditions or restrictions; (ii) dividend pay-out ratios of companies in similar industries; (iii) financing costs; (iv) the prevailing economic environment; and (v) any other relevant factors and material events to our Company.

Further, our Board may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board.

Retained earnings may be utilized by our Company for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board. Our Company may also, from time to time, pay interim dividends. For details in relation to risks involved in this regard, see "***Risk Factors - Our Company has not declared any dividends in the three Fiscals preceding the date of this Draft Red Herring Prospectus. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditure***" on page 66.

We have not declared and paid any dividends on the Equity Shares in any of the five Fiscals preceding the date of this Draft Red Herring Prospectus and until the date of this Draft Red Herring Prospectus. The dividend history in the past is not necessarily indicative of our dividend amounts, if any, in the future.

SECTION V – FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS' EXAMINATION REPORT ON RESTATED FINANCIAL STATEMENTS

To,
The Board of Directors
Deepak Builders & Engineers India Limited
Ludhiana

Dear Sirs / Madams,

1. We have examined the attached Restated Financial Statement of **Deepak Builders & Engineers India Limited**, (the "Company" or the "Issuer"), comprising the Restated Statement of Assets and Liabilities as at October 31, 2023, March 31, 2023, March 31 2022 and March 31, 2021, the Restated Statement of Profit and Loss (including Other Comprehensive Income), Restated Statement of Changes in Equity and Restated Statement of Cash Flows for the period ended October 31, 2023 and for the years ended 31st March, 2023, 31 March 2022 and 31 March 2021, and the Summary of Significant Accounting Policies and other explanatory information (collectively, the 'Restated Financial Information'), as approved by the Board of Directors of the Company at their meeting held on March 26, 2024 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

    a) Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act");

    b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

    c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) (as amended) issued by the Institute of Chartered Accountants of India ("ICAI"), (the "Guidance Note").

Management's Responsibility for the Restated Summary Statements

2. The preparation of the Restated Summary Statements, which are to be included in the DRHP to be filed with SEBI, ROC and the Stock Exchanges in connection with the proposed IPO is the responsibility of the Management of the Company. The Restated Summary Statements have been prepared by the Management of the Company on the basis of preparation, as stated in Note 2.1 to the Restated Summary Statements. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Summary Statements. The Management is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

Auditors' Responsibilities

3. We have examined such Restated Summary Statements taking into consideration:

    a) The terms of reference and terms of our engagement agreed with you vide our engagement letter dated February 9, 2024, requesting us to carry out the assignment, in connection with the proposed IPO of the Company;

    b) The Guidance Note also requires that we comply with ethical requirements of the Code of Ethics Issued by ICAI.

    c) Concepts of test checks and materiality to obtain reasonable assurance based on the verification of evidence supporting the Restated Summary Statements; and

    d) the requirements of Section 26 of the Act and the ICDR Regulations.

    Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the Offer.

Restated Summary Statements

4. These Restated Summary Statements have been compiled by the management of the Company from:

a) Audited Interim Financial Statements of the Company as at and for the period ended October 31, 2023 which were prepared in accordance with the Indian Accounting Standard 34 "Interim Financial Reporting", as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015 and accounting principle generally accepted in India, which have been approved by the Board of Directors at their meeting held on February 09, 2024.

b) Audited Financial Statements of the Company as at and for the year ended March 31, 2023 which were prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, at the relevant time, which have been approved by the Board of Directors at their meetings held on February 09, 2024.

c) Audited Financial Statements of the Company as at and for the years ended March 31, 2022 and March 31, 2021 prepared in accordance with the accounting standards notified under the section 133 of the Act ("Indian GAAP") and other accounting principles generally accepted in India, at the relevant time, which have been approved by the Board of Directors at their meetings held on September 6, 2022 and August 23, 2021.

d) The information for the years ended March 31, 2022 and March 31, 2021 included in such restated financial statements have been prepared by the management by making Ind AS adjustments to the audited financial statements of the Company as at and for the years ended March 31, 2022 and March 31, 2021 prepared in accordance with the Accounting Standards notified under the section 133 of the Act ("Indian GAAP") which was approved by the Board of Directors at their meeting held on March 26, 2024.

5. We have re-audited the special purpose financial information of the Company for the year ended March 31, 2023 prepared by the Company in accordance with the Indian Accounting Standard (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, at the relevant time for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR regulations in relation to proposed IPO. We have issued our report dated February 09, 2024 on these special purpose financial information to the Board of Directors who have approved these Special Purpose Information in their meeting held on February 09, 2024.

Auditor's Report

6. For the purpose of our examination, we have relied on:

a) Auditors' report issued by us, dated February 09, 2024, on the Ind AS financial Statements of the Company as at and for the period ended October 31, 2023 and re-audited financial statements of the Company as at and for the year ended March 31, 2023 as referred in Paragraph 4(a) & 4(b) above.

b) Auditors' reports issued by the Previous Auditors, M/s Krishan Goel & Associates, Chartered Accountants, (the "Previous Auditors"), dated September 6, 2022 and August 23, 2021 on the Financial Statements of the Company as at and for the years ended March 31, 2022 and March 31, 2021, respectively, as referred in Paragraph 4(c) above.

The Ind AS and restatement adjustments made to such financial statements (referred to in 6 (b) above) to comply with Ind AS and the basis set out in Note 2 to the Restated Financial Information, have been audited by us.

7. Based on our examination and according to the information and explanations given to us, we report that Restated Summary Statements of the Company –

i. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 to reflect the same accounting treatment as per the accounting policies and grouping / classifications, to the extent applicable followed as at and for the period ended October 31, 2023;

ii. does not contain any qualification requiring adjustments.

iii. Further, we place emphasis on the following matter as described below –
"The company has placed its reliance upon the Actuarial Valuation on Gratuity obtained for the period ended September 30, 2023 at the time of the preparation of Restated Financial Statements for the period ended October 31, 2023. The effect of the same is not material as per Company's Policy on determination of Materiality as there is no material rotation in number of employees during the period ended October 31, 2023."

iv. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

8. These Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates for the special purpose Interim Ind AS Financial Statements and Audited Financial Statements mentioned in the paragraph 4 above.

9. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11. Our report is intended solely for the use of the Board of Directors for inclusion in the DRHP to be filed with SEBI, ROC and the Stock Exchanges in connection with the proposed Offer. Our report should not be used, referred to, or distributed for any other purpose. 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.

For Parmod G Gupta & Associates
Chartered Accountants
Firm Registration No. – 018870N

Sd/-

Parmod Gupta
Partner
Membership No. – 096109
UDIN – 24096109BKDRXR1197

Ludhiana
26.03.2024

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(All Amount in ₹ Millions, unless otherwise stated)

S. No.	Particulars	Notes	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
I	**ASSETS**					
1	**Non-Current Assets**					
(a)	Property, Plant & Equipment and Intangibles Assets					
	(i) Property, Plant and Equipment	3	532.07	508.63	509.03	506.46
	(ii) Right of Use Asset	3(a)(i)	108.93	-	-	-
(b)	Financial Assets					
	(i) Investments	4	-	-	0.67	0.67
	(ii) Other Financial Assets	5	720.73	676.77	472.64	298.26
(c)	Other Non-Current Assets	6	349.66	268.21	220.34	36.27
	Sub-Total		**1,711.39**	**1,453.61**	**1,202.68**	**841.66**
2	**Current Assets**					
(a)	Inventories	7	2,070.10	1,700.00	691.12	246.25
(b)	Financial Assets					
	(i) Trade Receivables	8	684.37	975.08	958.00	1,077.35
	(ii) Cash & Cash Equivalents	9	2.34	31.70	2.38	47.83
(c)	Current Tax Assets (Net)	10	-	-	18.31	6.87
(d)	Other Current Assets	11	445.37	332.59	349.35	211.73
	Sub-Total		**3,202.18**	**3,039.37**	**2,019.16**	**1,590.03**
	Total Assets		**4,913.57**	**4,492.98**	**3,221.84**	**2,431.69**
II	**EQUITY AND LIABILITIES**					
1	**Equity**					
(a)	Equity Share Capital	12	358.81	358.81	358.81	358.81
(b)	Other Equity	13	847.28	646.62	488.38	324.31
	Sub-Total		**1,206.09**	**1,005.43**	**847.19**	**683.12**
2	**Liabilities**					
(a)	**Non-Current Liabilities**					
(i)	Financial Liabilities					
	(1) Borrowings	14	778.18	331.78	314.97	257.35
	(2) Lease Liabilities	3(a)(ii)	35.13	-	-	-
	(3) Other Financial Liabilities	15	14.65	15.47	9.89	9.30
(ii)	Provisions	16	6.67	6.55	4.78	-
(iii)	Other Non-Current Liabilities	17	792.14	1,031.34	395.91	328.61
(iv)	Deferred Tax Liabilities (Net)	18	20.82	23.54	44.69	48.19
	Sub-Total		**1,647.59**	**1,408.68**	**770.24**	**643.45**
(b)	**Current Liabilities**					
(i)	Financial Liabilities					
	(1) Borrowings	19	621.87	633.94	481.51	410.98
	(2) Lease Liabilities	3(a)(ii)	1.15	-	-	-
	(3) Trade Payables	20				
	(A) Dues to MSME		521.09	752.57	37.52	28.33
	(B) Dues to Other than MSME		611.03	419.80	786.02	613.06
	(4) Other Financial Liabilities	21	108.87	81.00	43.49	36.04
(ii)	Provisions	16	2.32	2.23	0.48	-
(iii)	Other Current Liabilities	22	158.90	185.72	255.39	16.71
(iv)	Current Tax Liabilities (Net)	23	34.66	3.61	-	-
	Sub-Total		**2,059.89**	**2,078.87**	**1,604.41**	**1,105.12**
	Total Equity & Liabilities		**4,913.57**	**4,492.98**	**3,221.84**	**2,431.69**
	Summary of Significant Accounting Policies	2				

The accompanying notes are the integral part of the Financial Statements

For Parmod G Gupta & Associates
Chartered Accountants
Firm Registration No. - 018870N

Sd/-

Parmod Gupta
Partner
Membership No. - 096109

Ludhiana
26.03.2024

For and on behalf of the Board of Directors
Deepak Builders & Engineers India Limited

Sd/-

Deepak Kumar Singal
C.M.D.
DIN - 01562688

Sd/-

Sunita Singal
Wholetime Director
DIN - 01534585

Sd/-

Rishabh Gupta
Chief Financial Officer

Sd/-

Anil Kumar
Company Secretary

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

RESTATED STATEMENT OF PROFIT AND LOSS

(All Amount in ₹ Millions, unless otherwise stated)

S. No.	Particulars	Notes	For the period ended 31.10.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
	Continuing Operations					
I	**Income**					
1	Revenue from Operations (Gross)	24	2,943.32	5,073.40	4,160.01	3,510.48
1.1	**Less** - GST		448.83	738.85	529.49	402.93
1.2	**Revenue from Operations (Net)**		**2,494.49**	**4,334.55**	**3,630.52**	**3,107.55**
2	Other Income	25	21.46	20.05	19.35	12.83
	Total Income		**2,515.95**	**4,354.60**	**3,649.87**	**3,120.38**
II	**Expenses**					
1	Cost of Material Consumed	26	1,287.90	2,890.76	2,493.17	2,222.44
2	Construction Expenses	27	502.96	671.37	494.80	303.21
3	Employee Benefits Expenses	28	171.01	204.33	164.65	208.00
4	Finance Costs	29	166.03	185.97	165.26	138.81
5	Depreciation and Amortization Expense	30	46.57	55.70	35.99	32.80
6	Other Expenses	31	60.17	59.21	58.54	34.79
	Total Expenses		**2,234.64**	**4,067.34**	**3,412.41**	**2,940.05**
III	**Profit before Tax & Exceptional Items from Continuing Operations (I - II)**		**281.31**	**287.26**	**237.46**	**180.33**
IV	Exceptional Items		-	-	-	-
V	**Profit before Tax from Continuing Operations (III - IV)**		**281.31**	**287.26**	**237.46**	**180.33**
VI	**Tax Expense for Continuing Operations**					
1	Current Tax	10	75.18	75.73	60.09	44.69
2	Deferred Tax	18	(0.83)	(2.42)	0.73	6.36
3	Tax Adjustments relating to Previous Years		0.68	-	-	-
	Total Tax Expense		**75.03**	**73.31**	**60.82**	**51.05**
VII	**Profit for the year from Continuing Operations (V - VI)**		**206.28**	**213.95**	**176.64**	**129.28**
VIII	**Other Comprehensive Income**	32				
1	**Items that will not to be reclassified to Statement of Profit or Loss**					
(a)	Re-Measurement Gain / (Losses) on Defined Benefit Plans		1.50	(0.90)	(3.51)	-
(b)	Re-Measurement Gain / (Losses) on PPE		(9.01)	(73.54)	(13.30)	180.80
(c)	Income Tax Effect		1.89	18.73	4.23	(38.22)
	Net Comprehensive Income not to be reclassified to Statement of Profit or Loss in the Subsequent Periods		**(5.62)**	**(55.71)**	**(12.58)**	**142.58**
2	**Other Comprehensive Income for the Year, net of Tax**		**(5.62)**	**(55.71)**	**(12.58)**	**142.58**
IX	**Total Comprehensive Income of the Year, net of Tax (VII + VIII)**		**200.66**	**158.24**	**164.06**	**271.86**
X	**Earnings per Share for Continuing Operations**					
1	Basic *(In ₹)*	33	5.75	5.96	4.92	3.60
2	Diluted *(In ₹)*	33	5.75	5.96	4.92	3.60
	Summary of Significant Accounting Policies	2				

The accompanying notes are the integral part of the Financial Statements

For Parmod G Gupta & Associates
Chartered Accountants
Firm Registration No. - 018870N

Sd/-

Parmod Gupta
Partner
Membership No. - 096109

Ludhiana
26.03.2024

For and on behalf of the Board of Directors
Deepak Builders & Engineers India Limited

Sd/-	Sd/-
Deepak Kumar Singal *C.M.D.* *DIN - 01562688*	**Sunita Singal** *Wholetime Director* *DIN - 01534585*
Sd/-	Sd/-
Rishabh Gupta *Chief Financial Officer*	**Anil Kumar** *Company Secretary*

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

RESTATED STATEMENT OF CASH FLOW

(All Amount in ₹ Millions, unless otherwise stated)

S. No.	Particulars	For the period ended 31.10.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
I	**Cash Flow from Operating Activities**				
	Profit before Tax from Continuing Operations	**281.31**	**287.26**	**237.46**	**180.33**
A	**Adjustment to Reconcile Profit before Tax to Net Cash Flows**				
	Non-Cash Adjustments				
1	Depreciation and Amortisation Expenses	46.57	55.70	35.99	32.80
2	Interest Cost	117.40	137.71	127.75	100.17
3	Interest on Lease Liability	2.29	-	-	-
4	(Profit) / Loss on Sale of Property, Plant & Equipment	(1.11)	2.19	-	0.66
5	Allowances for Expected Credit Loss	0.69	1.02	6.30	-
6	Adjustment in Reserves	-	-	-	(34.15)
7	Asset Written Off	0.24	-	-	-
8	Investment Written Off	-	0.67	-	-
9	Preliminary Expenses	-	0.91	0.43	0.43
10	Gain on Valuation of Financial Instruments	(1.75)	-	-	-
B	**Operating Profit before Working Capital Changes**	**445.64**	**485.46**	**407.93**	**280.24**
	Adjustments				
1	(Increase) / Decrease in Trade Receivables	290.71	(17.08)	119.35	(520.99)
2	(Increase) / Decrease in Inventories	(370.10)	(1,008.88)	(444.87)	442.11
3	(Increase) / Decrease in Other Assets	(194.92)	(14.30)	(321.54)	(16.52)
4	(Increase) / Decrease in Other Financial Assets	(120.71)	(204.56)	(174.38)	37.71
5	Increase / (Decrease) in Trade Payables	(40.25)	348.83	182.15	94.36
6	Increase / (Decrease) in Other Liabilities	(266.02)	565.76	305.98	(238.37)
7	Increase / (Decrease) in Other Financial Liabilities	27.05	43.09	8.04	31.89
8	Increase / (Decrease) in Provisions	1.71	2.62	1.75	-
C	**Cash Generated from Operations**	**(226.89)**	**200.94**	**84.41**	**110.43**
1	Income Tax Paid	44.81	72.12	78.40	51.56
	Net Cash Generated from Operating Activities (I)	**(271.70)**	**128.82**	**6.01**	**58.87**
II	**Cash Flows from Investing Activities**				
1	Purchase of Plant, Property and Equipments	(96.86)	(134.42)	(51.86)	(35.12)
2	Proceeds from Sale of Property, Plant & Equipments	23.60	3.39	-	1.20
	Net Cash Generated / (Used In) Investing Activities (II)	**(73.26)**	**(131.03)**	**(51.86)**	**(33.92)**
III	**Cash Flows from Financing Activities**				
1	Proceeds from Long Term Borrowings Including Current Maturity (Net)	208.35	112.73	151.71	134.88
2	Proceeds from Short Term Borrowings (Net)	225.98	56.51	(23.56)	(19.41)
3	Payment of Lease Liability	(1.33)	-	-	-
4	Interest Paid	(117.40)	(137.71)	(127.75)	(100.17)
	Net Cash Generated / (Used In) Financing Activities (III)	**315.60**	**31.53**	**0.40**	**15.30**
D	**Net Increase in Cash and Cash Equivalents (I + II + III)**	(29.36)	29.32	(45.45)	40.25
E	Cash and Cash Equivalents at the beginning of the year	31.70	2.38	47.83	7.58
F	**Cash and Cash Equivalents at year end**	**2.34**	**31.70**	**2.38**	**47.83**

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
	Components of Cash and Cash Equivalents				
1	Balances with banks -				
	In Current Account	0.68	27.41	1.42	45.73
2	Cash In Hand	1.66	4.29	0.96	2.10
	Total cash and cash equivalents	**2.34**	**31.70**	**2.38**	**47.83**

For Parmod G Gupta & Associates
Chartered Accountants
Firm Registration No. - 018870N

Sd/-

Parmod Gupta
Partner
Membership No. - 096109

Ludhiana
26.03.2024

For and on behalf of the Board of Directors
Deepak Builders & Engineers India Limited

Sd/-

Deepak Kumar Singal
C.M.D.
DIN - 01562688

Sd/-

Sunita Singal
Wholetime Director
DIN - 01534585

Sd/-

Rishabh Gupta
Chief Financial Officer

Sd/-

Anil Kumar
Company Secretary

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

RESTATED STATEMENT OF CHANGES IN EQUITY

(All Amount in ₹ Millions, unless otherwise stated)

A Equity Share Capital

S. No.	Particulars	No of Equity Shares	Amount
1	**As at 01.04.2020**	**3,58,80,860**	**358.81**
2	Issued during the year	-	-
3	Deletions during the year	-	-
4	**As at 31.03.2021**	**3,58,80,860**	**358.81**
5	Issued during the year	-	-
6	Deletions during the year	-	-
7	**As at 31.03.2022**	**3,58,80,860**	**358.81**
8	Issued during the year	-	-
9	Deletions during the year	-	-
10	**As at 31.03.2023**	**3,58,80,860**	**358.81**
11	Issued during the year	-	-
12	Deletions during the year	-	-
13	**As at 31.10.2023**	**3,58,80,860**	**358.81**

B Other Equity

S. No.	Particulars	Retained Earnings	Other Comprehensive Income	Total Other Equity
			Revaluation Surplus	
1	**As at 01.04.2020**	**86.60**	**-**	**86.60**
2	**Add** - Profit for the year	129.28	-	129.28
3	**Add** - Other comprehensive income (Net of Tax)	-	142.58	142.58
4	**Less** - Previous Year Tax Adjustments	(34.15)	-	(34.15)
5	**As at 31.03.2021**	**181.73**	**142.58**	**324.31**
6	**Add** - Profit for the year	176.64	-	176.64
7	**Add** - Other comprehensive income (Net of Tax)	(2.62)	-	(2.62)
8	**Less** - Additional Depriciation Charged during the year	-	(9.95)	(9.95)
9	**As at 31.03.2022**	**355.75**	**132.63**	**488.38**
10	**Add** - Profit for the year	213.95	-	213.95
11	**Add** - Other comprehensive income (Net of Tax)	(0.68)	-	(0.68)
12	**Less** - Additional Depriciation Charged during the year	-	(55.03)	(55.03)
13	**As at 31.03.2023**	**569.02**	**77.60**	**646.62**
14	**Add** - Profit for the year	206.28	-	206.28
15	**Add** - Other comprehensive income (Net of Tax)	1.12	-	1.12
16	**Less** - Additional Depriciation Charged during the year	-	(6.74)	(6.74)
17	**As at 31.10.2023**	**776.42**	**70.86**	**847.28**

For Parmod G Gupta & Associates
Chartered Accountants
Firm Registration No. - 018870N

Sd/-

Parmod Gupta
Partner
Membership No. - 096109

Ludhiana
26.03.2024

For and on behalf of the Board of Directors
Deepak Builders & Engineers India Limited

Sd/-	Sd/-
Deepak Kumar Singal	**Sunita Singal**
C.M.D.	*Wholetime Director*
DIN - 01562688	*DIN - 01534585*
Sd/-	Sd/-
Rishabh Gupta	**Anil Kumar**
Chief Financial Officer	*Company Secretary*

1. Corporate Information

Deepak Builders & Engineers India Limited ("the Company") is a **Public Limited Company** domiciled in India and incorporated on **September 11, 2017** under the provision of **Companies Act, 2013** as Private Limited Company vide CIN – **U45309DL2017PTC323467**. The company was converted to Public Limited Company vide **CIN - U45309DL2017PLC323467** on **October 12, 2022**. The Registered Office of the Company is located at **Ahluwalia Chambers, 1st Floor, Plot No. 16 & 17, Local Shopping Centre, Madangir, Near Pushpa Bhawan, South Delhi, New Delhi – 110062**.

The Company is presently engaged in the business of Construction Contract Works and Construction of Infrastructure Facilities including Hospitals, Flyovers / Bridges / ROB / RUB, Roads, Buildings etc.

The Restated Summary Statements for the period ended October 31, 2023 and year ended March 31, 2023, March 31, 2022, and March 31, 2021, were approved for issue in accordance with resolution of the Board of Directors on March 26, 2024.

2. Significant Accounting Policies

2.1 Basis of Preparation of and compliance with Ind AS

The Restated Summary Statements comprises of the Restated Statement of Assets and Liabilities of the Company as at October 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the related Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Cash Flows and the Restated Statement of Changes in Equity for each of the period / years ended October 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, and the summary of Accounting Policies and explanatory notes ("Restated Summary Statements")

These Restated Summary Statements have been prepared by the Management of the Company in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, issued by the Securities and Exchange Board of India ('SEBI') on September 11, 2018, in pursuance of the Securities and Exchange Board of India Act, 1992 ("ICDR Regulations") for the purpose of inclusion in the Red Herring Prospectus ("RHP" or "Offering Document") in connection with the proposed initial public offering of equity shares of face value of Rs. 10 each of the Company comprising a fresh issue of equity shares and an offer of sale of equity shares held by the selling shareholders (Collectively the "Offer"). These Restated Summary Statements have been prepared by the Company to comply in all material respects with the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act").
b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("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 (the "Guidance Note").

These Restated Summary Statements have been compiled by the Management from:

a) Audited Interim Financial Statements of the Company as at and for the period ended October 31, 2023 which were prepared in accordance with the accounting principle generally accepted in India including Indian Accounting Standard 34 "Interim Financial Reporting", as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, which have been approved by the Board of Directors at their meeting held on February 09, 2024.

b) Audited Financial Statements of the Company as at and for the year ended March 31, 2023 which were prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, at the relevant time, which have been approved by the Board of Directors at their meetings held on February 09, 2024.

c) Audited Financial Statements of the Company as at and for the years ended March 31, 2022 and March 31, 2021prepared in accordance with the accounting standards notified under the section 133 of the Act ("Indian GAAP") and other accounting principles generally accepted in India, at the relevant time, which have been approved by the Board of Directors at their meetings held on September 6, 2022 and August 23, 2021.

d) The information for the years ended March 31, 2022 and March 31, 2021 included in such restated financial statements have been prepared by the management by making Ind AS adjustments to the audited financial statements of the Company as at and for the years ended March 31, 2022 and March 31, 2021 prepared in accordance with the Accounting Standards notified under the section 133 of the Act ("Indian GAAP") which was approved by the Board of Directors at their meeting held on March 26, 2024.

The accounting policies have been consistently applied by the Company in preparation of the Restated Summary Statements and are consistent with those adopted in the preparation of Audited Financial Statements for the period ended October 31, 2023. These Restated Summary Statements have been prepared by the Company on the basis that it will continue to operate as a going concern.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments,
- Certain other financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

The Financial Statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest **Millions** (Rs. 1,000,000) except wherever otherwise stated.

2.2 Summary of Significant Accounting Policies

(A) Current versus Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or Cash Equivalent unless restricted from being exchanged or used to settle liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.

Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified **twelve months** as its operating cycle.

(B) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities that entity can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(C) Foreign Currency

(i) Functional and Presentation Currency

The financial statements of the Company are presented using Indian Rupee (Rs.), which is also our functional currency i.e. currency of the primary economic environment in which the company operates.

(ii) Transactions and Balances

Foreign currency transactions are translated into the respective functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

(D) Property, Plant and Equipment

PPE is recognised 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. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Property, Plant and Equipment acquired on hire purchase basis are recognised at their cash values. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy.

PPE not ready for the intended use as on the date of the Balance Sheet are disclosed as "Capital Work In Progress". (Also refer to policies on leases, borrowing costs, impairment of assets and foreign currency transactions).

Depreciation is recognised using **Straight Line Method** so as to write off the cost of the assets (other than freehold land & immovable properties) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic-benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Where cost of a part of the asset("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation on additions to / deductions from, owned assets is calculated pro rata to the period of use.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets acquired under finance leases are depreciated on a straight line basis over the lease term. Where there is reasonable certainty that the company shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the company for similar assets.

Freehold land is not depreciated.

(E) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets Under Development".

Intangible assets are amortised on Straight-Line Basis over the estimated useful life. The method of amortisation and useful life is reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

(F) Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units' (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely, independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses on non-financial asset, including impairment on inventories, are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI upto the amount of any previous revaluation surplus.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate; and when circumstances indicate that the carrying value may be impaired.

(G) Non-Current Assets Held For Sale

The Company classifies non-current assets and disposal groups as 'Held for Sale' if their carrying amounts will be recovered principally through a sale rather than through continuing use and sale is highly probable i.e. actions required to complete the sale indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn.

Non-current assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, Plant and Equipment and intangible assets once classified as held for sale are not depreciated or amortised.

(H) Earnings per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding as at the end of reporting period.

Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

(I) Cash and Cash Equivalents

Cash and Cash Equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(J) Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

(K) Investment Property

Properties, including those under construction, held to earn rentals and/or capital appreciation are classified as investment property and measured and reported at cost, including transaction costs.

Depreciation is recognised using Straight-Line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013 or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/ residual value is accounted on prospective basis. Freehold land and properties under construction are not depreciated.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognision of property is recognised in the Statement of Profit and Loss in the same period.

(L) Inventories

Inventories which comprise raw material, work in progress, finished goods, traded goods and stores and spares are valued at the lower of cost and net realisable value.

The basis of determining costs for various categories of inventories is as follows:

(i) Raw Materials

Raw Material is valued at lower of cost or net realizable value. Cost ascertained on FIFO Basis includes all the purchase price, duties and taxes which are not recoverable from government authorities, freight inwards and other expenditure directly attributable to the acquisition.

Net realizable value is the estimated selling price, in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(ii) Stores & Spares and Consumables

It includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

(iii) Work-In-Progress

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

(iv) Traded Goods

Lower of cost and net realizable value. Cost ascertained on FIFO Basis includes all the purchase price, duties and taxes which are not recoverable from government authorities, freight inwards and other costs incurred in bringing to their present location and condition.

Net realizable value is the estimated selling price, in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(M) Leases

(i) Company as a Lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

1) Right-of-Use Assets

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a Straight-Line basis from the commencement date to the end of lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment as mentioned in the Impairment of non-financial assets section of the accounting policies of the company.

2) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

3) Short Term Leases and Leases of Low Value of Assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(ii) Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(N) Financial Instruments

(i) Initial Recognition

Financial instruments i.e. Financial Assets and Financial Liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial instruments are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial instruments at fair value through profit or loss) are added to or deducted from the fair value of the financial instruments, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial instruments assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

(ii) Financial Assets
Subsequent Measurement
All recognised financial assets are subsequently measured at amortized cost using effective interest method except for financial assets carried at fair value through Profit and Loss (FVTPL) or fair value through Other Comprehensive Income (FVTOCI).

1) Equity Investments in Subsidiaries, Associates and Joint Venture
The Company accounts for its investment in subsidiaries, joint ventures and associates and other equity investments in subsidiary companies at cost in accordance with Ind AS 27 - 'Separate Financial Statements'.

Investment in Compulsory Convertible Debentures of subsidiary company is treated as equity investments, since they are convertible into fixed number of equity shares of subsidiary.

Investment made by way of Financial Guarantee contracts in subsidiary, associate and joint venture companies are initially recognised at fair value of the Guarantee.

Interest free loans given by the Company to its subsidiaries associates and joint venture are in the nature of perpetual debt which are repayable at the discretion of the borrowers. The borrower has classified, the said loans as equity under **Ind AS-32** 'Financial Instruments Presentation'. Accordingly the Company has classified this investment as Equity Instrument and has accounted at cost as per **Ind AS-27** 'Separate Financial Statements'.

2) Equity Investments (other than investments in subsidiaries, associates and joint venture)
All equity investments falling within the scope of **Ind-AS 109** are mandatorily measured at Fair Value through Profit and Loss (FVTPL) with all fair value changes recognized in the Statement of Profit and Loss.

The Company has an irrevocable option of designating certain equity instruments as FVTOCI. Option of designating instruments as FVTOCI is done on an instrument-by-instrument basis. The classification made on initial recognition is irrevocable.

If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument are recognized in Statement of Other Comprehensive Income (SOCI). Amounts from SOCI are not subsequently transferred to profit and loss, even on sale of investment.

3) Investment in Preference Shares
Investment in preference shares are classified as debt instruments and carried at amortised cost if they are not convertible into equity instruments and are not held to collect contractual cash flows. Other Investment in preference shares which are classified as debt instruments are carried at FVTPL.

Investment in convertible preference shares of subsidiary, associate and joint venture companies are treated as equity instruments and carried at cost. Other Investment in convertible preference shares which are classified as equity instruments are mandatorily carried at FVTPL.

4) De-recognition
A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass through arrangement; and with that –
a) the Company has transferred substantially all the risks and rewards of the asset, or
b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

5) Impairment of Financial Assets
The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. **Ind AS 109** requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all trade receivables and/or contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(iii) Financial Liabilities
Classification
Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Subsequent measurement
The company have all the borrowings at floating interest rate. Being variable interest rate, it is not possible to estimate future cash flows. Borrowings are recognised initially at an amount equal to the principal receivable or payable on maturity. So, re-estimating the future cash flows has no significant impact on the carrying value of Borrowings. Transaction costs are not material to be included in the EIR calculation. So the carrying value is being considered as amortised cost for all the borrowings bearing a floating interest rate. For trade and other payables maturing within one year from the balance sheet date, the carrying are Amortised Cost.

Financial Liabilities recognised at FVTPL, including derivatives, are subsequently measured at fair value.

1) Compound Financial Instruments

Compound financial instruments issued by the company is an instrument which creates a financial liability on the issuer and which can be converted into fixed number of equity shares at the option of the holders.

Such instruments are initially recognised by separately accounting the liability and the equity components. The liability component is initially recognised at the fair value of a comparable liability that does not have an equity conversion option. The equity component is initially recognised as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. The directly attributable transaction costs are allocated to the liability and the equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequently.

2) Financial Guarantee Contracts

Financial guarantee contracts are initially recognised as a liability at fair value. The liability is subsequently measured at carrying amount less amortization or amount of loss allowance determined as per impairment requirements of **Ind AS 109**, whichever is higher. Amortisation is recognised as finance income in the Statement of Profit and Loss.

3) De-Recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Re-classification of Financial Instruments

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets, such as equity instruments designated at FVTPL or FVTOCI and financial liabilities or financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets.

O) Revenue Recognition

(i) Revenue

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer.

1) Revenue from Construction Contracts

Performance obligation in case of long – term construction contracts is satisfied over a period of time, since the Company creates an asset that the customer controls as the asset is created and the Company has an enforceable right to payment for performance completed to date if it meets the agreed specifications.

The stage of completion is measured by input method i.e. the proportion that costs incurred to date bear to the estimated total costs of a contract. The percentage of completion method (an input method) is the most faithful depiction of the company's performance because it directly measures the value of the services transferred to the customer.

The total costs of contracts are estimated based on technical and other estimates. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Contract revenue earned in excess of billing is reflected under as "contract asset" and billing in excess of contract revenue is reflected under "contract liabilities".

Revenue billings are done based on milestone completion basis or Go-live of project basis. Retention money receivable from project customers does not contain any significant financing element, these are retained for satisfactory performance of contract. In case of long - term construction contracts payment is generally due upon completion of milestone as per terms of contract. In certain contracts, short-term advances are received before the performance obligation is satisfied.

The major component of contract estimate is "budgeted cost to complete the contract" and on assumption that contract price will not reduce vis-à-vis agreement values. While estimating the various assumptions are considered by management such as:

- Work will be executed in the manner expected so that the project is completed timely;
- Consumption norms will remain same;
- Cost escalation comprising of increase in cost to compete the project are considered as a part of budgeted cost to complete the project etc.

  Due to technical complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Service Contracts
For service contracts (including maintenance contracts) in which the company has the right to consideration from the customer in an amount that corresponds directly with the value to the customer of the company's performance completed to date, revenue is recognized when services are performed and contractually billable.

Sale of Goods
Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer.

Warranty Obligation
The Company provides for contractual obligations to periodically service, repair or rectify any defective work during the defect liability period as well as towards contractual obligations to restore the infrastructure at periodic intervals. Provisions are measured based on management's estimate required to settle the obligation at the balance sheet date and are discounted using a rate that reflects the time value of money. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost. The same is reviewed at each balance sheet date and adjustments if any to the carrying amount is provided for accordingly.

Variable Consideration
The nature of the Company's contracts gives rise to several types of variable consideration, including claims, unpriced change orders, award and incentive fees, change in law, liquidated damages and penalties. The company recognizes revenue for variable consideration when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The company estimates the amount of revenue to be recognized on variable consideration using the expected value (i.e., the sum of a probability-weighted amount) or the most likely amount method, whichever is expected to better predict the amount.

The Company's claim for extra work, incentives and escalation in rates relating to execution of contracts are recognized as revenue in the year in which said claims are finally accepted by the customers. Claims under arbitration / disputes are accounted as income based on final award. Expenses on arbitration are accounted as incurred. Claims – are recognised on its approval from customer / authority / court decision or its surety of receipt (not on assessment).

2) Insurance & Other Claims
Revenue in respect of claims is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

(ii) Contract Balances
1) Contract Assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract assets represent revenue recognized in excess of amounts billed and include unbilled receivables. Unbilled receivables, which represent an unconditional right to payment subject only to the passage of time, are reclassified to accounts receivable when they are billed under the terms of the contract.

2) Trade Receivables
A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

3) Contract Liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.
Contract liabilities include unearned revenue which represent amounts billed to clients in excess of revenue recognized to date and advances received from customers. For contracts where progress billing exceeds, the aggregate of contract costs incurred to date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as unearned revenue. Amounts received before the related work is performed are disclosed in the balance sheet as contract liability and termed as advances received from customers.

P) Interest Income
For all debt instruments measured at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instruments or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected estimated cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit loss. Interest income is included under the head "**Other Income**" in the statement of profit and loss.

Interest income on bank deposits and advances to vendors is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "**Other Income**" in the statement of profit and loss.

Q) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

(i) Borrowing Cost under Service Concession Arrangements

Borrowing costs attributable to the construction of qualifying assets under service concession arrangement classified as intangible asset, are capitalised to the date of its intended use.

Borrowing costs attributable to concession arrangement classified as financial assets are charged to Statement of Profit and Loss in the period in which such costs are incurred.

(ii) Other borrowing costs are charged to Statement of Profit and Loss in the period in which they are incurred.

R) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated as at the balance sheet date. Provisions are measured based on management's estimate required to settle the obligation at the balance sheet date and are discounted using a rate that reflects the time value of money. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Other Litigation Claims

Provision for litigation related obligation represents liabilities that are expected to materialise in respect of matters in appeal.

Onerous Contracts

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognises impairment on the assets with the contract.

S) Taxes

Income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate and changes in deferred tax assets and liabilities attributable to temporary differences. The current income tax charge is calculated in accordance with the provisions of the Income Tax Act 1961.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.
Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences and brought forward losses only if it is probable that future taxable profit will be available to realise the temporary differences.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

T) Employee Benefits

(i) Short-Term obligations

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. These are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Post-Employment obligations i.e.

- Defined benefit plans and
- Defined contribution plans

Defined Benefit Plans

The present value of obligation is determined based on actuarial valuation carried out as at the end of each financial year using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities, of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in the statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined Contribution Plans

The Company's contribution to provident fund, employee state insurance scheme, superannuation fund and National Pension Scheme (NPS) are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employee.

3 Property, Plant & Equipment and Intangible Assets

3.1 The details of Property, Plant & Equipment (Net)

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Immovable Property	77.76	75.93	75.93	75.93
2	Furniture and Fixture	3.70	3.66	3.65	3.50
3	Vehicles	58.77	95.81	109.87	91.78
4	Plant & Machinery	373.62	317.21	311.36	326.68
5	Office Equipments	15.64	13.96	6.57	6.23
6	Computers	2.58	2.06	1.65	2.34
	Total	**532.07**	**508.63**	**509.03**	**506.46**

3.2 Property, Plant & Equipment

S. No.	Particulars	Immovable Properties	Furniture & Fixture	Vehicles	Plant & Machinery	Office Equipments	Computer	Total
A	**GROSS BLOCK**							
1	**As at April 1, 2020**	**46.98**	**2.94**	**93.03**	**227.56**	**5.48**	**2.27**	**378.26**
2	Additions	-	1.45	1.50	28.14	2.78	1.25	35.12
3	Disposals / Adjustment	-	-	2.74	-	-	-	2.74
4	Revaluation Recognised in OCI	28.95	-	32.05	119.80	-	-	180.80
5	**As at March 31, 2021**	**75.93**	**4.39**	**123.84**	**375.50**	**8.26**	**3.52**	**591.44**
6	Additions	-	0.62	33.98	14.67	2.12	0.47	51.86
7	Disposals	-	-	-	-	-	-	-
8	**As at March 31, 2022**	**75.93**	**5.01**	**157.82**	**390.17**	**10.38**	**3.99**	**643.30**
9	Additions	-	1.08	28.23	93.63	9.77	1.71	134.42
10	Disposals / Adjustment	-	1.86	34.03	65.79	-	1.92	103.60
11	**As at March 31, 2023**	**75.93**	**4.23**	**152.02**	**418.01**	**20.15**	**3.78**	**674.12**
12	Additions	2.07	0.37	5.07	83.58	4.43	1.34	96.86
13	Disposals / Adjustment	0.24	-	23.47	-	-	-	23.71
14	**As at October 31, 2023**	**77.76**	**4.60**	**133.62**	**501.59**	**24.58**	**5.12**	**747.27**
B	**ACCUMULATED DEPRECIATION**							
1	**As at April 1, 2020**	**-**	**0.54**	**21.86**	**29.65**	**0.72**	**0.29**	**53.06**
2	Charge for the year	-	0.35	11.08	19.17	1.31	0.89	32.80
3	Disposals / Adjustments	-	-	0.88	-	-	-	0.88
4	**As at March 31, 2021**	**-**	**0.89**	**32.06**	**48.82**	**2.03**	**1.18**	**84.98**
5	Charge for the year	-	0.47	12.08	20.50	1.78	1.16	35.99
6	Charge for the year in Revaluation Surplus	-	-	3.81	9.49	-	-	13.30
7	Disposals / Adjustments	-	-	-	-	-	-	-
8	**As at March 31, 2022**	**-**	**1.36**	**47.95**	**78.81**	**3.81**	**2.34**	**134.27**
9	Charge for the year	-	0.98	21.33	29.80	2.38	1.21	55.70
10	Charge for the year in Revaluation Surplus	-	-	18.27	55.27	-	-	73.54
11	Disposals / Adjustments	-	1.77	31.34	63.08	-	1.83	98.02
12	**As at March 31, 2023**	**-**	**0.57**	**56.21**	**100.80**	**6.19**	**1.72**	**165.49**
13	Charge for the year	-	0.33	15.16	22.62	2.75	0.82	41.68
14	Charge for the year in Revaluation Surplus	-	-	4.46	4.55	-	-	9.01
15	Disposals / Adjustments	-	-	0.98	-	-	-	0.98
16	**As at October 31, 2023**	**-**	**0.90**	**74.85**	**127.97**	**8.94**	**2.54**	**215.20**
C	**NET BLOCK**							
1	**As at October 31, 2023**	**77.76**	**3.70**	**58.77**	**373.62**	**15.64**	**2.58**	**532.07**
2	**As at March 31, 2023**	**75.93**	**3.66**	**95.81**	**317.21**	**13.96**	**2.06**	**508.63**
3	**As at March 31, 2022**	**75.93**	**3.65**	**109.87**	**311.36**	**6.57**	**1.65**	**509.03**
4	**As at March 31, 2021**	**75.93**	**3.50**	**91.78**	**326.68**	**6.23**	**2.34**	**506.46**

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

Notes to the Restated Financial Statements

(All Amount in ₹ Millions, unless otherwise stated)

3(a)

(i) Right of Use Asset (Refer Note 44)

S. No.	Particulars	Office Building
A	**GROSS BLOCK**	
1	**As at April 1, 2020**	**-**
2	Additions	-
3	Disposals / Adjustment	-
4	**As at March 31, 2021**	**-**
5	Additions	-
6	Disposals	-
7	**As at March 31, 2022**	**-**
8	Additions	-
9	Disposals / Adjustment	-
10	**As at March 31, 2023**	-
11	Additions	113.82
12	Disposals / Adjustment	-
13	**As at October 31, 2023**	**113.82**

S. No.	Particulars	Office Building
B	**ACCUMULATED DEPRECIATION**	
1	**As at April 1, 2020**	**-**
2	Charge for the year	-
3	Disposals / Adjustments	-
4	**As at March 31, 2021**	**-**
5	Charge for the year	-
6	Disposals / Adjustments	-
7	**As at March 31, 2022**	**-**
8	Charge for the year	-
9	Disposals / Adjustments	-
10	**As at March 31, 2023**	-
11	Charge for the year	4.89
12	Disposals / Adjustments	-
13	**As at October 31, 2023**	**4.89**

S. No.	Particulars	Office Building
C	**NET BLOCK**	
1	**As at October 31, 2023**	**108.93**
2	**As at March 31, 2023**	**-**
3	**As at March 31, 2022**	**-**
4	**As at March 31, 2021**	**-**

(ii) Lease Liability (Refer Note 44)

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	**Opening Lease Liability**	-	-	-	-
2	Addition	35.32	-	-	-
3	Deletion	-	-	-	-
4	**Add -** Interest	2.29	-	-	-
5	**Less -** Payments	1.33	-	-	-
6	**Closing Lease Liability (At Amortised Cost)**	**36.28**	**-**	**-**	**-**
1	**Non-Current**	35.13	-	-	-
2	**Current**	1.15	-	-	-
	Total	**36.28**	**-**	**-**	**-**

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

Notes to the Restated Financial Statements

(All Amount in ₹ Millions, unless otherwise stated)

4 Investments

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	**Investments in Mutual Funds**				
(a)	HSBC Mutual Fund	-	-	0.19	0.19
2	Other Investments	-	-	0.48	0.48
	Total	**-**	**-**	**0.67**	**0.67**
1	Aggregated Book Value of Quoted Investments	-	-	0.19	0.19
2	Aggregated Value of Other Investments	-	-	0.48	0.48

5 Other Financial Assets - Non-Current

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
A	**Financial Assets at Amortised Cost**				
1	Bank Deposits with more than 12 months maturity	569.52	516.38	316.40	215.70
2	Security Deposits*	72.93	76.80	75.53	6.40
3	Earnest Money Deposit	78.28	83.59	80.71	76.16
	Total	**720.73**	**676.77**	**472.64**	**298.26**

** Security deposits primarily includes deposits given towards premises taken on lease from related party.*

6 Other Non-Current Assets

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	**Contract Assets**				
(a)	**Due on performance of Future Obligations**				
(i)	Retention Money - Considered Good	342.89	263.36	220.46	35.41
(ii)	Retention Money - Credit Impaired	8.63	6.66	5.75	-
(iii)	Less - Allowances for Expected Credit Loss	8.01	7.32	6.30	-
	Sub-Total	**343.51**	**262.70**	**219.91**	**35.41**
2	Others	6.15	5.51	0.43	0.86
	Total	**349.66**	**268.21**	**220.34**	**36.27**

6.1 Rentention Money Ageing Schedule

(a) As at 31.10.2023

S. No.	Particulars	Amount Not Due	Outstanding for following period from due date of payment					Total
			Less than 6 Months	6 months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	
1	**Undisputed Receivables**							
(a)	Considered Good	318.87	-	16.97	7.05	-	-	342.89
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	1.97	-	6.66	8.63
2	**Disputed Receivables**							
(a)	Considered Good	-	-	-	-	-	-	-
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-	-
	Total	**318.87**	**-**	**16.97**	**9.02**	**-**	**6.66**	**351.52**

(b) As at 31.03.2023

S. No.	Particulars	Amount Not Due	Outstanding for following period from due date of payment					Total
			Less than 6 Months	6 months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	
1	**Undisputed Receivables**							
(a)	Considered Good	236.74	17.72	8.90	-	-	-	263.36
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	6.66	6.66
2	**Disputed Receivables**							
(a)	Considered Good	-	-	-	-	-	-	-
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-	-
	Total	**236.74**	**17.72**	**8.90**	**-**	**-**	**6.66**	**270.02**

(c) As at 31.03.2022

S. No.	Particulars	Amount Not Due	Outstanding for following period from due date of payment					Total
			Less than 6 Months	6 months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	
1	**Undisputed Receivables**							
(a)	Considered Good	219.54	-	-	-	-	-	219.54
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	0.91	5.75	6.66
2	**Disputed Receivables**							
(a)	Considered Good	-	-	-	-	-	-	-
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-	-
	Total	**219.54**	**-**	**-**	**-**	**0.91**	**5.75**	**226.21**

(d) As at 31.03.2021

S. No.	Particulars	Amount Not Due	Outstanding for following period from due date of payment					Total
			Less than 6 Months	6 months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	
1	**Undisputed Receivables**				-			
(a)	Considered Good	28.55	3.93	-	0.97	1.30	0.65	35.41
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-		-
2	**Disputed Receivables**							
(a)	Considered Good	-	-	-	-	-	-	-
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-	-
	Total	**28.55**	**3.93**	**-**	**0.97**	**1.30**	**0.65**	**35.41**

7 Inventories

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Materials & Work In Progress	2,070.10	1,700.00	691.12	246.25
	Total	**2,070.10**	**1,700.00**	**691.12**	**246.25**

8 Trade Receivables

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Trade Receivables	476.96	767.67	750.59	895.74
2	Receivables from Related Parties	207.41	207.41	207.41	181.61
	Total	**684.37**	**975.08**	**958.00**	**1,077.35**

8.1 Trade Receivables Ageing Schedule

(a) As at 31.10.2023

S. No.	Particulars	Outstanding for following period from due date of payment					Total
		Less than 6 Months	6 months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	
1	**Undisputed Receivables**						
(a)	Considered Good	308.53	36.11	48.59	22.91	268.23	684.37
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
2	**Disputed Receivables**						
(a)	Considered Good	-	-	-	-	-	-
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
	Total	**308.53**	**36.11**	**48.59**	**22.91**	**268.23**	**684.37**

(b) As at 31.03.2023

S. No.	Particulars	Outstanding for following period from due date of payment					Total
		Less than 6 Months	6 months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	
1	**Undisputed Receivables**						
(a)	Considered Good	718.98	13.40	35.29	-	207.41	975.08
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
2	**Disputed Receivables**						
(a)	Considered Good	-	-	-	-	-	-
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
	Total	**718.98**	**13.40**	**35.29**	**-**	**207.41**	**975.08**

(c) As at 31.03.2022

S. No.	Particulars	Outstanding for following period from due date of payment					Total
		Less than 6 Months	6 months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	
1	**Undisputed Receivables**						
(a)	Considered Good	687.72	51.54	-	-	218.73	958.00
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
2	**Disputed Receivables**						
(a)	Considered Good	-	-	-	-	-	-
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
	Total	**687.72**	**51.54**	**-**	**-**	**218.73**	**958.00**

(d) As at 31.03.2021

S. No.	Particulars	Outstanding for following period from due date of payment					Total
		Less than 6 Months	6 months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	
1	**Undisputed Receivables**						
(a)	Considered Good	875.14	-	3.64	3.23	195.34	1,077.35
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
2	**Disputed Receivables**						
(a)	Considered Good	-	-	-	-	-	-
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
	Total	**875.14**	**-**	**3.64**	**3.23**	**195.34**	**1,077.35**

9 Cash and Cash Equivalents

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Balances with Banks				
(a)	In Current Account	0.68	27.41	1.42	45.73
2	Cash In Hand	1.66	4.29	0.96	2.10
	Total	**2.34**	**31.70**	**2.38**	**47.83**

10 Current Tax Assets (Net)

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Advanace Taxes, TDS & TCS	-	-	78.40	51.56
2	**Less** - Provision for Income Tax	-	-	60.09	44.69
	Total	**-**	**-**	**18.31**	**6.87**

11 Other Current Assets

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	GST Receivable	137.91	50.11	72.13	28.98
2	Advances Recoverable in cash or kind or value to be received*	307.46	263.72	277.22	182.75
3	Cheque Deposited but not yet Credited	-	18.76	-	-
	Total	**445.37**	**332.59**	**349.35**	**211.73**

** The advances recoverable in cash or kind includes Related Party Balances amounting to ₹6.74 Millions (P.Y. ₹10.11 Millions)*

12 Share Capital

12.1 Details of Share Capital

S. No.	Particulars	As at 31.10.2023		As at 31.03.2023	
		No. of Shares	Amount	No. of Shares	Amount
1	**Authorised Share Capital**				
(a)	Equity Shares of ₹10/- each	5,50,00,000	550.00	3,60,00,000	360.00
		5,50,00,000	**550.00**	**3,60,00,000**	**360.00**
2	**Issued, Subscribed and Paid Up**				
(a)	Equity Shares of ₹10/- each	3,58,80,860	358.81	3,58,80,860	358.81
		3,58,80,860	**358.81**	**3,58,80,860**	**358.81**

S. No.	Particulars	As at 31.03.2022		As at 31.03.2021	
		No. of Shares	Amount	No. of Shares	Amount
1	**Authorised Share Capital**				
(a)	Equity Shares of ₹10/- each	3,60,00,000	360.00	3,60,00,000	360.00
		3,60,00,000	**360.00**	**3,60,00,000**	**360.00**
2	**Issued, Subscribed and Paid Up**				
(a)	Equity Shares of ₹10/- each	3,58,80,860	358.81	3,58,80,860	358.81
		3,58,80,860	**358.81**	**3,58,80,860**	**358.81**

12.2 Reconciliation of authorised, issued, subscribed and paid up share capital:

(a) Reconciliation of Authorised Share Capital as at year end

S. No.	Particulars	Equity Shares	
		No. of shares	Amount
1	**At April 1, 2020**	3,60,00,000	360.00
(a)	Increase / (Decrease) during the year	-	-
2	**At March 31, 2021**	**3,60,00,000**	**360.00**
(b)	Increase / (Decrease) during the year	-	-
3	**At March 31, 2022**	**3,60,00,000**	**360.00**
(a)	Increase / (Decrease) during the year	-	-
4	**At March 31, 2023**	**3,60,00,000**	**360.00**
(a)	Increase / (Decrease) during the year	1,90,00,000	190.00
5	**At October 31, 2023**	**5,50,00,000**	**550.00**

(b) Reconciliation of Issued, Subscribed and Paid up share capital as at year end

S. No.	Particulars	Equity Shares	
		No. of shares	Amount
	Equity Shares of ₹10 each Issued, Subscribed and Fully Paid		
1	**At April 1, 2020**	3,58,80,860	358.81
(a)	**Add** - Issued during the year	-	-
(b)	**Less** - Shares cancelled or buyback during the year	-	-
2	**At March 31, 2021**	**3,58,80,860**	**358.81**
(a)	**Add** - Issued during the year	-	-
(b)	**Less** - Shares cancelled or buyback during the year	-	-
3	**At March 31, 2022**	**3,58,80,860**	**358.81**
(a)	**Add** - Issued during the year	-	-
(b)	**Less** - Shares cancelled or buyback during the year	-	-
4	**At March 31, 2023**	**3,58,80,860**	**358.81**
(a)	**Add** - Issued during the year	-	-
(b)	**Less** - Shares cancelled or buyback during the year	-	-
5	**At October 31, 2023**	**3,58,80,860**	**358.81**

12.3 Terms / Rights attached to Equity Shares

(a) The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

(b) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

12.4 Details of Shareholders holding more than 5% Shares in the Company

S. No.	Name of the Shareholder	As at 31.10.2023		As at 31.03.2023	
		No. of Shares	%	No. of Shares	%
1	Deepak Kumar Singal	3,23,05,970	90.04%	3,19,05,970	88.92%
2	Sinita Singal	35,64,890	9.94%	39,64,890	11.05%

S. No.	Name of the Shareholder	As at 31.03.2022		As at 31.03.2021	
		No. of Shares	%	No. of Shares	%
1	Deepak Kumar Singal	3,19,05,970	88.92%	3,19,12,170	88.94%
2	Sinita Singal	39,64,890	11.05%	39,68,690	11.06%

12.5 As per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

12.6 Details of shares held by promoters

(a) As at 31.10.2023

S. No.	Name of the Promoter	No. of shares as at 01.04.2023	% of Total Shares	No. of shares as at 31.10.2023	% of Total Shares	% change during the year
1	Deepak Kumar Singal	3,19,05,970	88.92%	3,23,05,970	90.04%	1.11%
2	Sunita Singal	39,64,890	11.05%	35,64,890	9.94%	-1.11%

(b) As at 31.03.2023

S. No.	Name of the Promoter	No. of shares as at 01.04.2022	% of Total Shares	No. of shares as at 31.03.2023	% of Total Shares	% change during the year
1	Deepak Kumar Singal	3,19,05,970	88.92%	3,19,05,970	88.92%	-
2	Sunita Singal	39,64,890	11.05%	39,64,890	11.05%	-

(c) As at 31.03.2022

S. No.	Name of the Promoter	No. of shares as at 01.04.2021	% of Total Shares	No. of shares as at 31.03.2022	% of Total Shares	% change during the year
1	Deepak Kumar Singal	3,19,12,170	88.94%	3,19,05,970	88.92%	-0.02%
2	Sunita Singal	39,68,690	11.06%	39,64,890	11.05%	-0.01%

(d) As at 31.03.2021

S. No.	Name of the Promoter	No. of shares as at 01.04.2020	% of Total Shares	No. of shares as at 31.03.2021	% of Total Shares	% change during the year
1	Deepak Kumar Singal	3,19,12,170	88.94%	3,19,12,170	88.94%	-
2	Sunita Singal	39,68,690	11.06%	39,68,690	11.06%	-

12.7 There are no shares issued under the Employee Stock Option Plan or by way of bonus shares or pursuant to contract(s) without payment being received in cash during the period of five years immediately preceding the balance sheet date.

12.8 There are no shares which are bought back by the company during the period of five years immediately preceding the balance sheet date.

12.9 Number of shares are in absolute figures.

13 Other Equity

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	**Reserves and Surplus**				
(a)	Retained Earnings	776.42	569.02	355.75	181.73
(b)	Revaluation Surplus	70.86	77.60	132.63	142.58
	Total	**847.28**	**646.62**	**488.38**	**324.31**

13.1 Nature and Purpose of Reserves

(a) Retained Earnings
Retained earnings are the profits that the Company has earned till date, less any transfer to dividends or other distrbutions paid to the shareholders.

(b) Revaluation Surplus
The reserve is created on account of upward revaluation of Property, Plant & Equipment of the company forming the part of the Other Comprehensive Income of the Company.

14 Borrowings - Non-Current

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	**Term Loans**				
(a)	**Secured Loans**				
(i)	From Banks	655.23	568.41	477.83	318.37
(ii)	From Others	171.95	51.13	53.71	61.46
(b)	**Unsecured Loans**				
(i)	From Banks	16.55	16.92	-	-
(ii)	From Others	8.89	7.81	-	-
	Sub-Total	**852.62**	**644.27**	**531.54**	**379.83**
(c)	Less - Current Maturities of Long Term Debt	74.44	312.49	216.57	122.48
	Sub-Total	**778.18**	**331.78**	**314.97**	**257.35**
	Total	**778.18**	**331.78**	**314.97**	**257.35**

14.1 Loan from Banks

(a) HDFC Bank Limited have sanctioned various Machinery Equipment Loans, Motor Vehicle Loans, Commercial Vehicle Loans, GECL, Loan against Properties and Term Loans against Mobilisation Advances to the company. The loans have charge over assets mentioned in the sanction letter of the bank. The repayment schedule ranges between 24 to 120 months. Additionally, the bank has sanctioned Unsecured Business Loan to the company and is repayable in 36 months. The loans carries interest rate as mentioned in the respective sanction letter of the bank subject to revision from time to time.

(b) Punjab National Bank has sanctioned Covid Limit of ₹59.00 Millions to the company and has charge over current assets to secure the finance. The Covid Limit is repayable in 48 months. The loans carries interest rate as mentioned in the respective sanction letter of the bank subject to revision from time to

(c) Axis Bank Limited have sanctioned various Commercial Vehicle Loans to the company and has exclusive charge over Fixed Assets financed by the bank. The repayment schedule ranges between 59 to 60 equated monthly installments. Additionally, the bank has also sanctioned Unsecured Business Loan to the company having repayment period of 36 months. The loans carries interest rate as mentioned in the respective sanction letter of the bank subject to revision from time to time.

(d) ICICI Bank, Kotak Mahindra Bank and IDFC First Bank Limited have sanctioned unsecured Business Loans to the company having repayment period of 36 months. The loans carries interest rate as mentioned in the respective sanction letter of the bank subject to revision from time to time.

(e) The limits of above mentioned banks are further secured against the collateral securities mortgaged with the respective banks as mentioned in their respective sanction letters.

14.2 Loan from Financial Institutions

(a) Aditya Birla Finance Limited has sanctioned Loan against Property and unsecured Business Loan to the company. The Loan against Property is secured against the personal immovable property of the Directors. The loan against property is repayable in 144 months and unsecured business loan is repayable in 24 months. The loans carries interest rate as mentioned in the respective sanction letter subject to revision from time to time.

(b) Kisetsu Saison Finance India Private Limited, Protium Finance Limited, Fedbank Financial Services Limited, Tata Capital Financial Services Limited, SFMG India Credit Co. Limited, Shri Ram Finance Limited and SMC Finance has sanctioned unsecured Business Loan to the company. The repayment schedule ranges between 24 to 36 months. The loans carries interest rate as mentioned in the respective sanction letter subject to revision from time to

14.3 All the loans are secured against the personal guarantee of the promoter directors.

15 Other Financial Liabilities - Non-Current

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Sub-Contractor Retention Money	14.65	15.47	9.89	9.30
	Total	**14.65**	**15.47**	**9.89**	**9.30**

16 Provisions

S. No.	Particulars	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	**Non-Current**				
(a)	Provision for Gratuity (Refer Note 35)	6.67	6.55	4.78	-
	Sub-Total	**6.67**	**6.55**	**4.78**	**-**
2	**Current**				
(a)	Provision for Gratuity (Refer Note 35)	2.32	2.23	0.48	-
	Sub-Total	**2.32**	**2.23**	**0.48**	**-**
	Total	**8.99**	**8.78**	**5.26**	**-**
1	**Non-Current**	**6.67**	**6.55**	**4.78**	**-**
2	**Current**	**2.32**	**2.23**	**0.48**	**-**
	Total	**8.99**	**8.78**	**5.26**	**-**

17 Other Non-Current Liabilities

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	**Contract Liability**				
(a)	Mobilisation Advance from Customer	792.14	1,031.34	395.91	328.61
	Total	**792.14**	**1,031.34**	**395.91**	**328.61**

18 Deferred Tax Liabilities / (Assets) (Net)

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	**Deferred Tax Liability**				
(a)	Opening Balance	25.74	46.01	48.19	3.61
(i)	**On Account of Depreciation on Property, Plant & Equipment**				
A	Recognised in Statement of Profit & Loss	0.63	(1.76)	1.17	6.36
B	Recognised in Other Comprehensive Income	(2.27)	(18.51)	(3.35)	38.22
	Closing Balance	**24.10**	**25.74**	**46.01**	**48.19**
2	**Deferred Tax Asset**				
(a)	Opening Balance	2.20	1.32	-	-
(i)	**On Account of Provision for Gratuity**				-
A	Recognised in Statement of Profit & Loss	0.43	0.66	0.44	-
B	Recognised in Other Comprehensive Income	(0.38)	0.22	0.88	-
	Sub-Total	**0.05**	**0.88**	**1.32**	**-**
(ii)	**On Account of Leases**				
A	Recognised in Statement of Profit & Loss	1.03	-	-	-
	Sub-Total	**1.03**	**-**	**-**	**-**
	Closing Balance	**3.28**	**2.20**	**1.32**	**-**
	Deferred Tax Liabilities / (Assets) (Net)	**20.82**	**23.54**	**44.69**	**48.19**

19 Borrowings - Current

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	**Secured Loans**				
(a)	Cash Credit and Other Working Capital Facilities				
(i)	From Banks	535.13	321.45	261.41	285.47
(b)	Current Maturities of Long Term Debt	74.44	312.49	216.57	122.48
2	**Unsecured Loans**				
(a)	From Directors	12.30	-	3.53	3.03
	Total	**621.87**	**633.94**	**481.51**	**410.98**

19.1 Working Capital Limits are availed from Punjab National Bank & HDFC Bank by way of Cash Credit Limit. The said limits are secured against inventories, book debts and other current assets of the company. The limits are further secured against the collateral securities mortgaged with the respective banks and personal guarantee of the directors. The working capital limit is repayable on demand and carries interest rate as mentioned in the respective sanction letter of the bank subject to revision from time to time.

20 Trade Payables

20.1 Details of Trade Payables

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Dues to MSME	521.09	752.57	37.52	28.33
2	Dues to Other than MSME	611.03	419.80	786.02	613.06
	Total	**1,132.12**	**1,172.37**	**823.54**	**641.39**

20.2 The company has issued Letter of Credit (Inland) amounting ₹210.10 Million (P.Y. ₹191.28 Million) to the above creditors.

20.3 Trade Payables Ageing Schedule

(a) As at 31.10.2023

S. No.	Particulars	Outstanding for following period from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
1	**Undisputed Trade Payables**					
(a)	Micro, Small and Medium Enterprises	503.65	12.80	4.64	-	521.09
(b)	Others	541.87	41.04	18.90	9.23	611.03
2	**Disputed Trade Payables**					
(a)	Micro, Small and Medium Enterprises	-	-	-	-	-
(b)	Others	-	-	-	-	-
	Total	**1,045.52**	**53.84**	**23.54**	**9.23**	**1,132.12**

(b) As at 31.03.2023

S. No.	Particulars	Outstanding for following period from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
1	**Undisputed Trade Payables**					
(a)	Micro, Small and Medium Enterprises	752.57	-	-	-	752.57
(b)	Others	419.80	-	-	-	419.80
2	**Disputed Trade Payables**					
(a)	Micro, Small and Medium Enterprises	-	-	-	-	-
(b)	Others	-	-	-	-	-
	Total	**1,172.37**	**-**	**-**	**-**	**1,172.37**

(c) As at 31.03.2022

S. No.	Particulars	Outstanding for following period from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
1	**Undisputed Trade Payables**					
(a)	Micro, Small and Medium Enterprises	37.52	-	-	-	37.52
(b)	Others	772.47	3.27	8.57	1.71	786.02
2	**Disputed Trade Payables**					
(a)	Micro, Small and Medium Enterprises	-	-	-	-	-
(b)	Others	-	-	-	-	-
	Total	**810.00**	**3.27**	**8.57**	**1.71**	**823.54**

(d) As at 31.03.2021

S. No.	Particulars	Outstanding for following period from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
1	**Undisputed Trade Payables**					
(a)	Micro, Small and Medium Enterprises	28.33	-	-	-	28.33
(b)	Others	596.22	13.71	0.91	2.22	613.05
2	**Disputed Trade Payables**					
(a)	Micro, Small and Medium Enterprises	-	-	-	-	-
(b)	Others	-	-	-	-	-
	Total	**624.55**	**13.71**	**0.91**	**2.22**	**641.39**

21 Other Financial Liabilities - Current

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Due to Labour & Employees	94.86	79.16	41.05	35.58
2	Other Payables	14.01	1.84	2.44	0.46
	Total	**108.87**	**81.00**	**43.49**	**36.04**

22 Other Current Liabilities

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Advance from Customers	148.47	156.73	238.29	-
2	Due to Statutory Authorities	10.43	9.39	14.20	5.06
3	Other Payables	-	19.60	2.90	11.65
	Total	**158.90**	**185.72**	**255.39**	**16.71**

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

Notes to the Restated Financial Statements

(All Amount in ₹ Millions, unless otherwise stated)

23 Current Tax Liabilities (Net)

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Provision for Income Tax	75.18	75.73	-	-
2	**Less** - Advanace Taxes, TDS & TCS	40.52	72.12	-	-
	Total	**34.66**	**3.61**	**-**	**-**

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DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

Notes to the Restated Financial Statements

(All Amount in ₹ Millions, unless otherwise stated)

24 Revenue from Operations (Gross)

S. No.	Particulars	For the period ended 31.10.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Revenue from Construction Contracts	2,799.59	4,089.57	3,415.35	3,286.27
2	Revenue from Material Sale	143.73	983.83	744.66	224.21
	Total	**2,943.32**	**5,073.40**	**4,160.01**	**3,510.48**

24.1 Analysis of Revenues

S. No.	Particulars	For the period ended 31.10.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Execution of Works Contract and Supply of Construction Material	2,943.32	5,073.40	4,160.01	3,510.48

24.2 Income based on Timing of Recognition

S. No.	Particulars	For the period ended 31.10.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Income Recognition over period of Time	2,943.32	5,073.40	4,160.01	3,510.48

24.3 Reconciling the amount of Revenue Recognised with the Contracted Price

S. No.	Particulars	For the period ended 31.10.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
(a)	Revenue as per Contracted Price	2,943.32	5,073.40	4,160.01	3,510.48
(b)	Adjustments				
(c)	**Add** - Unbilled on account of Work under Certification	-	-	-	-
(d)	**Less** - Billing in excess of Contract Revenue	-	-	-	-
	Revenue from Contract with Customers	**2,943.32**	**5,073.40**	**4,160.01**	**9,233.41**

24.4 Performance Obligation

The transaction price (inclusive of GST) allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at October 31, 2023 is ₹13,607.09 Millions *(Previous Year ending 31.03.2023 - ₹16,578.79 Millions)* , out of which majority is expected to be recognised as revenue within 2 Years.

25 Other Income

S. No.	Particulars	For the period ended 31.10.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
A	**Interest Income on financial assets carried at Cost / Amortised Cost**				
1	Interest on Bank Deposits	16.94	18.52	13.66	12.77
2	Interest on Security Deposit carried at amortised cost	1.75	-	-	-
B	**Other Non Operating Income**				
1	Insurance Claim Received	-	1.53	-	-
2	Profit on Sale of Property, Plant & Equipment	1.11	-	-	-
3	Rebate & Discount	1.07	-	5.69	0.06
4	Miscellaneous Income	0.59	-	-	-
	Total	**21.46**	**20.05**	**19.35**	**12.83**

26 Cost of Materials Consumed

S. No.	Particulars	For the period ended 31.10.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	**Construction Material**				
(a)	Opening Inventories	1,700.00	691.12	246.25	688.36
(b)	**Add** - Purchases made during the year	1,658.00	3,899.64	2,938.04	1,780.33
	Sub-Total	**3,358.00**	**4,590.76**	**3,184.29**	**2,468.69**
(c)	**Less** - Closing Inventories	2,070.10	1,700.00	691.12	246.25
	Cost of Materials Consumed	**1,287.90**	**2,890.76**	**2,493.17**	**2,222.44**

27 Construction Expenses

S. No.	Particulars	For the period ended 31.10.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Aminities Expenses Deducted by Department	1.25	7.68	7.91	3.15
2	Building Cess	-	4.06	-	-
3	Cancer Cess	-	-	-	0.25
4	Compensation Paid	1.80	0.55	-	-
5	Consultancy Expenses	11.09	10.43	9.82	9.16
6	Consumables	-	-	0.09	-
7	Culture Cess	-	6.50	9.02	3.05
8	Diesel Expenses	31.83	53.40	52.57	41.23
9	Electricity Expenses	14.77	19.24	21.11	20.55
10	Freight & Cartage	5.71	8.06	19.30	13.31
11	Installation Charges	8.22	21.62	-	-
12	Laboratory Expenses	0.31	0.42	-	-
13	Labour Cess	23.43	32.22	37.43	28.04
14	Labour Job Work	363.76	468.12	308.31	171.48
15	Machinery Rent	27.22	19.14	14.85	6.08
16	Machinery Repair & Maintenance	8.88	9.81	6.33	4.63
17	Quality Cess Deducted by Department	-	0.86	5.75	-
18	Quality Control Expenses	0.25	3.36	-	-
19	Testing Expenses	2.12	4.88	2.31	2.28
20	Water Expenses	2.32	1.02	-	-
	Total	**502.96**	**671.37**	**494.80**	**303.21**

28 Employee Benefits Expense

S. No.	Particulars	For the period ended 31.10.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Salaries and Wages	152.12	180.49	151.55	200.82
2	Director Remuneration	8.75	15.00	8.55	4.40
3	Contributions to Employee Benefit Funds	6.26	4.69	1.39	2.04
4	Gratuity Expense (Refer Note 35)	1.71	2.62	1.75	-
5	Staff Welfare Expense	2.17	1.53	1.41	0.74
	Total	**171.01**	**204.33**	**164.65**	**208.00**

29 Finance Costs

S. No.	Particulars	For the period ended 31.10.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Interest Cost	117.40	137.71	127.75	100.17
2	Bank Charges	46.34	48.26	37.51	38.64
3	Interest on Lease Liability	2.29	-	-	-
	Total	**166.03**	**185.97**	**165.26**	**138.81**

30 Depreciation and Amortization Expense

S. No.	Particulars	For the period ended 31.10.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Depreciation on Tangible Assets (Refer Note 3)	41.68	55.70	35.99	32.80
2	Depreciation on Right to Use Assets	4.89	-	-	-
	Total	**46.57**	**55.70**	**35.99**	**32.80**

31 Other Expenses

S. No.	Particulars	For the period ended 31.10.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Additional GST Paid	14.76	-	-	-
2	Allowances For Expected Credit Loss	0.69	1.02	6.30	-
3	Audit Fees (Refer Note 31.1)	0.70	0.30	0.25	0.25
4	CSR Expenses (Refer Note 31.2)	0.20	4.05	3.33	2.12
5	Fee & Taxes	4.75	2.90	4.28	2.29
6	Festival Expenses	0.14	0.74	1.91	0.34
7	GST Not Available	-	-	4.70	-
8	Insurance	13.51	15.78	12.44	8.96
9	Investments Written Off	-	0.19	-	-
10	Late Fees Paid	-	-	0.27	0.50
11	Legal & Professional Charges	1.98	4.87	3.80	2.94
12	Loss on Sale of Property, Plant & Equipment	-	2.19	-	0.66
13	Miscellaneous Expenses*	3.03	3.78	2.02	2.29
14	Penalties	1.51	-	-	-
15	Preliminary Expenses	-	0.91	0.43	0.43
16	Rebate & Discount	-	4.45	-	-
17	Rent	11.84	7.04	9.89	6.70
18	Repairs & Maintenance - Others	1.70	3.81	5.19	5.18
19	Security Expenses	2.36	2.13	0.93	0.10
20	Tour & Travelling Expenses	3.00	5.05	2.80	2.03
	Total	**60.17**	**59.21**	**58.54**	**34.79**

** Miscellaneous Expenses does not include any expenses over and above ₹0.50 Million*

31.1 Payment made to Auditors is as follows

S. No.	Particulars	For the period ended 31.10.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	**As Auditor**				
(a)	Audit Fee	0.70	0.30	0.25	0.25
	Total	**0.70**	**0.30**	**0.25**	**0.25**

31.2 Details of CSR Expenditure

S. No.	Particulars	For the period ended 31.10.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	**Gross Amount required to be spent by the Company during the year***	-	4.04	3.32	2.12
2	**Amount approved by the Board to be spent during the year**	-	4.04	3.32	2.12
3	**Amount spent during the year**				
(a)	Construction / Acquisition of any asset	-	-	-	-
(b)	On purposes other than (i) above	0.20	4.05	3.33	2.12
4	**Details related to spent / unspent obligations**				
(a)	Contribution to Public Trust	-	-	-	-
(b)	Contribution to Charitable Trust & Purpose	0.20	4.05	3.33	2.12
(c)	Unspent Amount in relation to				
(i)	Ongoing project	-	-	-	-
(ii)	Other than Ongoing Project	-	-	-	-

** The Company has not ascertained the Gross Amount required to be spent by the Company for the period ended October 31, 2023, as the same will be calculated on yearly basis.*

32 Components of Other Comprehensive Income (OCI)

32.1 **The disaggregation of changes to OCI by each type of Reserve in Equity is shown below -**

S. No.	Particulars	For the period ended 31.10.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Re-measurement Gain / (Losses) on Defined Benefit Plans	1.50	(0.90)	(3.51)	-
2	Re-measurement Gain / (Losses) on Property, Plant & Equipment	(9.01)	(73.54)	(13.30)	180.80
3	Income Tax Effect	1.89	18.73	4.23	(38.22)
	Total	**(5.62)**	**(55.71)**	**(12.58)**	**142.58**

33 Earnings Per Share (EPS)

33.1 **The following reflects the income and share data used in the basic and diluted EPS computations:**

S. No.	Particulars	For the period ended 31.10.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	**Profit attributable to the Equity Share Holders**				
(a)	Continuing Operations	206.28	213.95	176.64	129.28
(b)	Weighted Average number of Equity Shares for Basic and Diluted EPS (in Millions)	35.88	35.88	35.88	35.88
(c)	**Basic and Diluted Earnings per Share (Face Value ₹10 per share) for Continuing Operations**	**5.75**	**5.96**	**4.92**	**3.60**

33.2 There have been no transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.

34 Income Tax

34.1 Components Of Income Tax Expense

(a) **Tax Expense recognized in Statement of Profit and Loss:**

S. No.	Particulars	For the period ended 31.10.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	**Current Tax**				
(a)	Current Year Income Tax Expense	75.18	75.73	60.09	44.69
(b)	Adjustments relating to Previous Years	0.68	-	-	-
	Sub-Total	**75.86**	**75.73**	**60.09**	**44.69**
2	**Deferred Tax**				
(a)	Relating to origination and reversal of Temporary Differences	(0.83)	(2.42)	0.73	6.36
(b)	Adjustments relating to Previous Years	-	-	-	-
	Sub-Total	**(0.83)**	**(2.42)**	**0.73**	**6.36**
	Income Tax Expense reported in the Statement of Profit and Loss	**75.03**	**73.31**	**60.82**	**51.05**

(b) **Tax on Other Comprehensive Income**

S. No.	Particulars	For the period ended 31.10.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
2	**Deferred Tax**				
(a)	Re-measurement gain/ (losses) on defined benefit plans & PPE	1.89	18.73	4.23	(38.22)
	Total (b)	**1.89**	**18.73**	**4.23**	**(38.22)**

(c) **Reconciliation of Tax Expense to the Accounting Profit is as follows -**

S. No.	Particulars	For the period ended 31.10.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	**Accounting Profit before Income Tax**	281.31	287.26	237.46	180.33
(a)	Enacted Tax Rate (%)	25.168%	25.168%	25.168%	25.168%
(b)	Tax on Accounting Profit at above rate	70.80	72.30	59.76	45.39
(c)	Tax Effect of amounts which are not deductible (taxable) in calculating Taxable Income	4.23	1.01	1.06	5.66
(d)	**Income Tax Expense reported in the Statement of Profit and Loss**	75.03	73.31	60.82	51.05

35 Gratuity and other Post-Employment Benefit Plans

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

(a) **During the year, the Company has recognized the following amounts in the statement of profit and loss :**

Defined contribution plans

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Employer's contribution to Employee Benefit Funds	6.26	4.69	1.39	2.04

(b) **Defined Benefit Obligation**

The following tables summarise the components of net benefit expense recognised in the Statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans -

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
		Gratuity	Gratuity	Gratuity	Gratuity
1	**Cost for the year included under Employee Benefit**				
(a)	Current Service Cost	1.38	2.24	1.75	-
(b)	Interest cost on Benefit Obligation	0.33	0.38	-	-
2	**Net Benefit Expense**	**1.71**	**2.62**	**1.75**	**-**

(c) **Amounts Recognised in Statement of Other Comprehensive Income (OCI)**

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
		Gratuity	Gratuity	Gratuity	Gratuity
1	**Amounts recognised in statement of Other Comprehensive Income (OCI)**				
(a)	Opening amount recognised in OCI outside the Statement of Profit and Loss	-	-	-	-
(b)	Remeasurement for the year - Obligation Gain / (Loss)	1.50	(0.90)	(3.51)	-
(c)	Remeasurement for the year - Plan Assets Gain / (Loss)	-	-	-	-
(d)	Total remeasurement Cost / (Credit) for the year recognised in OCI	1.50	(0.90)	(3.51)	-
(e)	Closing amount recognised in OCI outside the Statement of Profit and Loss	1.50	(0.90)	(3.51)	-

(d) **Mortality Table**

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
		Gratuity	Gratuity	Gratuity	Gratuity
1	Economic Assumptions				
(a)	Discount Rate	7.40%	7.39%	7.25%	-
(b)	Rate of Increase in Compensation Levels	8.00%	8.00%	5.00%	-
2	Demographic Assumptions				
(a)	Expected Average remaining Working Lives of Employees (Years)	28.88	28.35	28.55	-
(b)	Retirement Age (years)	65	65	65	-
(c)	Mortality Rate	IAL 2012-14 Ultimate	IAL 2012-14 Ultimate	IAL 2012-14 Ultimate	-

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(e) **Net (Assets) / Liabilities recognized in the Balance Sheet and experience adjustments on Actuarial Gain / (Loss) for Benefit Obligation and Plan Assets**

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
		Gratuity	Gratuity	Gratuity	Gratuity
1	Benefit Obligation as at the beginning of the year	8.78	5.26	-	-
2	Current Service Cost	1.38	2.24	1.75	-
3	Interest Cost	0.33	0.38	-	-
4	Benefit Paid	-	-	-	-
5	Actuarial Loss / (Gain)	(1.50)	0.90	3.51	-
6	**Closing Defined Benefit Obligation**	**8.99**	**8.78**	**5.26**	**-**

(f) **There are no Plan Assets in the company.**

(g) **Benefit (Asset) / Liability -**

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
		Gratuity	Gratuity	Gratuity	Gratuity
1	Present value of Defined Benefit Obligation	(8.99)	(8.78)	(5.26)	-
2	Fair value of Plan Assets	-	-	-	-
3	**Net Asset / (Liability)**	**(8.99)**	**(8.78)**	**(5.26)**	**-**

(h) **Major category of Plan Assets (As a % of Total Plan Assets) -**

There are no Plan Assets in the company.

(i) **A quantitative sensitivity analysis for significant assumption as at October 31, 2023, March 31, 2023 and March 31, 2022 is as shown below:**

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
		Gratuity	Gratuity	Gratuity	Gratuity
1	**Discount Rate**				
(a)	Effect on DBO due to 1% increase in Discount Rate	(0.31)	(0.30)	(0.35)	-
(b)	Effect on DBO due to 1% decrease in Discount Rate	0.34	0.33	0.40	-
2	**Salary Escalation Rate**				
(a)	Effect on DBO due to 1% increase in Salary Escalation Rate	0.34	0.32	0.40	-
(b)	Effect on DBO due to 1% decrease in Salary Escalation Rate	(0.31)	(0.30)	(0.36)	-
3	**Attrition Rate**				
(a)	Effect on DBO due to 1% increase in Attrition rate	(0.08)	(0.06)	0.03	-
(b)	Effect on DBO due to 1% decrease in Attrition rate	0.09	0.07	(0.04)	-

36 Commitments and Contingent Liabilities

36.1 Details of Bank Guarantees

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Bank Guarantees Issued	2,429.75	2,749.09	1,375.80	1,265.70

36.2 Income Tax Demands

(a) The Income Tax Department has raised demand u/s 153(C) r.w.s. 143(3) of the I.T. Act, 1961 for an amount of ₹8.60 Millions relevant to A.Y. 2020-21 and the Company has filed the appeal with the Honourable CIT (Appeal) and the case is yet to be adjudicated.

(b) The Income Tax Department has raised demand u/s 143(1)a for ₹4.97 Millions relevant to A.Y. 2023-24 and the Company has filed the rectification, and the same is pending.

37 Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year				
(a)	Principal amount due to micro and small enterprises	521.09	752.57	37.52	28.33
(b)	Interest due on above	-	-	-	-
		521.09	**752.57**	**37.52**	**28.33**
2	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-	-
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-	-	-
4	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-	
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-	-	-

38 Related Party Disclosures - As per IND AS 24

38.1 List of Related Parties where control exist and related parties with whom transactions have taken place and relationships

S. No.	Name of Related Party	Nature of Relationship
1	Deepak Kumar Singal	Chairman cum Managing Director
2	Sunita Singal	Wholetime Director
3	Akash Singal	Wholetime Director (resigned w.e.f. 12.10.2023)
4	Rishabh Gupta	Chief Financial Officer (w.e.f. 01.06.2023)
5	Anil Kumar	Company Secretary
6	Henna Singal	Relatives of KMP
7	Deepak Singal Engineers & Builders Private Limited	Enterprise over which KMP or their Relatives are able to exercise significant influence
8	Deepak Buildcon Infrastructure, Ludhiana	
9	Deepak Buildcon, Mohali	
10	Henna Enterprises Private Limited	
11	E9 News	
12	AKS Luxuries Infra	
13	H & S Infra	

38.2 Related Party Transactions -

S. No.	Particulars	For the Period / Years Ended 31.10.2023	31.03.2023	31.03.2022	31.03.2021
1	**Key Managerial Personnel**				
(a)	**Remuneration**				
(i)	Deepak Kumar Singal	5.25	9.00	6.15	3.30
(ii)	Sunita Singal	3.50	6.00	2.40	1.10
(iii)	Rishabh Gupta	0.63	-	-	-
(iv)	Anil Kumar	0.46	0.43	-	-
(b)	**Rent Payments**				
(i)	Deepak Kumar Singal	0.70	1.20	1.20	-
(ii)	Sunita Singal	-	0.60	0.60	-
(c)	**Security Deposit Given**				
(i)	Deepak Kumar Singal	70.00	-	50.00	-
(ii)	Sunita Singal	-	-	9.00	-
(d)	**Unsecured Loan Accepted**				
(i)	Deepak Kumar Singal	12.30	-	25.88	42.73
(e)	**Unsecured Loan Repaid**				
(i)	Deepak Kumar Singal	-	3.53	25.39	39.70
2	**Relatives of Key Managerial Personnel**				
(a)	**Remuneration**				
(i)	Akash Singal	1.20	2.40	2.40	2.20
(ii)	Henna Singal	-	2.40	2.40	2.20
(b)	**Rent Payments**				
(i)	Akash Singal	-	0.60	0.60	-
(c)	**Security Deposit Given**				
(i)	Akash Singal	-	-	9.00	-
3	**Associate Concerns**				
(a)	**Sales**				
(i)	Deepak Singal Engineers & Builders Private Limited	6.38	42.52	70.84	63.24
(b)	**Purchases**				
(i)	Deepak Singal Engineers & Builders Private Limited	3.44	25.99	1.11	19.84
(c)	**Advances Given (Net)**				
(i)	Deepak Singal Engineers & Builders Private Limited	6.74	-	-	-
4	**Closing Balances**				
(a)	**Key Managerial Personnel**				
(i)	Deepak Kumar Singal (Cr.)	12.30	-	3.53	3.03
(ii)	Deepak Kumar Singal (Dr.)	120.00	50.00	50.00	-
(iii)	Sunita Singal (Dr.)	9.00	9.00	9.00	-
(b)	**Relative of KMP**				
(i)	Akash Singal (Dr.)	9.00	9.00	9.00	-
(c)	**Associate Concerns**				
(i)	Deepak Singal Engineers & Builders Private Limited (Dr.)	6.74	10.11	42.38	-
(ii)	Deepak Buildcon Infrastructure (Dr.)	109.64	109.64	109.64	84.54
(iii)	Deepak Buildcon, Mohali (Dr.)	97.77	97.77	97.77	97.07

39 Segment Information

Ind AS-108 establishes standards for the way that the Company report information about operating segments and related disclosures about products and services, geographical areas, and major customers. The Company has only one business segment primarily Construction Services and related services in relation to the construction activities. Based on the "'Management Approach" as defined in Ind AS-108. The management also reviews and measure the operating results taking the whole business as one segment and accordingly make decision about the resources allocation. In view of the same, segment reporting information is not required to be given as per the requirements of Ind AS-108 on "Operating Segments". The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments and are as set out in the significant accounting policies.

40 Capital Management

40.1 For the purpose of the Company's capital management, capital includes issued equity capital, all equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholders' value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Borrowings (Non-Current and Current)	1,400.05	965.72	796.48	668.33
2	**Less** - Cash and Cash Equivalents	(2.34)	(31.70)	(2.38)	(47.83)
3	Net Debt	1,397.71	934.02	794.10	620.50
4	Equity	1,206.09	1,005.43	847.19	683.12
5	Gearing Ratio	**116%**	**93%**	**94%**	**91%**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the period / years ended October 31, 2023, March 31, 2023 & March 31, 2022 & March 31, 2021.

40.2 **Changes in Liabilities arising from Financing Activities**

(a) The major changes in the Company's liabilities arising from financing activities are due to financing cash flows and accrual of financial liabilities. The Company did not acquire any liabilities arising from financing activities during business combinations effected in the current period or comparative period.

(b) The Company disclosed information about its interest-bearing loans and borrowings. There are no obligations under finance lease and hire purchase contracts.

Reconciliation of movement of liabilities to cash flows arising from financing activities

Borrowings

S. No.	Particulars	As at 01.04.2023	Expense	Cash Flows	Non - Cash Transactions		As at 31.10.2023
					Processing Cost	Others	
1	Non Current Borrowings (including current maturity)	644.27	-	208.35	-	-	852.62
2	Current Borrowings	321.45	-	225.98	-	-	547.43
3	Interest Expense	-	163.74	(160.95)	-	-	2.79
	Total Liabilities from Financing Activities	**965.72**	**163.74**	**273.38**	**-**	**-**	**1,402.84**

S. No.	Particulars	As at 01.04.2022	Expense	Cash Flows	Non - Cash Transactions		As at 31.03.2023
					Processing Cost	Others	
1	Non Current Borrowings (including current maturity)	531.54	-	112.73	-	-	644.27
2	Short Term Borrwings	264.94	-	56.51	-	-	321.45
3	Interest Expense	-	185.97	(185.97)	-	-	-
	Total Liabilities from Financing Activities	**796.48**	**185.97**	**(16.73)**	**-**	**-**	**965.72**

S. No.	Particulars	As at 01.04.2021	Expense	Cash Flows	Non - Cash Transactions		As at 31.03.2022
					Processing Cost	Others	
1	Non Current Borrowings (including current maturity)	379.83	-	151.71	-	-	531.54
2	Short Term Borrwings	288.50	-	(23.56)	-	-	264.94
3	Interest Expense	-	165.26	(165.26)	-	-	-
	Total Liabilities from Financing Activities	**668.33**	**165.26**	**(37.11)**	**-**	**-**	**796.48**

S. No.	Particulars	As at 01.04.2020	Expense	Cash Flows	Non - Cash Transactions		As at 31.03.2021
					Processing Cost	Others	
1	Non Current Borrowings (including current maturity)	185.41	-	194.42	-	-	379.83
2	Short Term Borrwings	367.45	-	(78.95)	-	-	288.50
3	Interest Expense	-	138.81	(138.81)	-	-	-
	Total Liabilities from Financing Activities	**552.86**	**138.81**	**(23.34)**	**-**	**-**	**668.33**

41 Fair Values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

41.1 **Fair Value of Financial Assets**

S. No.	Particulars	Carrying Values			
		As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
	Financial assets whose fair value approximate their carrying value				
1	Trade Receivables	684.37	975.08	958.00	1,077.35
2	Cash and Cash Equivalents	2.34	31.70	2.38	47.83
3	Investments	-	-	0.67	0.67
4	Security Deposit	72.93	76.80	75.53	6.40
5	Other Financial Assets	647.80	599.97	397.11	291.86
	Total	**1,407.44**	**1,683.55**	**1,433.69**	**1,424.11**

S. No.	Particulars	Fair Values			
		As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
A	**Financial assets whose fair value approximate their carrying value**				
1	Trade Receivables	684.37	975.08	958.00	1,077.35
2	Cash and Cash Equivalents	2.34	31.70	2.38	47.83
3	Investments	-	-	0.67	0.67
4	Security Deposit	72.93	76.80	75.53	6.40
5	Other Financial Assets	647.80	599.97	397.11	291.86
	Total	**1,407.44**	**1,683.55**	**1,433.69**	**1,424.11**

41.2 **Fair Value of Financial Liabilities**

S. No.	Particulars	Carrying Values			
		As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
A	**Financial liabilities whose fair value approximate their carrying value**				
1	Trade Payables & Other Payables	1,255.64	1,268.84	876.92	686.73
2	Long-Term Borrowings	778.18	331.78	314.97	257.35
3	Short-Term Borrowings	621.87	633.94	481.51	410.98
B	**Financial liabilities whose fair value determined using incremental borrowing rate**				
1	Lease Liability (Non-Current & Current)	36.28	-	-	-
	Total	**2,691.97**	**2,234.56**	**1,673.40**	**1,355.06**

S. No.	Particulars	Fair Values			
		As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
A	**Financial liabilities whose fair value approximate their carrying value**				
1	Trade Payables & Other Payables	1,255.64	1,268.84	876.92	686.73
2	Long-Term Borrowings	778.18	331.78	314.97	257.35
3	Short-Term Borrowings	621.87	633.94	481.51	410.98
B	**Financial liabilities whose fair value determined using incremental borrowing rate**				
1	Lease Liability (Non-Current & Current)	36.28	-	-	-
	Total	**2,691.97**	**2,234.56**	**1,673.40**	**1,355.06**

Management has assessed that carrying amount of all financial instruments are reasonable approximation of the fair value.

41.3 **Discount Rate used in determining Fair Value**

(a) The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings of the Company and in case of financial asset is the average market rate of similar credit rated instrument. The company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

(b) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

42 Fair Value Hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Company's Assets and Liabilities

42.1 **Fair Value Measurement Hierarchy for Assets as at 31.10.2023 -**

S. No.	Particulars	Total (Carrying Value)	Fair Value Measurement Using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobser-vable inputs (Level 3)
A	**Financial Assets whose Fair Value approximate their Carrying Value**				
1	Trade Receivables	684.37	-	-	684.37
2	Cash and Cash Equivalents	2.34	-	-	2.34
3	Investments	-	-	-	-
4	Security Deposit	72.93	-	-	72.93
5	Other Financial Assets	647.80	-	-	647.80
	Total	**1,407.44**	**-**	**-**	**1,407.44**

42.2 **Fair Value Measurement Hierarchy for Liabilities as at 31.10.2023 -**

S. No.	Particulars	Total (Carrying Value)	Fair Value Measurement Using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobser-vable inputs (Level 3)
A	**Financial Liabilities whose Fair Value approximate their Carrying Value**				
1	Trade payables & Other Payables	1,255.64	-	-	1,255.64
2	Long-Term Borrowings	778.18	-	-	778.18
3	Short-Term Borrowings	621.87	-	-	621.87
B	**Financial liabilities whose fair value determined using incremental borrowing rate**				
1	Lease Liability (Non-Current & Current)	36.28	-	-	36.28
	Total	**2,691.97**	**-**	**-**	**2,691.97**

42.3 **Fair Value Measurement Hierarchy for Assets as at 31.03.2023 -**

S. No.	Particulars	Total (Carrying Value)	Fair Value Measurement Using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobser-vable inputs (Level 3)
A	**Financial Assets whose Fair Value approximate their Carrying Value**				
1	Trade Receivables	975.08	-	-	975.08
2	Cash and Cash Equivalents	31.70	-	-	31.70
3	Investments	-	-	-	-
4	Security Deposit	76.80	-	-	76.80
5	Other Financial Assets	599.97	-	-	599.97
	Total	**1,683.55**	**-**	**-**	**1,683.55**

42.4 **Fair Value Measurement Hierarchy for Liabilities as at 31.03.2023 -**

S. No.	Particulars	Total (Carrying Value)	Fair Value Measurement Using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobser-vable inputs (Level 3)
A	**Financial Liabilities whose Fair Value approximate their Carrying Value**				
1	Trade payables & Other Payables	1,268.84	-	-	1,268.84
2	Long-Term Borrowings	331.78	-	-	331.78
3	Short-Term Borrowings	633.94	-	-	633.94
	Total	**2,234.56**	**-**	**-**	**2,234.56**

42.5 **Fair Value Measurement Hierarchy for Assets as at 31.03.2022 -**

S. No.	Particulars	Total (Carrying Value)	Fair Value Measurement Using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobser-vable inputs (Level 3)
A	**Financial Assets whose Fair Value approximate their Carrying Value**				
1	Trade Receivables	958.00	-	-	958.00
2	Cash and Cash Equivalents	2.38	-	-	2.38
3	Investments	0.67	-	-	0.67
4	Security Deposit	75.53	-	-	75.53
5	Other Financial Assets	397.11	-	-	397.11
	Total	**1,433.69**	**-**	**-**	**1,433.69**

42.6 **Fair Value Measurement Hierarchy for Liabilities as at 31.03.2022 -**

S. No.	Particulars	Total (Carrying Value)	Fair Value Measurement Using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobser-vable inputs (Level 3)
A	**Financial Liabilities whose Fair Value approximate their Carrying Value**				
1	Trade payables & Other Payables	876.92	-	-	876.92
2	Long-Term Borrowings	314.97	-	-	314.97
3	Short-Term Borrowings	481.51	-	-	481.51
	Total	**1,673.40**	**-**	**-**	**1,673.40**

42.7 **Fair Value Measurement Hierarchy for Assets as at 31.03.2021 -**

S. No.	Particulars	Total (Carrying Value)	Fair Value Measurement Using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobser-vable inputs (Level 3)
A	**Financial Assets whose Fair Value approximate their Carrying Value**				
1	Trade Receivables	1,077.35	-	-	1,077.35
2	Cash and Cash Equivalents	47.83	-	-	47.83
3	Investments	0.67	-	-	0.67
4	Security Deposit	6.40	-	-	6.40
5	Other Financial Assets	291.86	-	-	291.86
	Total	**1,424.11**	**-**	**-**	**1,424.11**

42.8 **Fair Value Measurement Hierarchy for Liabilities as at 31.03.2021 -**

S. No.	Particulars	Total (Carrying Value)	Fair Value Measurement Using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobser-vable inputs (Level 3)
A	**Financial Liabilities whose Fair Value approximate their Carrying Value**				
1	Trade payables & Other Payables	686.73	-	-	686.73
2	Long-Term Borrowings	257.35	-	-	257.35
3	Short-Term Borrowings	410.98	-	-	410.98
	Total	**1,355.06**	**-**	**-**	**1,355.06**

43 Financial Risk Management Objectives and Policies

The Company’s principal financial liabilities comprise of trade and other payables, borrowings, security deposits. The main purpose of these financial liabilities is to finance the Company’s operations. The Company's principal financial assets include trade and other receivables, cash, fixed deposits and security deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by Finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. The Finance department provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

43.1 **Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk.

The sensitivity analysis in the following sections relate to the position as at October 31, 2023, March 31, 2023, March 31, 2022 & March 31, 2021.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

(a) **Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt and short term debt obligations with floating interest rates. The company is carrying its borrowings primarily at variable rates. For floating rates borrowings the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point Increase or decrease is used when reporting interest rate risk internally to Key management personnel and represents management's assessment of the reasonably possible change in interest rates.

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Variable Rate Borrowings	1,400.05	965.72	796.48	668.33

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held 'constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

S. No.	Particulars	Effect on Profit before Tax			
		As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Increase by 50 basis points	(70.00)	(48.29)	(39.82)	**(33.42)**
2	Decrease by 50 basis points	70.00	48.29	39.82	**33.42**

(b) **Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company’s exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company transacts business in local currency only. The Company does not have foreign currency trade payables and receivables and is therefore, not exposed to foreign exchange risk. The Company need not to use currency swaps or forward contracts towards hedging risk resulting from changes and fluctuations in foreign currency exchange rate as per the risk management policy.

(c) **Price Risk**

The Company’s exposure to price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

43.2 **Credit Risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to our Company. Our Company is only dealing with government authorities which results in mitigating the risk of financial loss from defaults. Financial instruments that are subject to concentration of credit risk, principally consist of balance with banks, investments in bonds, trade receivables and loans and advances. Financial assets are written off when there is no reasonable expectation of recovery. Our Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which we operate. Loss rates are based on actual credit loss experience and past trends.

(a) **Trade Receivables**

Customer credit risk is managed by each Company subject to the Company’s established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. An impairment analysis is performed at each reporting date on an individual basis for major customers. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The management believes that no further provision is necessary in respect of trade receivables based on historical trends of these customers. The customers of the company being Goverment and Government-Controlled Entities undertakings which owns the company's on an averagel 75% of the total debtors.

Also, an impairment analysis is performed at each reporting date on an individual basis for the other receivables of the company. The Company establishes an allowance for impairment that represents its expected credit losses in respect of other receivables.

The movement in the loss allowance in respect other receivables during the year is as follows:

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Opening Balance	1.02	6.30	-	-
2	Impairment Loss recognised during the year	0.69	1.02	6.30	-
	Closing Balance	**1.71**	**7.32**	**6.30**	**-**

43.3 **Liquidity Risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company’s objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimised cost.

The table below summarises the maturity profile of the Company’s financial liabilities based on contractual undiscounted payments.

S. No.	As at 31.10.2023	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
1	Trade Payables & Other Payables	-	1,154.39	101.25	-	1,255.64
2	Long-Term Borrowings	-	-	778.18	-	778.18
3	Short-Term Borrowings	-	621.87	-	-	621.87
4	Lease Liabilities	-	5.02	27.66	32.88	65.56
	Total	**-**	**1,781.27**	**907.09**	**32.88**	**2,721.24**

S. No.	As at 31.03.2023	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
1	Trade Payables & Other Payables	-	1,253.37	15.47	-	1,268.84
2	Long-Term Borrowings	-	-	331.78	-	331.78
3	Short-Term Borrowings	-	633.94	-	-	633.94
	Total	**-**	**1,887.31**	**347.25**	**-**	**2,234.56**

S. No.	As at 31.03.2022	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
1	Trade Payables & Other Payables	-	853.49	23.44	-	876.92
2	Long-Term Borrowings	-	-	314.97	-	314.97
3	Short-Term Borrowings	-	481.51	-	-	481.51
	Total	**-**	**1,335.00**	**338.41**	**-**	**1,673.40**

S. No.	As at 31.03.2021	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
1	Trade Payables & Other Payables	-	660.59	26.13	-	686.73
2	Long-Term Borrowings	-	-	257.35	-	257.35
3	Short-Term Borrowings	-	410.98	-	-	410.98
	Total	**-**	**1,071.57**	**283.48**	**-**	**1,355.06**

44 Disclosure pursuant to Ind AS 116 - "Leases"

44.1 The Company applied the available practical expedients wherein it -

(a) Used a single discount rate to a portfolio of leases with reasonably similar characteristics.

(b) Relied on its assessment of whether leases are onerous immediately before the date of initial application.

(c) Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application

(d) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

(e) Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

44.2 The Company has taken Registered Office, Corporate Office and various Offices at Project Sites under operating lease agreements till the end of Reporting Period. These are generally cancellable and are renewable with mutual consent. However, the company has now entered into Long Term Lease Contracts for Registered Office & Corporate Office for upto 10 Years and 15 Years.

44.3 The Company has elected not to apply the requirements of Ind AS 116 to short term leases of site offices that have a lease term of twelve months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight line basis over the lease term

44.4 The maturity analysis of contractual undiscounted cash flow in respect of lease recognised under IND AS 116 is disclosed under note 43.3.

44.5 The effective interest rate for lease liabilities is 11%.

44.6 **Amounts recognised in Statement of Profit or Loss**

S. No.	Particulars	For the period ended 31.10.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Depreciation expenses of Right-of-use assets (Refer note 3(a) & 30)	4.89	-	-	-
2	Interest expenses on lease liabilities (Refer note 3(a) & 29)	2.29	-	-	-
3	Expenses related to short term leases or cancellable leases, leases of low value assets, variable lease payments (included in Construction Expenses and Other Expenses)	39.06	26.18	24.74	12.78

45 Ratio Analysis

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021	% Change from March 31, 2022 to March 31, 2023	% Change from March 31, 2021 to March 31, 2022
1	**Current Ratio (Times)**						
(a)	Current Assets	3,202.18	3,039.37	2,019.16	1,590.03		
(b)	Current Liabilities	2,059.89	2,078.87	1,604.41	1,105.12		
(c)	*(Current Assets / Current Liabilities)*	1.55	1.46	1.26	1.44	16%	-13%
2	**Debt - Equity Ratio (Times)**						
(a)	Total Debt	1,400.05	965.72	796.48	668.33		
(b)	Total Equity#	1,135.23	927.83	714.56	540.54		
(c)	*(Debt / Equity)*	1.23	1.04	1.11	1.24	7%	-10%
3	**Debt Service Coverage Ratio (Times)**						
(a)	Earnings before Interest, Taxes, Depreciation & Amortisation (EBITDA) - Taxes	445.28	480.67	401.20	313.30		
(b)	Principal Repayment + Interest Cost	299.69	354.28	250.23	100.17		
(c)	{(EBITDA - Taxes) / (Principal Repayment + Interest Cost)}	1.49	1.36	1.60	3.13	-15%	-49%
4	**Return on Equity Ratio (%)**						
(a)	Profit After Tax	206.28	213.95	176.64	129.28		
(b)	Average Shareholder's Equity#	1,031.53	821.20	627.55	492.98		
(c)	*(Profit After Tax / Average Shareholder's Equity)*	20.00%	26.05%	28.15%	26.22%	-7%	7%

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

Notes to the Restated Financial Statements

(All Amount in ₹ Millions, unless otherwise stated)

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021	% Change from March 31, 2022 to March 31, 2023	% Change from March 31, 2021 to March 31, 2022
5	**Inventory Turnover Ratio (Times)**						
(a)	Revenue from Operations (Net of GST)	2,494.49	4,334.55	3,630.52	3,107.55		
(b)	Average Inventories	1,885.05	1,195.56	468.69	467.31		
(c)	*(Revenue from Operations / Average Inventories)*	1.32	3.63	7.75	6.65	53%	16%
6	**Trade Receivables Turnover Ratio (times)**						
(a)	Revenue from Operations	2,494.49	4,334.55	3,630.52	3,107.55		
(b)	Average Trade Receivables	829.73	966.54	1,017.68	816.86		
(c)	*(Revenue from Operations / Average Trade Receivables)*	3.01	4.48	3.57	3.80	26%	-6%
7	**Trade Payables Turnover Ratio (times)**						
(a)	Net Purchases	1,658.00	3,899.64	2,938.04	1,780.33		
(b)	Average Trade Payables	1,152.25	997.96	732.47	594.21		
(c)	*(Net Purchases / Average Trade Payables)*	1.44	3.91	4.01	3.00	-3%	34%
8	**Net Capital Turnover Ratio (times)**						
(a)	Revenue from Operations	2,494.49	4,334.55	3,630.52	3,107.55		
(b)	Average Working Capital	1,051.40	687.63	449.83	495.13		
(c)	*(Revenue from Operations / Average Working Capital)*	2.37	6.30	8.07	6.28	-22%	29%
9	**Return on Capital Employed (%)**						
(a)	Earning before Interest & Taxes (EBIT)	398.71	424.97	365.21	280.50		
(b)	Capital Employed#	2,556.10	1,917.09	1,555.73	1,257.06		
(c)	*(EBIT / Capital Employed)*	15.60%	22.17%	23.48%	22.31%	-6%	5%
10	**Net Profit Ratio (%)**						
(a)	Profit After Tax	206.28	213.95	176.64	129.28		
(b)	Revenue from Operations	2,494.49	4,334.55	3,630.52	3,107.55		
(c)	*(Profit After Tax / Revenue from Operations)*	8.27%	4.94%	4.87%	4.16%	1%	17%
11	**Return on Investment (%)**** *(Return / Amount of Investment)*	N.A.	N.A.	N.A.	N.A.	--	--

** Ratios variances have been explained for any change by more than 25% as compared to the previous year.*

*** Return on Investment has not been computed because the FD's have been pledged against the margin held for Bank Guarantees.*

**** The company has not explained the reasons for variances in the ratios computed for the period ended October 31, 2023 in comparison with March 31, 2023 on account of non-comparability of reporting period.*

 # Total Equity, Average Shareholder's Equity and Capital Employed excludes Revaluation Surplus.

45.1 **Notes to Analytical Ratios**

(a) **% Change from March 31, 2021 to March 31, 2022**

(i) Variation in Debt Service Coverage Ratio is on account of increased loan instalment and interest cost, even though the profitability has also increased during the year.

(ii) Improvement in Trade Payables Turnover Ratio is on account of regularity in payments to the vendors of the company. Increased revenues further leads to increased purchases, but the change in balance of average trade payables as compared to previous year is less as compared to significant change in amount of purchases by the company as compared to the previous year.

(iii) Improvement in Net Capital Turnover Ratio is on account of increased revenue during the year as compared to previous year.

(b) **% Change from March 31, 2022 to March 31, 2023**

(i) Variation in Inventory Turnover Ratio is due to high level of inventories kept during the year for timely completion of large size contracts / projects awarded to the company.

(ii) Improvement in Trade Receivables Turnover Ratio is on account of timely realisability of receivales by the company. The change in balance of average trade receivables as compared to previous year is less as compared to significant change in amount of revenue as compared to the previous year.

46 **Other Statutory Information**

46.1 The company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

46.2 The Company do not have any transactions with companies struck off.

46.3 The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

46.4 The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

46.5 The Company have 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)

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

46.6 The Company have 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,

46.7 The Company have not 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

46.8 The Company has not been declared wilful defaulter by any bank and financial institution or government or any government authority.

46.9 The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017

45.10 The Company has not revalued its property, plant and equipment during the financial year.

45.11 The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

47 <u>OTHER INFORMATION</u>

47.1 In the opinion of the Directors, Trade Receivables, Short Term Loans & Advances and Other Current Assets have been valued at which they are shown in the Balance Sheet if realised in the ordinary course of business.

47.2 Balances of parties under Trade Payables, Other Current Liabilities, Long Term Loans & Advances, Trade Receivables, Short Term Loans & Advances and Other Current Assets are subject to confirmation.

47.3 Previous Year Figures have been regrouped and recasted wherever necessary.

48 <u>Summary of Restatement Adjustments -</u>

Statement of Restatement Adjustments to Audited Financial Statements

48.1 **Reconciliation between Audited Equity and Restated Equity -**

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Equity as per Audited Financial Statements	**847.28**	**646.62**	**649.14**	**483.44**
(a)	Adjustments in Opening Reserves	-	-	(115.23)	(81.08)
(b)	Previous Balances written off	-	-	-	(34.15)
(c)	Deferred Tax Adjustment	-	-	(40.12)	(43.90)
(d)	Gratuity adjustments on account of Ind AS	-	-	0.89	-
(e)	Expected Credit Loss booked in Financial Statements	-	-	(6.30)	-
2	Equity as per Restated Financial Statements	**847.28**	**646.62**	**488.38**	**324.31**

48.2 **Reconciliation between Audited Profit after Tax with Restated Profit after Tax**

S. No.	Particulars	As at 31.10.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Total Comprehensive Income as per Audited Financial Statements	**206.28**	**213.95**	**178.99**	**134.97**
(a)	Gratuity adjustments as per Ind AS	-	-	3.51	-
(b)	Expected Credit Loss booked in Financial Statements	-	-	(6.30)	-
(c)	Deferred Tax Adjustment	-	-	0.44	(5.69)
2	Total Comprehensive Income as per Restated Financial Statements	**206.28**	**213.95**	**176.64**	**129.28**

49 The Restated Financial Statements has been approved for issue by Company's Board of Directors on March 26, 2024.

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OTHER FINANCIAL INFORMATION

The accounting ratios required under Paragraph 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below.

Particulars	As at and for the seven months period ended October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Restated earnings per Equity Shares – Basic (in ₹)	5.75	5.96	4.92	3.60
Restated earnings per Equity Share – Diluted (in ₹)	5.75	5.96	4.92	3.60
Return on Net Worth (%)*	18.48%	23.95%	25.11%	23.92%
Net Asset Value per Equity Share (in ₹)	31.11	24.90	19.60	15.06
EBITDA	493.91	528.93	438.71	351.94

** Not annualised for the seven months period ended October 31, 2023.*

Notes:

(1) Earnings per Equity Share (Basic & Diluted) = Restated profit for the period/year attributable to the Equity Shareholders / number of Equity Shares outstanding during the period / year.

(2) Return on Net worth attributable to the Equity Shareholders of our Company (%) = Restated net profit for the period/year attributable to Equity Shareholders of our Company / Restated Average Net worth attributable to the Equity Shareholders of our Company as at the end of the period/year. Return on Net worth attributable to the Equity Shareholders of the company is a non-GAAP measure.

(3) Net Asset Value per Equity Share is calculated as net worth attributable to the Equity Shareholders of our Company as at the end of financial period/year divided by the number of Equity Shares used in calculating basic earnings per share.

"Net Worth attributable to the Equity Shareholders of our Company" means the aggregate value of the paid-up equity share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, including legal reserve and after deducting, if any the aggregate value of the accumulated losses, prepaid expenses, deferred expenditure and miscellaneous expenditure not written off as per the Restated Financial Statement, but does not include reserves created out of revaluation of assets and write-back of depreciation as on March 31, 2021, March 31, 2022, March 31, 2023 and seven months period ended October 31, 2023 in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations, as amended. It also excludes OCI, NCI and deeply subordinate debt.

(4) EBITDA is calculated as restated profit / (loss) for the period / year, plus finance costs, total taxes, and depreciation and amortisation expense.

(5) Accounting and other ratios are based on the Restated Financial Information.

In accordance with the SEBI ICDR Regulations, the audited financial statements of our Company and the snapshot of the financials of the Group Company for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 together with all the annexures, schedules and notes thereto ("***Audited Financial Statements***") are available on our website at www.deepakbuilders.co.in.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, 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 SEBI ICDR Regulations, 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 to subscribe for or purchase any securities of our Company or any entity in which it or its shareholders may have significant influence and should not be relied upon or used as a basis for any investment decision. Neither the Company or any of its advisors, nor any of the Book Running Lead Manager ("**BRLM**") or the Selling Shareholders, 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 Restated Financial Statements, or the opinions expressed therein.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at October 31, 2023, as derived from our Restated Financial Information. This table should be read in conjunction with the sections titled ***"Risk Factors", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations"*** on pages 36, 262 and 310, respectively.

(₹ in millions, except ratios)

Particulars	As at and for the seven months period ended October 31, 2023	As adjusted for the Offer*
Borrowings		
Total borrowings		
- Non-current borrowings	778.18	[●]
- Current –borrowings	547.43	[●]
- Current maturities of non-current borrowings	74.44	[●]
- Interest accrued	2.97	[●]
Debt (A)	**1,403.02**	[●]
Equity		
- Equity Share capital	358.81	[●]
- Other Equity**	776.42	[●]
Equity (B)	1,135.23	[●]
Debt equity ratio (A/B)	1.24	[●]

**The corresponding post Offer capitalization data is not determinable at this stage pending the completion of the Book Building Process and hence have not been furnished. To be updated upon finalization of the Offer Price.*

 # These terms shall carry the meaning as per Schedule III of the Companies Act.

***Other Equity is exclusive of revaluation reserve.*

Notes:

The above has been computed on the basis on amounts derived from the Restated Financial Information.

FINANCIAL INDEBTEDNESS

Our Company has avail fund-based facility consisting of Cash Credit, Working Capital Term Loans, commercial equipment and vehicle Loans and non-fund-based facilities consisting of Bank Guarantee and Letter of Credit in the ordinary course of business for purposes such as, inter alia, meeting our working capital or business requirements. We have obtained the necessary consents required under the relevant loan documentation for undertaking activities in relation to the Offer, including, inter alia, for effecting a change in our shareholding pattern, for effecting a change in the composition of our Board, and for amending our constitutional documents.

Set forth below is a brief summary of our aggregate outstanding borrowings amounting to ₹4,692.62 million, as on February 29, 2024.

(₹ in millions)

Category of Borrowing	Sanctioned Amount (to the extent applicable)*	Amount outstanding as on February 29, 2024
Secured Loan		
(a) Fund based facilities		
Term loans (including)	707.65	608.27
Working capital facilities including Cash Credit	815.00	796.97
Machinery & Vehicle Loans	297.99	176.20
(b) Non-fund based facilities		
Bank guarantee (interchangeable)	4,120.00	3,015.87
Unsecured Loan		
From Banks and Financial Institutions	109.51	83.01
Loan from Director	-	12.30
Total borrowings	**6,050.15**	**4,692.62**

As certified by our Statutory Auditor - Parmod G Gupta & Associates, Chartered Accountants by way of their certificate dated April 9, 2024

All indicative key terms of our borrowings are disclosed below:

- ***Tenor and interest rate***: The tenor of the fund based and non-fund-based facilities ranges from 90 days to 12 years. The interest rates for the facilities are typically linked to benchmark rates varying from 7.00% p.a. to 17.00% p.a., such as the repo rate prescribed by the RBI, treasury bill rate and marginal cost of funds-based lending rate ("**MCLR**") of the specific lender plus a spread per annum is charged above these benchmark rates.

- ***Security***: In terms of our borrowings where security needs to be created, we are typically required to create security by way of charge on immovable assets (both present and future), current assets, receivables, all stock of raw materials (both present and future), work in progress, finished goods, and book debts. Further, facilities availed by our company are secured by personal guarantees of Deepak Kumar Singal, Sunita Singal and Akash Singal.

- ***Repayment***: Our facilities are typically repayable within 90 days to 12 years or are repayable on demand

- ***Prepayment:*** Certain loans availed by our Company have prepayment provisions which allows for prepayment of the outstanding loan amount and sometimes carry a pre-payment penalty on the pre-paid amount or on the outstanding amount subject to terms and conditions stipulated under the loan documents. Some of our loan agreements require us to pay prepayment penalties.

- ***Penal Interest:*** We are bound to pay additional interest to our lenders for defaults in the payment of interest or other monies due and payable. This additional interest is charged as per the terms of our loan agreements and is typically 2% to 4% over the applicable interest rate.

- ***Restrictive Covenants:*** As per the terms of our loan agreements, certain corporate actions for which our Company requires prior written consent of the lenders include:

  a) Change in control/ownership/management/directorship/partnership including resignation of promoter directors (including key managerial personnel) of our Company

b) Amending the constitutional documents of our Company;

c) Effecting any changes to the capital structure or shareholding pattern of our Company;

d) Dilution of Promoter's shareholding below its current level or 51% of the controlling stake (whichever is lower);

e) Approaching capital market for mobilizing additional resources either in the form of debt or equity;

f) Enter into any scheme of merger, amalgamation, compromise or reconstruction or do a buyback; and

g) Undertaking any new business, operations or projects or substantial expansion of any current business, operations, or projects.

h) Sell, assign, mortgage or otherwise dispose of any of the fixed assets charged to the Bank However, fixed assets to the extent of 5% Gross Block may be sold in any financial year provided such sale does not dilute FACR below minimum stipulated level. (Not applicable for unsecured loans)

i) Undertake any trading activity other than the sale of products arising out of its own manufacturing operations

- ***Events of Default:*** Our borrowing arrangements prescribe the following events of default, including among others:

a) If failed to pay to the bank any amount when due and payables.

b) Default in repayment of loan facility;

c) If all or material part of business is suspended or ceases to exist;

d) If failed to submit requisite number of PDCS or if any of the PDC is dishonoured.

e) If the loan is used for any other purpose other than the purpose for which the loan is sanctioned;

f) Bankruptcy, insolvency, dissolution;

g) Breach in any other loan/ facility agreement;

h) Jeopardise or likely to prejudice, impair, depreciate any security;

i) Relevant asset is destroyed, or is stolen or untraceable for 30 days;

j) Asset is confiscated, attached, taken into custody by any authority or subject to any execution proceeding;

k) Failure to supply certified true copy of the registration;

l) Misleading information and representations;

m) Default under any other financing arrangements of our Company;

n) Asset is used or alleged to be used for any illegal purposes or activity;

o) If the Company is adjudicated insolvent or taking advantage of law for the relief of insolvent debtors;

p) Any of the cheques delivered or to be delivered by the Borrower to the Bank in terms and conditions hereof is not encashed for any reason whatsoever on presentations;

q) Any other occurrence or existence of one or more events, conditions or circumstances (including any change in law), which in opinion.

For risks in relation to the financial and other covenants required to be complied with in relation to our borrowings, see "***Risk Factors – We are subject to restrictive covenants under our financing agreements that could limit our flexibility in managing our business or to use cash or other assets***" on page 61.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

*You should read the following discussion and analysis of our financial condition and results of operations, and our assessment of the factors that may affect our prospects and performance in future periods, together with our Restated Financial Information for the seven months period ended October 31, 2023 and for Fiscal 2023,Fiscal 2022 and Fiscal 2021, including the notes thereto and reports thereon, each included in this Draft Red Herring Prospectus. Unless otherwise indicated or the context otherwise requires, the financial information for the seven months period ended October 31, 2023 and for Fiscal 2023, Fiscal2022 and Fiscal 2021, included herein is derived from the Restated Financial Information, included in this Draft Red Herring Prospectus. For further information, see "**Financial Information**" on page 262. Our financial year ends on March 31 of each year, and references to a particular year are to the 12 months period ended March 31 of that year.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "**Industry Report on Construction Industry in India**" dated March 31, 2024" (the "**D&B Report**") prepared and issued by Dun & Bradstreet Information Services India Private Limited ("**D&B India**"), appointed by us on January 10, 2024, and exclusively commissioned and paid for by us in connection with the Offer. D&B India is an independent agency which has no relationship with our Company, our Promoters and any of our Directors or KMPs or SMPs. The data included herein includes excerpts from the D&B Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the D&B Report is available on the website of our Company at www.deepakbuilders.co.in until the Bid/Offer Closing Date. For more information, see **"Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the D&B Report which have been commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks"** on page 60.*

Unless the context otherwise requires, in this section, references to 'we', 'us', 'our', 'the Company', 'our Company' or 'DBEIL' refers to Deepak Builders & Engineers India Limited.

OVERVIEW

We are an integrated engineering and construction company, specializing in execution and construction of administrative & institutional buildings, hospitals and medical colleges, industrial building, historical memorial complex, stadium and sports complex, residential complex and, various developmental and other construction activity ("**Construction Projects**"). While our primary focus and strength are deeply rooted in Construction Projects, we have diversified in undertaking specialized structural work such as flyovers, rail under bridge, rail over bridges, approach roads and development and redevelopment of railway stations ("**Infrastructure Projects**"). We undertake Construction & Infrastructure Projects both, as EPC services on a fixed-sum turnkey basis as well as on an item-rate basis/percentage basis. As an engineering and construction company, we have a proven track record of executing turnkey projects comprising of architectural & structural work, civil, electrical, mechanical, HVAC, firefighting & fire alarm systems, public health services, information technology system, modular operation theatre, medical gas pipeline systems and external development, including landscaping work. Since incorporation, our Company has transitioned to an established EPC player, demonstrating expertise in various construction and infrastructure development projects including specialized structures across four (4) states of India, i.e. Punjab, Haryana, Rajasthan, Uttarakhand and two (2) Union Territories i.e. Chandigarh and National Capital Territory of Delhi. Our revenue from operations has increased significantly from ₹3,107.55 million in Fiscal 2021 to ₹4,334.55 million in Fiscal 2023 and to ₹2,494.49 million in the seven months ended October 31, 2023.

Incorporated in September 2017, we acquired the business of M/s. Deepak Builders, a partnership firm ("**Deepak Builders Partnership Firm**" or "**Erstwhile Firm**"), vide a Business Takeover Agreement dated March 1, 2018. Deepak Builders Partnership Firm was constituted by our Promoter, Deepak Kumar Singal on April 1, 1990. Deepak Kumar Singal (*through the Erstwhile Firm*) has been in the construction business for over 30 years and has also been instrumental in the growth of our Company. Since 1990, Deepak Kumar Singal has contributed towards the completion of sixty (60) Construction & Infrastructure Projects (inclusive of projects completed in

Erstwhile Firm as well as our Company), which includes nine (9) EPC projects and fifty-one (51) projects on an item-rate/percentage rate basis.

Since our incorporation in September 2017, we have gradually increased our execution capabilities in terms of the size of projects that we can bid for and execute. One of our initial projects that was awarded to our Company in 2018 by PWD Haryana, was for an aggregate contract value of ₹514.40 million[1] for construction of flyover with underpass and service roads at Atul Kataria Chowk (Old Delhi – Jaipur Road). Whereas, more recently we have been awarded our first contract for construction of plant building (*under our industrial building projects*) by Indian Oil Corporation Limited ("**IOCL**"), Panipat, Haryana with a contract value amounting to ₹5,329.59[1] million.

Since, acquisition of business from Erstwhile Firm, we have completed sixteen (16) Projects[2] including some prestigious projects, such as construction of Jang-E-Azadi Memorial at Kartarpur, Jalandhar, Punjab with a contract value amounting to ₹2,183.60 million[1], development of Karuna Sagar Maharishi Valmiki Tirath Asthaan at Ram Tirath, Amritsar, Punjab with a contract valueamounting to ₹1,972.40 million[1], construction of Geriatrics Block in AIIMS Campus, New Delhi with a contract value amounting to ₹2,243.20 million[1], construction of super specialty block at Government Medical College, Patiala with a contract value amounting to ₹665.00 million[1]. For information in respect of our completed projects, see "***Our Completed Projects***" on page 212.

Currently, our Company has eleven (11) ongoing projects, including six (6) EPC projects and five (5) item-rate/percentage rate contracts. Of our total ongoing projects, our Construction Projects comprises of four (4) hospital and medical college projects, one (1) administrative & institutional buildings; one (1) industrial building; and our Infrastructure Projects comprises of three (3) projects relating to upgradation/development/redevelopment of Railway Station and related work, and two (2) roads & bridges projects relating to rail over bridges. Further, we also undertake operation and maintenance ("**O&M**") activities in accordance with our contractual obligations under the projects.

We are accredited as a Class I – (Super) Contractor with Central Public Work Department, Government of India and as on the date of this Draft Red Herring Prospectus, we are pre-qualified to bid independently for single projects up to a tender value of ₹6,500.00 million. For details, see "***Government and Other Approvals***", on page 351.

Our order book, as on February 29, 2024, seven months period ended October 31, 2023 and Fiscal 2023, Fiscal 2022 and Fiscal 2021, amounts to ₹12,115.68 million, ₹13,607.09 million, ₹16,578.79 million, ₹7,196.32 million and ₹5,443.40 million, respectively. Of our total order book value as on February 29, 2024, projects awarded by Northern Railways contributed 52.51%, industrial building project awarded by IOCL contributed 30.32%, and hospital and medical project awarded by government-controlled entities collectively contributed 11.61%. Our book to bill ratio for seven months period ended October 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 was 4.86, 4.05, 2.11 and 1.66 times, respectively[3]. Our order book as of a particular date comprises of anticipated revenues from uncompleted portion of existing contracts (signed contract for which all pre-conditions to entry have been met, including letters of intents issued by the client). For information in respect of our ongoing projects, see "***Our Order Book***" on page 214.

The business of our Company can be classified under the below verticals:

- Construction Projects business;
- Infrastructure Projects business; and
- Sale of products.

Construction Project Business

Under our construction project business vertical, we undertake turnkey construction work and specializes in construction of administrative & institutional buildings, hospital and medical college buildings, industrial building, historical memorial complex, stadium and sports complex, and residential complex. We undertake

1 The contract value is with GST
2 On the basis of work competition certificates or LOA issued in the name of the Company
3 Book to Bill ratio is calculated as Order Book at a particular period divided by the Revenue from operations for that period

construction projects awarded by government, semi-government and government-controlled entities. Such projects are awarded to us through a competitive bidding process.

Our construction business majorly comprises of government, semi-government and governement-controlled entities ("**Government Clients**") awarded civil construction projects including construction and development of:

a) Administrative & Institutional Building Projects – These projects primarily involve the construction and development of multi storied government administrative & institutional building under the government projects. We typically undertake construction of the building structure including construction of specific structure inside the building such as auditorium, offices, internal and external civil works, external development work, HVAC, Mechanical Electrical & Plumbing **("MEP")** works etc. in accordance with the specifications outlined in the project contract.

b) Hospitals and Medical College Building Projects – These projects primarily involve the construction and development of multi storeyed hospitals and medical college buildings along with internal and external civil works, external development work, HVAC, MEP works, construction of modular operation theatre & medical gas pipeline system etc. in accordance with the specifications outlined in the project contract.

c) Historical Memorial Complex – These projects primarily involve construction and development of historical memorial complex and monuments which includes construction of multi storeyed civil structures along with other structures such as domes, minars, statues and other components of buildings along with entrance foyer, auditorium, seminar halls, theaters, food courts, offices, library, galleria, etc. in accordance with the specifications outlined in the project contract. Our scope of work also includes internal and external civil works, external development work, HVAC, MEP works etc.

d) Industrial Building – This is our new vertical which would primarily involve construction and development of plant & non-plant buildings for industrial use. The scope of building works includes complete architectural, civil, structural, electrical, HVAC and IT systems related work for the buildings in accordance with the specifications outlined in the project contract.

e) Stadium and Sports Complex – These projects primarily involve construction and development of stadium and sports complex such as International Cricket Stadium, New Chandigarh etc. The scope of work includes construction of civil work, public work, health and electrical work, HVAC, CCTVs, electronic security system, etc. in accordance with the specifications outlined in the project contract.

f) Residential Complex – These projects primarily involve construction of government residential buildings along with finishing, public health services, electrical works complex under the projects awarded by the government clients in accordance with the specifications outlined in the project contract.

g) Developmental and other Construction Activity – We also undertake various developmental and construction activity such as beautification and land scaping work, environmental park, construction of fruit and vegetable market, painting works, erection and commissioning of utilities, etc. The contract for such developmental and construction activity also includes carrying out civil work, electrical and public health work, construction of roads, footpath, parking pavement, brick work, etc. in accordance with the specifications outlined in the project contract.

Infrastructure Project Business

Under our Infrastructure Projects business verticals, we primarily undertake;

(a) Road Projects – We undertake projects on an EPC basis which comprises of designing, construction, realignment, widening, upgradation, diversion, improvements of approach roads, service road, foot path, rail over bridge, rail under bridge, underpass and flyovers, etc. in accordance with the specifications outlined in the project contracts.

(b) Railway Projects – This being our new vertical where we undertake engineering, procurement, construction, development and redevelopment of railway stations along with construction of station building, arrival concourse, cover over platform, railway rest houses, railway hospitals, railway quarters,

multi-level car parking, foot over bridges, internal roads, pavements, various interior and exterior work, etc. in accordance with the specifications outlined in the project contracts.

The table below outlines the Construction & Infrastructure Projects executed by us during Fiscal 2021 to Fiscal 2023 and for the seven months period ended October 31, 2023.

(₹ in million)

Project type	No of completed projects	Value of completed projects*
Hospitals & medical college building	4	4,408.55
Developmental and other Construction Activity	5	2,231.84
Road Projects	3	1,563.10
Stadium & Sports Complex	1	1,401.20
Residential Complex	1	1,185.38
Administrative & Institutional building	2	197.96

**Contract value is inclusive of GST*

We have rich domestic experience in executing construction projects. The scope of our services includes designing, detailed engineering of the project, procurement of construction materials, plant and machinery, construction and execution of the project and its operation and maintenance in accordance with the contractual provisions. Our manpower, resources and fleet of machinery and equipment, together with our engineering capabilities, enables us to execute multiple of projects simultaneously. We believe that our resources, quality of work and project execution skills have enabled us to enhance our relationships with existing clients and helps us to further secure projects from new clients.

We possess experience of executing projects with varying degrees of complexities such as design engineering and construction of 3D Domes at Jang-E-Azadi, Kartarpur, Punjab; Heritage Walk at Golden Temple Corridor, Amritsar, Punjab; construction of fire ramps in specialized steel structure at AIIMS, Delhi and other similar projects. We have developed and diversified our technical capabilities in executing varied projects and also our geographical presence across four (4) states of India, including Punjab, Haryana, Rajasthan, Uttarakhand and two (2) Union Territories ("**UT**") i.e. Chandigarh and National Capital Territory of Delhi.

Historically, we have undertaken projects independently without any joint venture partners and have a track record of successful execution of projects. At present, our operations are accumulated in the northern part of India comprising the states of Punjab, Haryana, Rajasthan, Uttarakhand and Union Territories of Chandigarh and National Capital Territory of Delhi.

We believe that our execution capabilities have helped us create a marquee client base consisting of government, semi-government and government-controlled entities. Our major clients include Northern Railways, Public Work (Roads & Buildings) Department, Punjab ("**PWD Punjab**"), Public Work (Roads & Buildings) Department, Haryana ("**PWD Haryana**"), Public Work Department, Uttarakhand ("**PWD Uttarakhand"**), WAPCOS, NPCCL, HSCC, IOCL, Greater Mohali Area Development Authority, Punjab ("**GMADA Punjab**"), Ludhiana Smart City Limited ("**LSCL**"), Punjab Cricket Association ("**PCA**") and Punjab Heritage and Tourism Promotion Board ("**PHTPB**").

Sale of Products

Our Company being in the business of construction requires steel, cement, sand, aggregates, etc., for executing the projects awarded to our Company. In order to execute the work on time and to reduce the cost of procurement for the above items required for completion of a projects, the Company has set-up RMC plants at different locations as backward integration and also stock other construction materials like iron and steel, cement, etc., required in construction of our projects. After captive consumption, certain residue construction material primarily steel, are sold in the open market to third party contractors, traders, etc. on commercially viable terms.

Our human resource and our owned and leased fleet of modern construction machinery and equipment, along with our engineering skills and capabilities, enable us to undertake a wide variety of construction projects that involve a varying degree of complexity. Our work force, as on February 29, 2024 consisted of 642 full-time employees, comprising both skilled and on-site workers engaged in various projects. We also engage contract labourers whom we hire based on our requirement from time-to-time. We believe that our in-house integrated model of equipment management reduces dependence on third party suppliers for construction machinery and equipment and thus enabling us in execution of our projects.

We are led by our Promoter and the Chairman cum Managing Director namely, Deepak Kumar Singal who has extensive experience of more than 30 years in the construction industry and has been intimately involved in our business since incorporation. Our Promoter remains actively involved in our operations and continues to bring his vision, business acumen and leadership to our Company, which has been instrumental in sustaining our business operations and growth. We also have dedicated management team with a strong understanding of the industry that enables us to effectively identify and take advantage of market opportunities. We believe that the experience of our senior management team has significantly contributed to our success and growth. For further details, see "***Our Promoters***" and "***Our Management***" on page 254 and 238, respectively.

Our Company's revenue from operations for seven months period ended October 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 are detailed as below:

(*₹ in million*)

Our operations	Revenue from Operations as on October 31, 2023	As % of Revenue from Operations	Revenue from Operations as on March 31, 2023	As % of Revenue from Operations	Revenue from Operations as on March 31, 2022	As % of Revenue from Operations	Revenue from Operations as on March 31, 2021	As % of Revenue from Operations
Construction Projects								
Administrative & Institutional	-	-	-	-	21.85	0.60%	40.40	1.30%
Hospitals and medical college	677.23	27.15%	2,232.42	51.50%	1,647.15	45.37%	1,477.51	47.55%
Sports & Stadiums Complex	-	-	-	-	91.69	2.53%	112.14	3.61%
Developmental and other Construction Activity	20.86	0.84%	300.70	6.94%	232.43	6.40%	526.85	16.95%
Residential Buildings	16.80	0.67%	243.25	5.61%	599.66	16.52%	-	-
Industrial Building	684.46	27.44%	507.48	11.71%	-	-	-	-
Infrastructure Projects								
Road Projects	5.57	0.22%	161.09	3.72%	408.76	11.26%	760.83	24.48%
Railway Projects	967.67	38.79%	28.49	0.66%	-	-	-	-
Sale of Product								
Sale of Material	121.96	4.89%	861.12	19.87%	628.98	17.32%	189.82	6.11%

As certified by our Parmod G Gupta & Associates, Chartered Accountants by way of their certificate dated April 9, 2024.

Key Performance Indicator

From the commencement of our business operations, we have witnessed a rise in our revenue from operations and moreover we have demonstrated profitability with operating performance. Our Company had achieved revenue from operations of ₹2,494.49 million for the seven months period ended October 31, 2023, ₹4,334.55 million in Fiscal 2023, ₹3,630.52 million in Fiscal 2022 and ₹3,107.55 million in Fiscal 2021, representing, 99.15%, 99.54%, 99.47% and 99.59% of our total income, respectively.

Our key financial performance indicator for the seven months period ended October 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 are detailed as below:

(₹ in million, unless stated otherwise)

Parameter	For the seven months period ended October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Total income[(a)]	2,515.95	4,354.60	3,649.87	3,120.38
Total revenue from operations [(b)]	2,494.49	4,334.55	3,630.52	3,107.55
Current Ratio[I]	1.55	1.46	1.26	1.44
EBIDTA[(d)]	493.91	528.93	438.71	351.94
EBIDTA Margin (in %)[(e)]	19.80%	12.20%	12.08%	11.33%
Net Profit for the Year[(f)]	206.28	213.95	176.64	129.28
Net Profit Margin (in %)[(g)]	8.27%	4.94%	4.87%	4.16%
Return on Net Worth (in %)[(h)]	20.53%	26.80%	28.40%	26.22%
Return on Capital Employed (in %)[(i)]	18.89%	26.10%	27.26%	27.12%
Debt-Equity Ratio[(j)]	1.23	1.04	1.11	1.24
Net Debt / EBITDA Ratio[(k)]	2.83	1.77	1.81	1.76

As certified by Statutory Auditor Parmod G Gupta & Associates, Chartered Accountants by way of their certificate dated April 9, 2024

Notes:

(a) Total income includes revenue from operation and other income

(b) Revenue from operations represents the Contact receipt income from the projects executed by the Company as recognized in the Restated financial information.

(c) Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.

(d) EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year and adding back finance costs, depreciation, and amortization expense.

(e) EBITDA margin is calculated as EBITDA as a percentage of revenue from operations.

(f) Net Profit for the year represents the restated profits of our Company after deducting all expenses.

(g) Net Profit margin is calculated as restated profit & loss after tax for the year divided by revenue from operations.

(h) Return on Net worth attributable to the Equity Shareholders of our Company (%) = Restated net profit for the period/year attributable to Equity Shareholders of our Company / Restated Average Net worth attributable to the Equity Shareholders of our Company as at the end of the period/year. Return on Net worth attributable to the Equity Shareholders of the company is a non-GAAP measure.

(i) Return on capital employed is calculated as adjusted EBITDA less depreciation and amortisation / Capital Employed. Adjusted EBITDA is calculated as EBITDA less other income. Capital Employed is calculated as total equity plus total borrowings plus total lease liabilities and deferred tax liabilities (net) minus deferred tax assets (net).

(j) Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short-term borrowings. Total equity is the sum of equity share capital and other equity excluding revaluation surplus.

(k) Net Debt to EBITDA Ratio is a measurement of leverage, calculated as a comp'ny's interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA

FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Our results of operations and financial condition are affected by several important factors including:

Growth of our Order Book

Our Order Book (including GST) represents the estimated contract value of the unexecuted portion of our existing assigned EPC contracts and item-rate basis contracts. As on February 29, 2024, our Order Book was ₹12,115.68 million (including GST). The projects in our Order Book are subject to changes in the scope of undertakings as well as adjustments to the costs relating to the contracts. For the purposes of calculating the Order Book value, our Company does not take into account any escalation or change in work scope of our ongoing projects as of the relevant date, or the work conducted by us in relation to any such escalation of change in work scope of such projects until such date. The value of the orders we receive impacts our future performance. Any cancellation of orders or termination of projects under construction by our customers may result in a reduction of our expected future revenue. Our revenues and profitability are also affected by the type, number and value of the projects we undertake in a relevant financial year, as well as the stages of completion of the relevant projects. As our projects may have different profit margins and may be in different stages of completion or operation, different amounts of revenue and profit can be recognized and/or realized at relevant times. Our results of operation from our projects may vary from fiscal to fiscal depending on the project implementation schedule. Projects which are spread over longer periods of time may also be subject to various other risks which we may not be able to control or foresee. Further, the projects awarded to us may be cancelled subsequently on account of various factors, including non-availability of land. There has been instances in the past where contracts awarded to our Company were revoked or cancelled, and our Company has challenged the said cancellation.

Our bidding and execution capabilities

As a part of our business and operations, we bid for projects on a continual basis. Projects are awarded following competitive bidding processes and satisfaction of prescribed qualification criteria. In our business, our ability to bid for EPC and item-rate basis projects is based on our pre-qualification credentials which is based on our technical capability and performance, reputation for quality, safety record, financial strength and experience in similar projects undertaken in the past. We face significant competition for the award of projects from a large number of construction, infrastructure and road development companies who also operate in the same regional markets as us. Further, some of our competitors are larger than us, have stronger financial resources or have a more experienced management team, or have stronger engineering capabilities in executing technically complex projects. Competition from other construction, infrastructure and road development companies may adversely affect our ability to successfully bid for projects at price levels which would generate desired returns for us. As a part of the bidding process, the nature and value of contracts executed in the past is an important factor in allowing companies to bid for the new projects. Pre-qualification is key to our winning major projects. Our net worth and track record qualify us to bid for a large number of the projects in India. To bid for some higher value contracts, we sometimes seek to form joint ventures or do joint operations with other experienced and qualified companies. However, as on the date of this Draft Red Herring Prospectus, no contracts were awarded to the project specific joint venture arrangement entered by our Company with other players and hence, such joint ventures has ceased to be in existence.

After a project is awarded, completion on time is subject to various factors, including, funding arrangements being in place, acquisition of land by the authority, obtaining the relevant licenses and approvals in a timely manner andquick mobilization of resources. We target efficient deployment of equipment and resources, quick decision-making capabilities by on-site project managers, strong relationships with vendors and effective co-ordination between project sites and our offices. Delays in the completion of a project can lead to our customers delaying inmaking our payments. Even relatively short delays or surmountable difficulties in the execution of a project couldresult in delays in receiving, on a timely basis, all payments due to us on a project. Our inability to complete or monetize such work in a timely manner, or at all, may adversely affect our business and results of operations.

Cost of Material Consumed

Our construction operations require various bulk construction materials including steel, cement, consumables, lifts and aggregates. Fuel costs for operating our construction and other equipment also forms part of our operating expenses. Cost of materials consumed accounted for 51.63%, 66.69%, 68.67% and 71.52% of our revenue from operations for the seven months period ended October 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively. Cost of materials consumed primarily consists of expenses incurred towards purchase of raw materials, such as, steel and cement, for our ongoing EPC and item-rate basis projects. We may experience unanticipated increases in costs due to fluctuations in the supply and demand in the construction materials. At certain times, there can be a scarcity of materials, which may cause substantial increases in the prices of such materials. Transport of these raw materials is subject to various conditions beyond our control, including poor roads, inclement weather, industrial accidents, pandemic etc. Our ability to pass on increased costs to our customers depends on our contractual arrangements. If we are unable to pass on such unanticipated price increases to our customers under our contractual arrangements, we may have to absorb such increases and our business, financial condition and results of operations may be adversely affected.

Availability of cost-effective funding sources

Our ability to grow in the infrastructure sector depends largely on cost effective avenues of funding. Our business requires a large amount of working capital, including to finance the purchase of raw materials and equipment, thehiring of equipment and the performance of engineering, construction and other work on projects before paymentsare received from customers.

Our outstanding borrowings (including fund and non-fund based), amounted to ₹3,829.80 million, ₹3,714.81 million, ₹2,172.28 million and ₹1,934.03 million, as on October 31, 2023 and Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

We have typically financed our capital requirements through bank borrowings and internal accruals. Access to adequate capital from bank borrowings is on such terms and conditions which are mutually acceptable to our Company and the lenders. If we experience insufficient cash flows to allow us to make required payments on ourdebt or fund working capital requirements, there may be an adverse effect on our business and results of operations.

Geographic locations, seasonality and weather conditions

Our business operations are dependent on the location where the project to be executed is situated. However, our projects are mainly in the nature of construction projects, with minimum roads & bridges project, where our activities are not significantly impacted by the terrain or location of the project. Certain of ourongoing Projects involve varied degrees of complexities such as construction in high-traffic and high-density areas, etc. Adverse weather conditions such as heavy rains, landslides, floods, including during the monsoon season, may restrict our ability to carry on construction activities or may result in damage to a portion of our fleet of equipment or camp sites resulting in the suspension of operations, and may prevent us from completing the projects on time or generally reduce our operational efficiency. Our operations are also adversely affected by difficult working conditions and extremely high temperatures during summer months and shorter working hours in peak winter season, each of which may restrict our ability to carry on our activities and fully utilize our resources.

Competition

We compete against various construction, infrastructure and engineering companies. We face significant competition for the award of projects from a large number of construction, infrastructure and road development companies who also operate in the same regional markets as us. Further, some of our competitors are larger than us, have stronger financial resources or a more experienced management team, or have stronger engineering capabilities in executing technically complex projects. Our competition depends on various factors, such as the type of project, total contract value, potential margins, complexity, location of the project and risks relating to revenue generation.While service quality, technical ability, performance record, experience, health and safety records and the availability of skilled personnel are key factors in client decisions among competitors, price often is the decidingfactor in most tender awards. Competition from other construction, infrastructure and engineering companies may adversely affect our ability to successfully bid for projects at price levels which would generate desired returns for us. Our identified listed peer companies are ITD Cementation Limited, IRCON International Limited, Ahluwalia Contracts (India) Limited, PSP Projects Limited (*source: D&B Report*)

SIGNIFICANT ACCOUNTING POLICIES UNDER IND AS

The notes to the Restated Financial Information included in this Draft Red Herring Prospectus contain a summary of our significant accounting policies. Set forth below is a summary of our most significant accounting policies adopted in preparation of the Restated Financial Information.

<u>Basis of Preparation of and compliance with Ind AS</u>

The Restated Summary Statements comprises of the Restated Statement of Assets and Liabilities of the Company as at October 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the related Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Cash Flows and the Restated Statement of Changes in Equity for each of the period / years ended October 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, and the summary of Accounting Policies and explanatory notes ("Restated Summary Statements")

These Restated Summary Statements have been prepared by the Management of the Company in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, issued by the Securities and Exchange Board of India ('SEBI') on September 11, 2018, in pursuance of the Securities and Exchange Board of India Act, 1992 ("ICDR Regulations") for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP" or "Offering Document") in connection with the proposed initial public offering of equity shares of face value of ₹ 10 each of the Company comprising a fresh issue of Equity Shares and an offer of sale of Equity Shares held by the Selling Shareholders (collectively the "Offer"). These Restated Summary Statements have been prepared by the Company to comply in all material respects with the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act").
b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("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 (the "Guidance Note").

These Restated Summary Statements have been compiled by the Management from:

a) Audited Interim Financial Statements of the Company as at and for the period ended October 31, 2023 which were prepared in accordance with the accounting principle generally accepted in India including Indian Accounting Standard 34 "Interim Financial Reporting", as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, which have been approved by the Board of Directors at their meeting held on February 09, 2024.

   a) Audited Financial Statements of the Company as at and for the year ended March 31, 2023 which were prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, at the relevant time, which have been approved by the Board of Directors at their meetings held on February 09, 2024.

   b) Audited Financial Statements of the Company as at and for the years ended March 31, 2022 and March 31, 2021prepared in accordance with the accounting standards notified under the section 133 of the Act ("Indian GAAP") and other accounting principles generally accepted in India, at the relevant time, which have been approved by the Board of Directors at their meetings held on September 6, 2022 and August 23, 2021.

   c) The information for the years ended March 31, 2022 and March 31, 2021 included in such restated financial statements have been prepared by the management by making Ind AS adjustments to the audited financial statements of the Company as at and for the years ended March 31, 2022 and March 31, 2021 prepared in accordance with the Accounting Standards notified under the section 133 of the Act ("Indian GAAP") which was approved by the Board of Directors at their meeting held on March 26, 2024.

The accounting policies have been consistently applied by the Company in preparation of the Restated Summary Statements and are consistent with those adopted in the preparation of Audited Financial Statements for the period ended October 31, 2023. These Restated Summary Statements have been prepared by the Company on the basis that it will continue to operate as a going concern.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments,
- Certain other financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

The Financial Statements are presented in Indian Rupees (₹) and all values are rounded to the nearest **Millions** (₹ 1,000,000) except wherever otherwise stated.

Summary of Significant Accounting Policies

(A) Current versus Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or Cash Equivalent unless restricted from being exchanged or used to settle liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.

Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified **twelve months** as its operating cycle.

(B) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities that entity can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for

the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(C) Foreign Currency

(i) **Functional and Presentation Currency**

The financial statements of the Company are presented using Indian Rupee (₹), which is also our functional currency i.e. currency of the primary economic environment in which the company operates.

(ii) **Transactions and Balances**

Foreign currency transactions are translated into the respective functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

(D) Property, Plant and Equipment

PPE is recognised 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. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Property, Plant and Equipment acquired on hire purchase basis are recognised at their cash values. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy.

PPE not ready for the intended use as on the date of the Balance Sheet are disclosed as "Capital Work In Progress". (Also refer to policies on leases, borrowing costs, impairment of assets and foreign currency transactions).

Depreciation is recognised using **Straight Line Method** so as to write off the cost of the assets (other than freehold land & immovable properties) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic-benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation on additions to / deductions from, owned assets is calculated pro rata to the period of use.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets acquired under finance leases are depreciated on a straight-line basis over the lease term. Where there is reasonable certainty that the company shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies

Act, 2013 or based on the useful life adopted by the company for similar assets.

Freehold land is not depreciated.

(E) <u>Intangible Assets</u>

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets Under Development".

Intangible assets are amortised on Straight-Line Basis over the estimated useful life. The method of amortisation and useful life is reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

(F) <u>Impairment of Non-Financial Assets</u>

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units' (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely, independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses on non-financial asset, including impairment on inventories, are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI upto the amount of any previous revaluation surplus.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate; and when circumstances indicate that the carrying value may be impaired.

(G) Non-Current Assets Held For Sale

The Company classifies non-current assets and disposal groups as 'Held for Sale' if their carrying amounts will be recovered principally through a sale rather than through continuing use and sale is highly probable i.e. actions required to complete the sale indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn.

Non-current assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, Plant and Equipment and intangible assets once classified as held for sale are not depreciated or amortised.

(H) Earnings per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding as at the end of reporting period.

Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

(I) Cash and Cash Equivalents

Cash and Cash Equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(J) Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

(K) Investment Property

Properties, including those under construction, held to earn rentals and/or capital appreciation are classified as investment property and measured and reported at cost, including transaction costs.

Depreciation is recognised using Straight-Line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013 or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/ residual value is accounted on prospective basis. Freehold land and properties under construction are not depreciated.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognision of property is recognised in the Statement of Profit and Loss in the same period.

(L) Inventories

Inventories which comprise raw material, work in progress, finished goods, traded goods and stores and spares are valued at the lower of cost and net realisable value.

The basis of determining costs for various categories of inventories is as follows:

(i) Raw Materials
Raw Material is valued at lower of cost or net realizable value. Cost ascertained on FIFO Basis includes all the purchase price, duties and taxes which are not recoverable from government authorities, freight inwards and other expenditure directly attributable to the acquisition.

Net realizable value is the estimated selling price, in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(ii) Stores & Spares and Consumables
It includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

(iii) Work-In-Progress
Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

(iv) Traded Goods
Lower of cost and net realizable value. Cost ascertained on FIFO Basis includes all the purchase price, duties and taxes which are not recoverable from government authorities, freight inwards and other costs incurred in bringing to their present location and condition.

Net realizable value is the estimated selling price, in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(M) Leases

(i) Company as a Lessee
The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

1) Right-of-Use Assets
The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a Straight-Line basis from the commencement date to the end of lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment as mentioned in the Impairment of non-financial assets section of the accounting policies of the company.

2) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

3) Short Term Leases and Leases of Low Value of Assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(ii) Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(N) Financial Instruments

(i) Initial Recognition

Financial instruments i.e. Financial Assets and Financial Liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial instruments are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial instruments at fair value through profit or loss) are added to or deducted from the fair value of the financial instruments, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial instruments assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

(ii) Financial Assets

Subsequent Measurement

All recognised financial assets are subsequently measured at amortized cost using effective interest method except for financial assets carried at fair value through Profit and Loss (FVTPL) or fair value through Other Comprehensive Income (FVTOCI).

1) Equity Investments in Subsidiaries, Associates and Joint Venture

Our Company accounts for its investment in subsidiaries, joint ventures and associates and other equity investments in subsidiary companies at cost in accordance with Ind AS 27 - ‘Separate Financial Statements’.

2) **Equity Investments (other than investments in subsidiaries, associates and joint venture)**

All equity investments falling within the scope of **Ind-AS 109** are mandatorily measured at Fair Value through Profit and Loss (FVTPL) with all fair value changes recognized in the Statement of Profit and Loss.

The Company has an irrevocable option of designating certain equity instruments as FVTOCI. Option of designating instruments as FVTOCI is done on an instrument-by-instrument basis. The classification made on initial recognition is irrevocable.

If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument are recognized in Statement of Other Comprehensive Income (SOCI). Amounts from SOCI are not subsequently transferred to profit and loss, even on sale of investment.

3) **Investment in Preference Shares**

Investment in preference shares are classified as debt instruments and carried at amortised cost if they are not convertible into equity instruments and are not held to collect contractual cash flows. Other Investment in preference shares which are classified as debt instruments are carried at FVTPL.

Investment in convertible preference shares of subsidiary, associate and joint venture companies are treated as equity instruments and carried at cost. Other Investment in convertible preference shares which are classified as equity instruments are mandatorily carried at FVTPL.

4) **De-recognition**

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass through arrangement; and with that –

a) the Company has transferred substantially all the risks and rewards of the asset, or

b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

5) **Impairment of Financial Assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. **Ind AS 109** requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all trade receivables and/or contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(iii) **Financial Liabilities**

Classification

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Subsequent measurement

The company have all the borrowings at floating interest rate. Being variable interest rate, it is not possible to estimate future cash flows. Borrowings are recognised initially at an amount equal to the principal receivable or payable on maturity. So, re-estimating the future cash flows has no significant impact on the carrying value of Borrowings. Transaction costs are not material to be included in the EIR calculation. So the carrying value is being considered as amortised cost for all the borrowings bearing a floating interest rate. For trade and other payables maturing within one year from the balance sheet date, the carrying are Amortised Cost.

Financial Liabilities recognised at FVTPL, including derivatives, are subsequently measured at fair value.

1) Compound Financial Instruments

Compound financial instruments issued by the company is an instrument which creates a financial liability on the issuer and which can be converted into fixed number of equity shares at the option of the holders.

Such instruments are initially recognised by separately accounting the liability and the equity components. The liability component is initially recognised at the fair value of a comparable liability that does not have an equity conversion option. The equity component is initially recognised as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. The directly attributable transaction costs are allocated to the liability and the equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequently.

2) Financial Guarantee Contracts

Financial guarantee contracts are initially recognised as a liability at fair value. The liability is subsequently measured at carrying amount less amortization or amount of loss allowance determined as per impairment requirements of **Ind AS 109**, whichever is higher. Amortisation is recognised as finance income in the Statement of Profit and Loss.

3) De-Recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Re-classification of Financial Instruments

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets, such as equity instruments designated at FVTPL or FVTOCI and financial liabilities or financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets.

(O) Revenue Recognition

(i) Revenue

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer.

1) Revenue from Construction Contracts

Performance obligation in case of long – term construction contracts is satisfied over a period of time, since the Company creates an asset that the customer controls as the asset is created and the Company has an enforceable right to payment for performance completed to date if it meets the agreed specifications.

The stage of completion is measured by input method i.e. the proportion that costs incurred to date bear to the estimated total costs of a contract. The percentage of completion method (an input method) is the most faithful depiction of the company's performance because it directly measures the value of the services transferred to the customer.

The total costs of contracts are estimated based on technical and other estimates. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Contract revenue earned in excess of billing is reflected under as "contract asset" and billing in excess of contract revenue is reflected under "contract liabilities".

Revenue billings are done based on milestone completion basis or Go-live of project basis. Retention money receivable from project customers does not contain any significant financing element, these are retained for satisfactory performance of contract. In case of long - term construction contracts payment is generally due upon completion of milestone as per terms of contract. In certain contracts, short-term advances are received before the performance obligation is satisfied.

The major component of contract estimate is "budgeted cost to complete the contract" and on assumption that contract price will not reduce vis-à-vis agreement values. While estimating the various assumptions are considered by management such as:

- Work will be executed in the manner expected so that the project is completed timely;
- Consumption norms will remain same;
- Cost escalation comprising of increase in cost to compete the project are considered as a part of budgeted cost to complete the project etc.

Due to technical complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Service Contracts

For service contracts (including maintenance contracts) in which the company has the right to consideration from the customer in an amount that corresponds directly with the value to the customer of the company's performance completed to date, revenue is recognized when services are performed and contractually billable.

Sale of Goods

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer.

Warranty Obligation

The Company provides for contractual obligations to periodically service, repair or rectify any defective work during the defect liability period as well as towards contractual obligations to restore the infrastructure at periodic intervals. Provisions are measured based on management's estimate required to settle the obligation at the balance sheet date and are discounted using a rate that reflects the time value of money. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost. The same is reviewed at each balance sheet date and adjustments if any to the carrying amount is provided for accordingly.

Variable Consideration

The nature of the Company's contracts gives rise to several types of variable consideration, including claims, unpriced change orders, award and incentive fees, change in law, liquidated damages and penalties. The company recognizes revenue for variable consideration when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The company estimates the amount of revenue to be recognized on variable consideration using the expected value (i.e., the sum of a probability-weighted amount) or the most likely amount method, whichever is expected to better predict the amount.

The Company's claim for extra work, incentives and escalation in rates relating to execution of contracts are recognized as revenue in the year in which said claims are finally accepted by the customers. Claims under arbitration / disputes are accounted as income based on final award. Expenses on arbitration are accounted as incurred. Claims – are recognised on its approval from customer / authority / court decision or its surety of receipt (not on assessment).

2) Insurance & Other Claims

Revenue in respect of claims is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

(ii) Contract Balances

1) Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract assets represent revenue recognized in excess of amounts billed and include unbilled receivables. Unbilled receivables, which represent an unconditional right to payment subject only to the passage of time, are reclassified to accounts receivable when they are billed under the terms of the contract.

2) Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

3) Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Contract liabilities include unearned revenue which represent amounts billed to clients in excess of revenue recognized to date and advances received from customers. For contracts where progress billing exceeds, the aggregate of contract costs incurred to date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as unearned revenue. Amounts received before the related work is performed are disclosed in the balance sheet as contract liability and termed as advances received from customers.

(P) Interest Income

For all debt instruments measured at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instruments or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected estimated cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit loss. Interest income is included under the head "**Other Income**" in the statement of profit and loss.

Interest income on bank deposits and advances to vendors is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "**Other Income**" in the statement of profit and loss.

(Q) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

(i) **Borrowing Cost under Service Concession Arrangements**

Borrowing costs attributable to the construction of qualifying assets under service concession arrangement classified as intangible asset, are capitalised to the date of its intended use.

Borrowing costs attributable to concession arrangement classified as financial assets are charged to Statement of Profit and Loss in the period in which such costs are incurred.

(ii) Other borrowing costs are charged to Statement of Profit and Loss in the period in which they are incurred.

(R) **Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated as at the balance sheet date. Provisions are measured based on management's estimate required to settle the obligation at the balance sheet date and are discounted using a rate that reflects the time value of money. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Other Litigation Claims

Provision for litigation related obligation represents liabilities that are expected to materialise in respect of matters in appeal.

Onerous Contracts

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognises impairment on the assets with the contract.

(S) **Taxes**

Income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate and changes in deferred tax assets and liabilities attributable to temporary differences. The current income tax charge is calculated in accordance with the provisions of the Income Tax Act 1961.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences and brought forward losses only if it is probable that future taxable profit will be available to realise the temporary differences.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(T) **Employee Benefits**

(i) **Short-Term obligations**

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. These are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) **Post-Employment obligations i.e.**

- Defined benefit plans and
- Defined contribution plans

Defined Benefit Plans

The present value of obligation is determined based on actuarial valuation carried out as at the end of each financial year using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities, of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in the statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined Contribution Plans

The Company's contribution to provident fund, employee state insurance scheme, superannuation fund and National Pension Scheme (NPS) are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employe..

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Income

Our total income is divided into revenue from operations and other income. The following table shows our revenue from operations and other income.

(₹ in million, except percentages)

Particulars	As at and for the seven months ended October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
A. Revenue from operations	2,494.49	4,334.55	3,630.52	3,107.55
A.1 Revenue from construction Contracts				
- Construction contract	2,372.53	3,473.43	3,001.54	2,917.73
Percentage of revenue from operations (% of A)	95.11%	80.13%	82.68%	93.89%
A.2 Other operating revenue				
- Revenue from goods and materials	121.96	861.12	628.98	189.82
Percentage of revenue from operations (A.2 as % of A)	4.89%	19.87%	17.32%	6.11%
B. Other income	21.46	20.05	19.35	12.83
Total income (A+B)	**2,515.95**	**4,354.60**	**3,649.87**	**3,120.38**

Revenue from Operations

Our revenue from operations is primarily generated from (i) construction contracts, which includes revenue from Construction & Infrastructure Projects, and (ii) other sales /sale of goods and materials.

Revenue from construction contracts

Our revenue from construction contracts, which includes revenue from Construction & Infrastructure Projects, primarily consisting of revenue generated from execution of EPC and item-rate/percentage rate basis projects. Our revenue from construction contracts accounted for 95.11%, 80.13%, 82.68% and 93.89% of our revenue from operations for the seven months ended October 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

Revenue from sale of goods and materials

Our revenue from sale of materials primarily consists of sale of materials used in the construction, such as iron and steel. Our revenue from sale (net of return / stock transfer) of accounted for 4.89%, 19.87%, 17.32% and 6.11% of our revenue from operations for the seven months ended October 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

Other Income

Other income includes (i) interest income from bank deposits, (ii) profit on sale of property, plant and equipment, (iii) rebate and discounts, and (iv) insurance claim received. Our other income accounted for 0.86%, 0.46%, 0.53% and 0.41% of our revenue from operations for the seven months ended October 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

Expenses

Our expenses comprise of (i) cost of materials consumed, (ii) construction expenses, (iii) employee benefit expense, (iv) finance cost, (v) depreciation and amortisation expenses and (vi) other expenses.

The following table sets forth our expenditure as a percentage of our revenue from operations for the periods indicated.

(₹ in million, except percentages)

Particulars	Seven months period ended October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Cost of materials consumed	1,287.90	2,890.76	2,493.17	2,222.44
Percentage of revenue from operations	51.63%	66.69%	68.67%	71.52%
Cost of construction	502.96	671.37	494.80	303.21
Percentage of revenue from operations	20.16%	15.49%	13.63%	9.76%
Employee benefit expenses	171.01	204.33	164.65	208.00
Percentage of revenue from operations	6.86%	4.71%	4.54%	6.69%
Finance cost	166.03	185.97	165.26	138.81
Percentage of revenue from operations	6.66%	4.29%	4.55%	4.47%
Depreciation and amortization expenses	46.57	55.70	35.99	32.80
Percentage of revenue from operations	1.87%	1.29%	0.99%	1.06%
Other expenses	60.17	59.21	58.54	34.79
Percentage of revenue from operations	2.41%	1.37%	1.61%	1.12%

Particulars	Seven months period ended October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Total expenses	**2,234.64**	**4,067.34**	**3,412.41**	**2,940.05**

Cost of materials consumed

Cost of material consumed primarily consists of expenses incurred towards purchase of raw materials, such as iron & steel, cement, bitumen, consumables, aggregates etc. for our Construction & Infrastructure Projects. Cost of materials consumed accounted for 51.63%, 66.69%, 68.67% and 71.52% of our revenue from operations for the seven months ended October 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively and indicates the difference between the opening and closing inventory, as adjusted for raw materials purchased during the period/ year.

Construction Expenses

Construction Expenses primarily consists of expenses incurred at our project sites towards labour jobwork, labour cess, electricity expenses, diesel expenses, machinery rent, machinery repair & maintenance etc. Cost of construction expenses accounted for 20.16%, 15.49%, 13.63% and 9.76% of our revenue from operations for the seven months ended October 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

Employee benefit expenses

Employee benefits expenses primarily comprises salaries, wages and bonus, directors remuneration, contribution to provident fund and other funds, contribution to ESI, gratuity expense and staff welfare expenses. Employee benefit expenses accounted for 6.86%, 4.71%, 4.54% and 6.69% of our revenue from operations for the for the seven months ended October 31, 2023 and for the Fiscal 2023,Fiscal 2022 and Fiscal 2021, respectively.

Finance cost

Finance cost primarily includes interest paid to banks on term loans, working capital facilities and equipment loan, interest on lease liabilities, interest on mobilization advance and bank charges. Finance cost accounted for 6.66%, 4.29%, 4.55% and 4.47% of our revenue from operations for the seven months ended October 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

Depreciation and amortization expenses

Depreciation and amortization expenses include (a) depreciation of tangible assets such as property, plant and equipment, and (b) depreciation on right of use of assets. Depreciation on property, plant and equipment is calculated using the straight line method, over the estimated useful life of each asset as prescribed under Schedule II to the Companies Act, 2013, and as determined by the management.Depreciation and amortization expenses accounted for 1.87%, 1.29%, 0.99% and 1.06% of our revenue from operations for the seven months ended October 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

Other expenses

Other expenses primarily comprise of payment of fees to auditors, power and electricity expenses, advertisement, business promotion expenses, AMC charges, rent, travelling expenses, telephone expenses, repairs and maintenance expenses, expenses incurred toward corporate social responsibility activities, insurance premium, legal and professional fees, taxes, provision for credit impaired receivables, conveyance, sitting fees to directors, security fees, tour & traveling and other miscellaneous expenses. Other expenses accounted for 2.41%, 1.37%, 1.61% and 1.12% of our revenue from operations for the seven months period ended October 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

RESULTS OF OPERATIONS

Seven months period ended October 31, 2023

Total income

Our total income was ₹2,515.95 million in the seven months period ended October 31, 2023.

Revenue from operations

Our total revenue from operations was ₹2,494.49 million in the seven months period ended October 31, 2023.

Revenue from construction contracts

Our revenue from construction contracts was ₹2,372.53 million in the seven months period ended October 31, 2023. This was driven by Construction projects, namely Industrial Building at Panipat, Advanced Neurosciences Centre at PGIMER, All India Institute of Ayurveda at Sarita Vihar, New Delhi, National Institute of Ayurveda at Panchkula, New Medical College at Dausa, and Infrastructure projects, namely, Development/redevelopment of railway stations at Ludhiana, Faridabad, Jalandhar.

Revenue from sale goods and materials

Our revenue from sale of goods and materials was ₹121.96 million (net of returns & stock transfer) in the seven months period ended October 31, 2023, which are primarily on account of sale of residue construction material such as steel, in the open market to third party contractors, traders, etc. on commercially viable terms.

Other income

Our other income was ₹21.46 million in the seven months period ended October 31, 2023.

Expenses

Total expenses was ₹2,234.64 million in the seven months period ended October 31, 2023.

Cost of materials consumed

Cost of materials consumed was ₹1,287.90 million in the seven months period ended October 31, 2023. This was attributable to inventories required for the ongoing Construction & Infrastructure Projects.

Cost of construction

Cost of construction was ₹502.96 million in the seven months period ended October 31, 2023. This was primarily on account of labour job work of ₹363.76 million, diesel expenses of ₹31.83 million, machinery rent of ₹27.22 million, labour cess of ₹23.43 million, electricity expenses of ₹14.77 million, consultancy expense of ₹11.09 million, machinery repair & maintenance of ₹8.88 million and other incidental expenses related to construction activities.

Employee benefit expenses

Employee benefit expenses was ₹171.01 million in the seven months period ended October 31, 2023. This was driven primarily by the increase in salary, wages and bonus on account of increase in average salary per employee by approx. ₹10,000 per month and also on account of addition of new employees. Increase in salary and wages has resulted in increase in contribution towards PF, ESI and other funds and also corresponding increase in staff welfare expenses.

Finance cost

Finance cost was ₹166.03million in the seven months period ended October 31, 2023, which was primarily driven byinterest and bank charges paid to banks & financial institutions on term loans, working capital facilities and equipment loan. Bank charges for the seven months period ended October 31, 2023 was ₹46.34 million mainly on account of bank guarantee charges, processing fees etc. The interest expenses was higher on account of increase in overall borrowings by ₹434.33 million from the Fiscal 2023.

Depreciation and amortization expenses

Depreciation and amortization expenses was ₹46.57 million in the seven months period ended October 31, 2023. This was attributable to the depreciation on property, plant and equipment mainly on account of purchase of new plant & machinery amounting to ₹83.58 million.

Other expenses

Other expenses were ₹60.17 million in the seven months period ended October 31, 2023. This is primarily on account of (i) insurance expenses of ₹13.51 million, (ii) rent of ₹11.84 million, (iii) fee and taxes of ₹4.75 million (iv) tour & travelling expenses of ₹3.00 million and other incidental expenses related to business of the Company.

Profit before tax

Our profit before tax was ₹281.31 million in the seven months period ended October 31, 2023.

Tax expenses

Our tax expenses were ₹75.03 million in the seven months period ended October 31, 2023. This includes current tax expense of ₹75.18 million and deferred tax expense of ₹(0.83) million.

Profit for the period

We recorded a profit of ₹206.28 million in the seven months period ended October 31, 2023.

Fiscal 2023 compared with Fiscal 2022

Total income

Our total income increased by ₹704.73 million or by 19.31% from ₹3,649.87 million in the Fiscal 2022 to ₹4,354.60 million in the Fiscal 2023. This was primarily due to increase in our revenue from operations.

Revenue from operations

Our revenue from operations increased by ₹704.03 million or by 19.39% from ₹3,630.52 million in the Fiscal 2022 to ₹4,334.55 million in the Fiscal 2023. This increase was primarily driven by ₹471.89 million increase in revenue from construction contracts and ₹232.14 million increase in revenue from sale of goods and materials.

Revenue from construction contracts

Our revenue from construction contracts increased by ₹471.89 million or by 15.72% from ₹3,001.54 million in the Fiscal 2022 to ₹3,473.43 million in the Fiscal 2023. This increase in revenue from construction contracts was primarily on account of revenue from one (1) new Construction project namely Industrial Building at IOCL, Panipat and also due to significant work completed on Advanced Neurosciences Centre at PGIMER, Chandigarh and National Institute of Ayurveda, Panchkula projects.

Revenue from sale of goods and materials

Our revenue from goods and materials increased significantly by ₹232.14 million or by 36.91% from ₹628.98 million in the Fiscal 2022 to ₹861.12 million in the Fiscal 2023. This was primarily on account of sale of residue construction material such as steel, in the open market to third party contractors, traders, etc. on commercially viable terms.

Other income

Our other income increased by ₹0.70 million or by 3.62% from ₹19.35 million in the Fiscal 2022 to ₹20.05 million in the Fiscal 2023. This increase was primarily driven by returns from interest income on bank deposits and insurance claims received.

Expenses

Total expenses increased significantly by ₹654.93 million or by 19.19% from ₹3,412.41 million in the Fiscal 2022 to ₹4,067.34 million in the Fiscal 2023. This was primarily driven by ₹397.59 million or 15.95% increase in cost of material consumed, ₹176.57 million or 35.69% increase in construction expenses, ₹39.68 million or 24.10% increase in employee benefit expense and ₹20.71 million or 12.53% increase in finance cost.

Cost of materials consumed

Cost of material consumed increased by ₹397.59 million or by 15.95% from ₹2,493.17 million in the Fiscal 2022 to ₹2,890.76 million in the Fiscal 2023 due to purchase of raw materials, such as steel, cement and aggregate, for the purpose of construction of our ongoing Construction projects, namely Industrial Building at IOCL, Panipat, Advanced Neurosciences Centre at PGIMER, All India Institute of Ayurveda at Sarita Vihar, New Delhi, National Institute of Ayurveda at Panchkula, New Medical College at Dausa, Geriatrics Blocks in AIIMS Campus, New Delhi, New International Cricket Stadium, New Chandigarh, Centre for Interfaith Studies in Guru Nanak Dev University, Amritsar, etc. and Infrastructure projects, namely, Project at Jalandhar Cantt. Station, Jalandhar Cantt., Flyover with Underpass and Service Roads at Atul Kataria Chowk, Gurugram, Two lane ROB at Pathankot, etc.

As a percentage of our revenue from operations, our cost of materials consumed accounted for 66.69% in the Fiscal 2023 compared to 68.67% in the Fiscal 2022.

Construction expense

Cost of construction expenses increased significantly by ₹176.57 million or by 35.69% from ₹494.80 million in the Fiscal 2022 to ₹ 671.37 million in the Fiscal 2023. This increase was attributable due to increase of construction expenditure on account of allotment of new Construction Project at Industrial Building at IOCL, Panipat, and increase in pace of work done at ongoing projects at Advanced Neurosciences Centre at PGIMER, Chandigarh and National Institute of Ayurveda, Panchkula. As a result of increase in number of ongoing project in the Fiscal 2023 (i) installation charges increased by ₹21.62 million, (ii) labour job work increased by ₹159.81 million, (iii) machinery rent increased by ₹4.29 million, (iv) testing expenses increased by ₹2.57 million, (v) consultancy expense increased by ₹0.61 million. This was partially off-set by reduction in (i) freight & cartage by ₹11.24 million and (ii) labour cess by ₹5.21 million. As a percentage of our revenue from operations, our cost of construction accounted for 15.49% in the Fiscal 2023 compared to 13.63% in the Fiscal 2022.

Employee benefit expenses

Employee benefit expenses increased by ₹39.68 million or by 24.10% from ₹164.65 million in the Fiscal 2022 to ₹204.33 million in the Fiscal 2023. This was primarily on account of appointment of new employees at ongoing project sites. As a percentage of our revenue from operations, employee benefit expenses accounted for 4.71% in the Fiscal 2023 compared to 4.54%in the Fiscal 2022.

Finance cost

Finance cost increased by ₹20.71 million or by 12.53% from ₹165.26 million in the Fiscal 2022 to ₹185.97 million in the Fiscal 2023. The increase was primarily on account of (i) increase in interest paid on borrowings, i.e., term loans from HDFC Bank Limited, Axis Bank Limited, Kotak Mahindra Bank Limited, IDFC First Bank Limited and working capital facilities from Punjab National Bank Limited and HDFC Bank Limited and equipment loan primarily from HDFC Bank and interest paid on mobilisation advance taken for execution of projects by ₹9.96 million and (ii) increase in charges on bank guarantee, processing fees and other incidental charges by ₹10.75 million due to increase in the number of new projects. As a percentage of our revenue from operations, finance cost accounted for 4.29% in the Fiscal 2023 compared to 4.55% in the Fiscal 2022.

Depreciation and amortization expenses

Our depreciation and amortization expenses increased by ₹19.71 million or by 54.77% from ₹35.99 million in the Fiscal 2022 to ₹55.70 million in the Fiscal 2023. This increase was primarily due to purchase of plant &

machinery amounting to ₹93.63 million. As a percentage of our revenue from operations, depreciation and amortization expenses accounted for 1.29% in the Fiscal 2023 compared to 0.99% in the Fiscal 2022.

Other expenses

Other expenses increased by ₹0.67 million or by 1.14% from ₹58.54 million in the Fiscal 2022 to ₹59.21 million in the Fiscal 2023. This increase was primarily on account of (i) increase in tour & travelling expenses (domestic) by ₹2.25 million, (ii) rebate & discount by ₹4.45 million, (iii) insurance charges by ₹3.34 million, (iv) loss on sale of fixed assets by ₹2.19 million, (v) legal & professional charges by ₹1.07 million, (vi) security expense by 1.20 million. The increase in expense was partially off-set by reduction in (i) Allowances for Expected Credit Loss by ₹5.28 million as the same was incremental in Fiscal 2023 as compared to Fiscal 2022 wherein the provision was created on account of first time adoption of Ind-AS; (ii) fees and taxes by ₹1.38 million, (iii) late fees paid by ₹0.27 million, (iv) rent by ₹2.85 million and (v) repairs & maintenance others by ₹1.38 million. As a percentage of our revenue from operations, other expenses accounted for 1.37% in the Fiscal 2023 compared to 1.61% in the Fiscal 2022.

Profit before tax

In light of the above discussions, our profit before tax increased by ₹49.80 million or by 20.97% from ₹237.46 million in the Fiscal 2022 to ₹287.26 million in the Fiscal 2023.

Tax expenses

Our tax expenses increased by ₹12.49 million from ₹60.82 million in the Fiscal 2022 to ₹73.31 million in the Fiscal 2023 on account of increase in current tax by ₹15.64 million and reversal of deferred tax liability by ₹3.15 million.

Profit for the year

For the various reasons discussed above, and following adjustments for tax expense, we recorded a significant increase in our profit for the year by ₹37.31 million or by 21.12% from ₹176.64 million in the Fiscal 2022 to ₹213.95 million in the Fiscal 2023.

Fiscal 2022 compared with Fiscal 2021

Total income

Our total income increased by ₹529.49 million or by 16.97% from ₹3,120.38 million in the Fiscal 2021 to ₹3,649.87 million in the Fiscal 2022. This was primarily due to increase in our revenue from operations.

Revenue from operations

Our revenue from operations increased by ₹522.97 million or by 16.83% from ₹3,107.55 million in the Fiscal 2021 to ₹3,630.52 million in the Fiscal 2022. This increase was primarily driven by ₹83.81 million increase in revenue from construction contracts and ₹439.16 million increase in revenue from sale of goods and materials.

Revenue from construction contracts

Our revenue from construction contracts increased by ₹83.81 million or by 2.87% from ₹2,917.73 million in the Fiscal 2021 to ₹3,001.54 million in the Fiscal 2022. The revenue has increased marginally on account of ongoing projects, based on the percentage of completion.

Revenue from goods and materials

Our revenue from goods and materials increased by ₹439.16 million or by 231.36% from ₹189.82 million in the Fiscal 2021 to ₹628.98 million in the Fiscal 2022. This was primarily on account of sale of residue construction material such as steel, in the open market to third party contractors, traders, etc. on commercially viable terms.

Other income

Our other income increased by ₹6.52 million or by 50.82% from ₹12.83 million in the Fiscal 2021 to ₹19.35 million in the Fiscal 2022. This increase was primarily on account of rebate & discounts provided by suppliers on purchase of equipment of ₹5.69 million as against ₹0.06 million in Fiscal 2021.

Expenses

Total expenses increased by ₹472.36 million or by 16.07% from ₹2,940.05 million in the Fiscal 2021 to ₹3,412.41 million in the Fiscal 2022. This was primarily driven by ₹270.73 million or 12.18% increase in cost of materials consumed, ₹ 191.59 million or 63.19% increase in construction expenses, ₹26.45 million or 19.05% increase in finance cost and ₹ 23.75 million or 68.27% increase in cost of other expenses.

Cost of materials consumed

Cost of material consumed increased by ₹270.73 million or by 12.18% from ₹2,222.44 million in the Fiscal 2021 to ₹2,493.17 million in the Fiscal 2022. This increase in cost is on account of bulk purchase for the ongoing and allotment of new Construction & Infrastructure Projects awarded to the company. As a percentage of our revenue from operations, our cost of materials consumed accounted for 68.67% in the Fiscal 2022 compared to 71.52% in the Fiscal 2021.

Construction expenses

Construction expenses increased by ₹191.59 million or by 63.19% from ₹303.21 million in the Fiscal 2021 to ₹494.80 million in the Fiscal 2022. This increase was attributable to the Ongoing Projects and further allotment of new projects for Construction of National Institute of Ayurveda, Panchkula, Haryana, New medical College at Dausa, Centre for Interfaith Studies in Guru Nanak Dev University.

As a result of increase in number of ongoing projects in the Fiscal 2022 (i) freight and cartage charges for the projects increased by ₹5.99 million or by 45% from the Fiscal 2021 to the Fiscal 2022, (ii) amenities expenses deducted by department by ₹ 4.76 million or by 151.11% from the Fiscal 2021 to the Fiscal 2022, (iii) culture cess increased by ₹ 5.97 million or by 195.74% from the Fiscal 2021 to the Fiscal 2022, (iv) diesel expense increased by ₹11.34 million or by 27.50% from the Fiscal 2021 to the Fiscal 2022, (iv) labour job work charges increased by ₹ 136.83 million or by 79.79% from the Fiscal 2021 to the Fiscal 2022, (v) machinery rent increased by ₹ 8.77 million or by 144.24% from the Fiscal 2021 to the Fiscal 2022 and (vi) quality cess deducted by department increased by ₹ 5.75 million from the Fiscal 2021 to the Fiscal 2022.

Employee benefit expenses

Employee benefit expenses decreased by ₹43.35 million or by -20.84% from ₹208.00 million in the Fiscal 2021to ₹ 164.65 million in the Fiscal 2022. As a percentage of our revenue from operations, employee benefit expenses accounted for 4.54% in the Fiscal 2022 compared to 6.69% in the Fiscal 2021.

Finance cost

Finance cost increased by ₹ 26.45 million or by 19.05% from ₹ 138.81 million in the Fiscal 2021 to ₹165.26 million in the Fiscal 2022. This increase was primarily on account of increase in interest paid on working capital facilities, equipment loans, vehicle loans etc. availed for the purpose of execution of ongoing and new projects. As a percentage of our revenue from operations, finance cost accounted for 4.55% in the Fiscal 2022 compared to 4.47% in the Fiscal 2021.

Depreciation and amortization expenses

Our depreciation and amortization expenses increased marginally by ₹3.19 million or by 9.73% from ₹ 32.80 million in the Fiscal 2021 to ₹ 35.99 million in the Fiscal 2022. This increase was primarily due to depreciation on account of purchase of property, plant & equipment by ₹51.86 million by our Company. As a percentage of our revenue from operations, depreciation and amortization expenses accounted for 0.99% in the Fiscal 2022 compared to 1.06% in the Fiscal 2021.

Other expenses

Other expenses increased by ₹23.75 million or by 68.27% from ₹34.79 million in the Fiscal 2021 to ₹58.54 million in the Fiscal 2022. This increase was primarily on account of (i) increase in tour & travelling expenses (domestic) by ₹0.77 million, (ii) insurance charges by ₹3.48 million, (iii) legal & professional charges by ₹0.86 million, (iv) security expense by ₹0.83 million, (v) rent by ₹3.19 million, (vi) fee & taxes by ₹1.99 million, (vii) festival expenses by ₹1.57 million and (viii) allowance for expected credit loss by ₹6.30 million. As a percentage of our revenue from operations, other expenses accounted for 1.61% in the Fiscal 2022 compared to 1.12% in the Fiscal 2021.

Profit before tax

In light of the above discussions, our profit before tax increased by ₹57.13 million or by 31.68% from ₹180.33 million in the Fiscal 2021 to ₹237.46 million in the Fiscal 2022.

Tax expenses

Our tax expenses increased by ₹9.77 million from ₹51.05 million in the Fiscal 2021 to ₹ 60.82 million in the Fiscal 2022 on account of increase in current tax by ₹15.40 million and decrease in deferred tax expense by ₹5.63 million on account of adjustments related to previous years in Fiscal 2021.

Profit for the year

For the various reasons discussed above, and following adjustments for tax expense, we recorded an increase in our profit for the year by ₹47.36 million or by 36.63% from ₹129.28 million in the Fiscal 2021 to ₹176.64 million in the Fiscal 2022.

CASH FLOWS

The following table sets forth certain information relating to our cash flows in seven months period ended October 31,2023 and for Fiscal 2023, Fiscal 2022 and Fiscal 2021.

(₹ in million)

Particulars	Seven months period ended October 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Net cash flow generated from/ (used in) operating activities	(271.70)	128.82	6.01	58.87
Net cash flow generated from/ (used in) investingactivities	(73.26)	(131.03)	(51.86)	(33.92)
Net cash flow generated from/ (used in) financingactivities	315.60	31.53	0.40	15.30
Net increase/ (decrease) In cash and bankbalances	(29.36)	29.32	(45.45)	40.25
Cash and bank balances at the beginning of theyear/ period	31.70	2.38	47.83	7.58
Cash and bank balancesat the end of the year/ period	2.34	31.70	2.38	47.83

Net cash generated from/ used in operating activities

Seven months period ended October 31, 2023

Net cash used in operating activities in seven months period ended October 31, 2023 was ₹271.70 million and our operating profit before working capital changes was ₹445.64 million. The difference was primarily attributable to decrease in trade receivables of ₹290.71 million, increase in inventories of ₹370.10 million, increase in other assets of ₹194.92, increase in other financial assets of ₹120.71, decrease in trade payable of ₹40.25 million, decrease in other liabilities of ₹266.02 million, increase in other financial liabilities of ₹27.05 million and increase in provision of ₹1.71 million. We paid income tax of ₹44.81 million.

Fiscal 2023

Net cash generated from operating activities in Fiscal 2023 was ₹128.82 million and our operating profit before working capital changes was ₹484.55 million. The difference was primarily attributable to increase in trade receivables of ₹17.08 million, increase in inventories of ₹1,008.88 million, increase in other assets of ₹13.82, increase in other financial assets of ₹204.13 million, this was partially off set by increase in trade payable of ₹348.83 million, increase in other liabilities of ₹565.76 million, increase in other financial liabilities of ₹43.09 million and increase in provision of ₹2.62 million. We paid income tax of ₹72.12 million.

Fiscal 2022

Net cash generated from operating activities in Fiscal 2022 was ₹ 6.01 million and our operating profit before working capital changes was ₹407.50 million. The difference was primarily attributable to decrease in trade receivables of ₹119.35 million, increase in inventories of ₹444.87 million, increase in other assets of ₹321.11, increase in other financial assets of ₹174.38, this was partially off-set by increase in trade payable of ₹182.15 million, increase in other liabilities of ₹305.98 million, increase in other financial liabilities of ₹8.04 million and increase in provision of ₹1.75 million. We paid income tax of ₹78.40 million.

Fiscal 2021

Net cash generated from operating activities in Fiscal 2021 was ₹58.87 million and our operating profit before working capital changes was ₹279.81 million. The difference was primarily attributable to increase in trade receivables of ₹ 520.99 million, decrease in inventories of ₹442.11 million, increase in other assets of ₹16.09, decrease in other financial assets of ₹37.71, increase in trade payable of ₹94.36 million, decrease in other liabilities of ₹238.37 million, increase in other financial liabilities of ₹31.89 million. We paid income tax of ₹51.56 million.

Net cash generated used in investing activities

Seven months period ended October 31, 2023

Net cash used in investing activities in seven months period ended October 31, 2023 was ₹73.26 million. This reflected payment of ₹96.86 million towards purchase of plant, property and equipment. This was partially offset by sale proceeds of plant, property and equipment of ₹23.60 million.

Fiscal 2023

Net cash used in investing activities in Fiscal 2023 was ₹131.03 million. This reflected payment of ₹ 134.42 million towards purchase of plant, property and equipment. This was partially offset by sale proceeds of plant, property and equipment of ₹3.39 million.

Fiscal 2022

Net cash used in investing activities in Fiscal 2022 was ₹51.86 million. This reflected payment of ₹51.86 million towards purchase of plant, property and equipment.

Fiscal 2021

Net cash used in investing activities in Fiscal 2021 was ₹33.92 million. This reflected payment of ₹35.12 million towards purchase of plant, property and equipment. This was partially offset by sale proceeds of plant, property and equipment of ₹1.20 million.

Net cash generated from/ used in financing activities

Seven months period ended October 31, 2023

Net cash generated from financing activities in seven months period ended October 31, 2023 was ₹315.60 million. This reflected net increase in short term borrowing of ₹225.98 million, increase in long term borrowing (net) of ₹208.35 million, interest paid of ₹117.40 million and lease liability paid of ₹1.33 million.

Fiscal 2023

Net cash generated from financing activities in Fiscal 2023 was ₹31.53 million. This reflected net increase in short term borrowing of ₹56.51 million, increase in long term borrowing (net) of ₹12.73 million and interest paid of ₹137.71 million.

Fiscal 2022

Net cash generated from financing activities in Fiscal 2022 was ₹0.40 million. This reflected net decrease in short term borrowing of ₹23.56 million, increase in long term borrowing (net) of ₹151.71 million and interest paid of ₹127.75 million.

Fiscal 2021

Net cash used in financing activities in Fiscal 2021 was ₹15.30 million. This reflected net decrease in short term borrowing of ₹19.41 million, increase in long term borrowing (net) of ₹134.88 million and interest paid of ₹100.17 million.

LIQUIDITY AND CAPITAL RESOURCES

Our primary sources of liquidity include cash generated from operations, from borrowings, both short-term and long-term, including cash credit, term loans and working capital facilities. We evaluate our funding requirements regularly in light of cash flows from our operating activities, the requirements of our business and operations and market conditions. Our main uses of funds from operating activities have been to pay for our working capital requirements and capital expenditure. To the extent we do not generate sufficient cash flow from operating activities, we may rely on debt or equity financing activities, subject to market conditions.

Our Company had closing cash and cash equivalents of ₹2.34 million, ₹31.70 million, ₹2.38 million and ₹47.83 million as of seven months period ended October 31, 2023, and for years ended March 31, 2023, March 31, 2022, and March 31, 2021, respectively. Our Company had ₹778.18 million, ₹331.78 million, ₹314.97 million and ₹257.35 million non-current borrowings as of seven months period ended October 31, 2023, and for years ended March 31, 2023, March 31, 2022, and March 31, 2021, respectively. Our Company had ₹621.87million, ₹633.94 million, ₹481.51 million and ₹410.98 million current borrowings as of seven months period ended October 31, 2023, and for years ended March 31, 2023, March 31, 2022, and March 31, 2021, respectively.

For further information, see "***Restated Financial Information***" on page 236.

CONTINGENT LIABILITIES AND COMMITMENTS

The following is a summary table of our contingent liabilities as per Ind AS 37 as on October 31, 2023, as indicated in our Restated Financial Information.

(in ₹ million)

S. No.	Particulars	As on October 31, 2023
1.	Demands raised by Income Tax Authorities	13.57
2.	Guarantees issued by the bank on Company's behalf	2,429.75

For further information on our contingent liabilities and commitments, see "***Restated Financial Information – Notes to the Restated Financial Information – Note 36 – Contingent Liabilities***" on page 296.

OFF-BALANCE SHEET ARRANGEMENTS

We do not have any off-balance sheet arrangements that have or which we believe reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenue or expenses, operating results, liquidity, capital expenditure or capital resources.

RELATED PARTY TRANSACTIONS

We enter into various related parties in the ordinary course of business including purchase and sale of construction materia, managerial remuneration and rental expenses. For further information relating to our related party transactions,see "***Restated Financial Information – Notes to the Restated Financial Information – Note 38 – Related Party Transactions***" on page 296.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. The sensitivity analysis in the following sections relate to the position as at October 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

Price risk

The Company's exposure to price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to our Company. Our Company is only dealing with government authorities which results in mitigating the risk of financial loss from defaults. Financial instruments that are subject to concentration of credit risk, principally consist of balance with banks, investments in bonds, trade receivables and loans and advances. Financial assets are written off when there is no reasonable expectation of recovery. Our Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which we operate. Loss rates are based on actual credit loss experience and past trends.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The Company transacts business in local currency only. The Company does not have foreign currency trade payables and receivables and is therefore, not exposed to foreign exchange risk. The Company need not to use currency swaps or forward contracts towards hedging risk resulting from changes and fluctuations in foreign currency exchange rate as per the risk management policy.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt and short term debt obligations with floating interest rates. The company is carrying its borrowings primarily at variable rates. For floating rates borrowings the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point Increase or decrease is used when reporting interest rate risk internally to Key management personnel and represents management's assessment of the reasonably possible change in interest rates. For further details, see "***Restated Financial Information***" on page 262.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Draft Red Herring Prospectus, there have been no other events or transactions that, to our knowledge, may be described as "unusual" or "infrequent".

SIGNIFICANT DEPENDENCE ON A SINGLE OR FEW CUSTOMERS OR SUPPLIERS

Our business is primarily dependent on contracts awarded by government, semi-government and government controlled entities. We currently derive the majority of our revenue from contracts entered into with government, semi-government and government controlled entities. For further information see, "***Risk Factors –. Our revenue is majorly concentrated from projects undertaken or awarded by government, semi-government and government-controlled entities. Any adverse changes in the government policies may lead to our contracts being foreclosed, terminated, restructured or renegotiated, which may have a material effect on our business and results of operations.***" on page 37.

TOTAL TURNOVER OF EACH MAJOR INDUSTRY SEGMENT

Our Company is primarily engaged in the business of civil construction and there are no other primary reportable segments. The chief operating decision maker monitors the operating results of the business as a single segment. For further information, see "***Restated Financial Information***" on page 262.

SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECTED OR ARE LIKELY TO AFFECT INCOME FROM OPERATIONS

Other than as described in this section and in "***Our Business***", "***Risk Factors***", and "***Industry Overview***" on pages 200, 36 and 133, respectively, there have been no significant economic changes that materially affected or are likely to affect our Company's income from operations.

KNOWN TRENDS OR UNCERTAINTIES THAT HAVE HAD OR ARE EXPECTED TO HAVE A MATERIAL ADVERSE IMPACT ON SALES, REVENUE OR INCOME FROM CONTINUING OPERATIONS

Other than as described in this section and the section titled "***Our Business***" on page 200, to our knowledge, there are no known trends or uncertainties that have had or are expected to have a material adverse impact on our revenues or income.

FUTURE CHANGES IN RELATIONSHIP BETWEEN COST AND REVENUE

Other than as described in this section and the sections of this Draft Red Herring Prospectus titled "***Our Business***", and "***Risk Factors***" on pages 200 and 36, respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

MATERIAL INCREASES IN NET INCOME AND SALES

Material increases in our Company's net income and sales are primarily due to the reasons described in the section titled "***– Results of Operations***" above on page 262.

NEW PRODUCTS OR BUSINESS SEGMENTS

Other than as disclosed in this chapter and in "***Our Business***" on page 194, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

COMPETITIVE CONDITIONS

We operate in a competitive environment. For further information, see "***Our Business – Competition***", "***Industry Overview***" and "***Risk Factors***" on pages 221, 133 and 36, respectively.

SEASONALITY OF BUSINESS

There is no seasonality in our business.

MATERIAL DEVELOPMENTS SUBSEQUENT TO SEVEN MONTHS PERIOD ENDED OCTOBER 31, 2023 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Except as disclosed below and elsewhere in this Draft Red Herring Prospectus, to our knowledge, no circumstances have arisen since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, which materially and adversely affect or are likely to affect our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months:

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SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding: (a) criminal proceedings; (b) actions by statutory or regulatory authorities; (c) claims relating to direct and indirect taxes; (d) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Company, the Directors, the Promoters, and the Group Company, including outstanding action; or (e) Material Litigation (as defined below); involving our Company, its Directors, the Promoters, and the Group Company("**Relevant Parties**").*

*Our Board, in its meeting held on February 9, 2024, determined that outstanding legal proceedings involving the Relevant Parties will be considered as material litigation ("**Material Litigation**") (i) if the aggregate amount involved exceeds 5% of the profit after tax as per the latest Fiscal in Restated Financial Statements; or (ii) are outstanding litigations whose outcome could have a material impact on the business, operations, prospects or reputation of the Company; or (iii) the decision in one case is likely to affect the decision in similar cases such that the cumulative amount involved in such cases exceeds the Materiality Threshold, even though the amount involved in an individual litigation may not exceed the Materiality Threshold.*

It is clarified that for the above purposes, pre-litigation notices received by Relevant Parties, unless otherwise decided by our Board, are not evaluated for materiality until such time that the Relevant Parties are impleaded as defendants in litigation proceedings before any judicial forum.

Except as stated in this Section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors by way of its resolution dated February 9, 2024. In terms of the materiality policy, creditors of our Company to whom amounts outstanding dues to any creditor of our Company exceeding 5% of trade payables as per the Restated Financial Statements of our Company disclosed in this Draft Red Herring Prospectus, would be considered as material creditors. The trade payables of our Company as on October 31, 2023 were ₹1,132.12 million. Details of outstanding dues to micro, small and medium enterprises and other creditors separately giving details of number of cases and amount involved, shall be uploaded and disclosed on the website of the Company as required under the SEBI ICDR Regulations.

For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as amended, read with the rules and notification thereunder, as amended, as has been relied upon by the Statutory Auditors.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

All terms defined in a particular litigation disclosure pertains to that litigation only.

I. Litigation involving our Company.

A. Litigation filed against our Company.

1. Criminal proceedings

i. State Government of Uttar Pradesh vs. Deepak Builders and Engineers India Limited - Warrant or Summons Criminal Case/70615/2023

The State Government of Uttar Pradesh has filed a warrant or summons criminal case bearing number 70615/2023 against Deepak Builders and Engineers India Limited ("**DBEIL**") before the Hon'ble District and Session Judge, Ghaziabad with respect to certain challans amounting to ₹2,000 each generated for contravention of speed limits by a car registered in the name of DBEIL. DBEIL has endeavored to make payment towards the challans. However, the matter is still pending.

ii. ***Labour Complaints***

Our Company is involved in three labour complaints bearing numbers, 532/2023 before the Hon'ble Chief Judicial Magistrates at Jalandhar filed by the State of Haryana under section 24 of the Contract Labour (Regulation & Abolition) Act, 1970; 756/2023 before the Hon'ble Chief Judicial Magistrates at Jalandhar filed by the State of Haryana under section 22A of the Minimum Wages Act 1948; and 1911/2023 before the Hon'ble Chief Judicial Magistrates at Faridabad filed by the State of Punjab represented through the Labour Enforcement Officer under section 24 of the Contract Labour (Regulation & Abolition) Act, 1970. In case any, or all three of the cases are decided against our Company, we may be liable to a penalty which may include fine which may extend to five hundred rupees under the Minimum Wages Act 1948 and imprisonment for a term which may extend to three months, or with fine which may extend to one thousand rupees. The matters are currently pending.

For further details, please see "***Outstanding Litigation and Material Developments – Outstanding actions by regulatory and statutory authorities - Labour Complaints***" on page 345.

2. Outstanding actions by regulatory and statutory authorities

i. ***Labour Complaints***

Our Company has received certain inspection report cum show cause notices from the Labour Enforcement Officer (Central) for alleged violation of certain provisions of the Contract Labour (Regulation and Abolition) Act, 1970 and the Minimum Wages Act 1948. Accordingly, the State of Haryana and the State of Punjab has filed certain complaints, which are pending.

For further details, please see "***Outstanding Litigation and Material Developments –Criminal Proceedings - Litigation filed against our Company - Labour Complaints***" on page 345.

3. Material civil proceedings

i. ***Punjab State Federation of Co-Operative Housing Building Societies Limited vs. M/s Deepak Builders - FAO/5146/2018, FAO/5147/2018 and FAO/5148/2018***

Punjab State Federation of Co-Operative Housing Building Societies Limited ("**PSF**") has filed appeals against M/s Deepak Builders ("**DB**") bearing numbers FAO/5146/2018, FAO/5147/2018 and FAO/5148/2018 before the Hon'ble High Court of Punjab and Haryana at Chandigarh for setting aside of arbitral award dated March 24, 2015 and order passed by the Hon'ble Ld. Additional District Judge, Chandigarh dated April 10, 2014. PSF allotted construction of 288 flats in a housing complex against a consideration of ₹423,799,281 which was to be completed within 24 months. However, since the allocated site was not made available to DB in time, it resulted in delay and the construction work was only completed after 44 months from the date of allocation. DB initiated arbitration claim was allowed on March 24, 2015 for an amount of ₹₹13,017,064. PSF objected to the award, but their objections were dismissed by the Hon'ble Ld. Additional District Judge, Chandigarh vide its order dated April 10, 2018. Subsequently, they filed this appeal. Hon'ble High Court of Punjab and Haryana at Chandigarh directed PSF to deposit the amount awarded in the arbitration with the executing court. The matter is currently pending.

For further details, please see, "***Outstanding Litigation and Material Developments - Deepak Builders and Engineers Private Limited vs. Sewa Singh – COCP/2262/2022***" on page 347.

B. Litigation filed by our Company.

1. Criminal proceedings

i. ***FIR bearing no. 0035 dated February 21, 2024 against Ritwik Das***

Deepak Builders & Engineers India Limited, through its authorized representative, Rishabh Gupta ("**Complainant**"), filed an FIR bearing no. 0035 dated February 21, 2024, against Ritwik Das, son of

Subit Ba, Proprietor of Ribus Trading Solution ("**Accused**") under Section 406 and 420 of the Indian Penal Code. The Complainant placed two orders on March 4, 2023, amounting to ₹6,259,900 to the firm of the Accused for the supply of "Induced Draught Counter Flow Cooling Tower Components" for construction of All India Institute of Ayurveda, Phase II, Sarita Vihar, New Delhi amounting ₹ 3,309,900 and construction of All India Institute of Ayurveda, Panchkula amounting ₹ 2,950,000. These orders were placed on the presumption that the Accused had the requisite quality as well as certification from the Cooling Technology Institute for the material/goods to be supplied. The Complainant claims that it made a total payment of ₹4,159,900, with 100% payment disbursed on October 3, 2023, for the materials required for the Construction of All India Institute of Ayurveda, Phase II, Sarita Vihar, New Delhi, however, no material was supplied. It later came to the knowledge of the Complainant that the certification of the Accused had been withdrawn vide letter dated May 2, 2023, as per the record of the Cooling Technology Institute. Hence, the Complainant has filed this FIR, claiming that the Accused took payment under the guise that he held the appropriate certification and authority, thus committing fraud and an offence under Section 406 and 420 of the Indian Penal Code. The matter is currently pending.

2. Material civil proceedings

i. Deepak Builders vs. Commissioner of Income Tax, Central Circle-1, Kitchlu Nagar, Aayakar Bhawan, Ludhiana

Deepak Builders ("**DB**") filed an Income Tax Appeal under Section 260A of the Income Tax Act ("**Act**"), 1961, before the High Court of Punjab and Haryana ("**Court**"), challenging the penalty order dated May 31, 2019 in I.T.A. No. 937/CHD/2018 passed in favor of the Commissioner of Income Tax, Central Circle-1, Kitchlu Nagar, Aayakar Bhawan, Ludhiana ("**Respondent**"). On March 20, 2014, a search was carried out under section 132(1) of the Act, at the premises of DB. During search operation, DB declared undisclosed income at ₹140,200,000 during search operation. While framing the assessment order, the assessing officer initiated penalty proceedings under Section 271AAB of the Act. During penalty proceedings, DB explained that due to complicated nature of construction business, the financial transactions remain unrecorded in registers. However, DB cooperated with the proceedings before the assessing officer but the assessing officer rejected the contentions of DB and imposed penalty under section 271AAB of the Act amounting to ₹14,020,000, vide order dated September 30, 2016. DB filed an appeal before the Respondent; however, the appeal was dismissed vide order dated October 21, 2016. Subsequently, DB filed an appeal before the Income Tax Appellate Tribunal ("**ITAT**"), and ITAT dismissed the appeal vide order dated May 31, 2019. Hence, DB has filed this present appeal and prayed to the Court to set aside the order dated May 31, 2019. The matter is currently pending.

ii. Deepak Builders and Engineers India Limited vs. Punjab Freedom Movement Memorial Foundation and Others - FAO-CARB-29-2023, CM-94-FCARB-2023, CM-95-FCARB-2023 and CM-96-FCARB-2023

Deepak Builders and Engineers India Limited ("**DBEIL**") has filed a First Appeal from Order (Commercial Arbitration) bearing no. FAO-CARB-29-2023, along with CM-94-FCARB-2023, CM-95-FCARB-2023 and CM-96-FCARB-2023 before the High Court of Punjab and Haryana against the judgment dated March 9, 2023, passed in ARB/406/2020 by the Court of Anshu Shukla, Additional District Judge/Commercial Court, Chandigarh, in favor of the Punjab Freedom Movement Memorial Foundation and Others ("**Respondents**"). The State of Punjab conceptualized a national level memorial showing the contribution of Punjab in the fight for freedom against the British Colonial Rule, called the "Jang-E- Azadi Memorial" ("**Memorial**") and bids were invited by the Respondents for the construction of the Memorial. DBEIL's bid was accepted and subsequently, DBEIL was allotted work vide letter dated March 16, 2025. Furthermore, a written agreement dated March 27, 2015, whose value amounted to ₹ 1,796,576,620, was signed between both the parties and the work was to be completed with the prescribed period of 18 months. According to DBEIL, there were certain obligations on the part of the Respondents, fulfilment of which was essential for timely work with the stipulated period of 18 months. It is claimed by DBEIL that due to various delays and defaults on the part of the Respondents, the work was prolonged, and DBEIL had to suffer heavy losses.

Pursuant to these losses, DBEIL invoked Arbitration under the Agreement and the Arbitral Tribunal pronounced the award on December 23, 2019 by a majority of majority of 2:1, but with a unanimous decision on some of the claims (amounting to ₹12,054,960.70). A sum of ₹256,444,014.70 was also agreed upon by Majority of 2:1. However, this award was set aside in the ARB/406/2020 by the Court of Anshu Shukla, Additional District Judge/Commercial Court, Chandigarh, on March 9, 2019. Hence, the current appeal has been filed along with Miscellaneous applications. The matter is currently pending and the next hearing date is May 22, 2024.

iii. Deepak Builders and Engineers India Private Limited vs. The State of Punjab

Deepak Builders and Engineers India Private Limited ("**DBEIL**") filed a claim petition against the State of Punjab ("**Respondent**") before Justice Rahul Raj Garg. DBEIL was awarded a construction tender by Chandigarh International Airport Limited ("**CHIAL**") for the District Administrative Complex in Mohali. The extended time limit to complete the work was by June 30, 2014, but was delayed until March 31, 2016, due to various issues allegedly caused by CHIAL, such as delays in site handover, non-clearance of drawings, delayed payments, etc. The total delay was 27 months and 19 days, resulting in significant losses to DBEIL. DBEIL approached the Hon'ble High Court of Punjab & Haryana at Chandigarh ("**Court**") for appointment of an arbitrator. Court appointed Justice Rahul Raj Garg as the Sole Arbitrator on September 16, 2022. DBEIL has filed statement of claim for an amount of ₹56,041,647 plus interest at the rate of 18% p.a. before the Tribunal. The matter is currently pending.

iv. Deepak Builders and Engineers Private Limited vs. Sewa Singh – COCP/2262/2022

Deepak Builders ("**Claimant**") filed a Contempt petition bearing no. 2262 of 2022 ("**Petition**"), against Sewa Singh ("**Respondent**") in the High Court of Punjab and Haryana ("**Court**"). The Claimant filed this petition for willful disobedience of the Order dated November 25, 2019, passed by the Court in FAO 5146 of 2018, whereby the Respondent being the Superintending Engineer of the Punjab State Federation of Co-operative Housing Building Societies Limited was directed by the Court vide its order dated November 25, 2019 to deposit the amount due as per the award before the Court, and the same was to be released to the satisfaction of the Executing Court. However, the Respondent has not made any such deposit. Accordingly, Claimant has filed this Petition seeking action against the Respondent for violating the directions of this court. The matter is currently pending.

For further details, please see, "***Outstanding Litigation and Material Developments - Punjab State Federation of Co-Operative Housing Building Societies Limited vs. M/s Deepak Builders - FAO/5146/2018, FAO/5147/2018 and FAO/5148/2018***" on page 345.

C. Tax proceedings

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (*in ₹ millions*)
Direct Tax	9*	23.57
Indirect Tax	9#	70.81
Total	**18**	**94.38**

**Includes: (i) outstanding tax demand pertaining to our Company for the Fiscal 2020 under section 153C of the Income Tax Act amounting to ₹6.671 million; (ii) outstanding tax demand pertaining to our Company for the Fiscal 2023 under section 1431a of the Income Tax Act amounting to ₹5.02 million; (iii) outstanding tax demand pertaining to M/s Deepak Builders for the Fiscal 2018 under section 143(3) of the Income Tax Act amounting to ₹1.38 million; (iv) outstanding tax demand pertaining to M/s Deepak Builders for the Fiscal 2014 under section 271AAB(1) of the Income Tax Act amounting to ₹8.99 million; (v) TDS demands pertaining to the Fiscals 2019 amounting to ₹0.003 million, 2020 amounting to ₹0.001 million, 2022 amounting to ₹0.004 million, 2023 amounting to ₹0.051 million, and 2024 amounting to ₹1.30 million.*

#Includes: (i) GST scrutiny notice pertaining to the Fiscal 2020 amounting to ₹26.00 million (inclusive of late fees and interest) vide notice bearing reference number ZW070523009508D; (ii) Show cause notice calling upon the Company to show cause as to why tax amounting to ₹7.83 million along with interest amoungint to ₹4.43 million and penalty under Section 74 of the Goods and Services Tax Act, 2017 should not be demanded from and imposed on the Company; (iii) Show cause notice calling upon the Company to show cause as to why input tax credit amounting to ₹5.08 million along with interest and penalty under Section 74(1) of the Goods and Services Tax Act, 2017 should not be demanded from and imposed on the Company; (iv) Notice for intimating discrepancies in return for Fiscal 2023 after scrutiny amounting to ₹0.001 million; (v) Notice for intimating discrepancies in return for Fiscal 2023 after scrutiny amounting to ₹0.001 million; (vi) Intimation of tax ascertained as being payable under Section 73(5) of the Goods and Services Act, 2017 amounting to ₹2.27 million (inclusive of interest and penalty); vii) Notice for conducting audit for the Fiscals 2023 to 2024 vide notice bearing number ZK0302240445584 dated February 27, 2024;and (viii) Demand of service tax amounting to ₹5.10 million under section 73(1) of the Finance Act, 1994 and a penalty of ₹200 for every day starting from the first day of due date for taking registration till the date of taking registration under section 77 of the Finance Act, 1994 has issued

*by The Commissioner of Centeral Excise, Ludhiana vide order dated December 26, 2014 bearing no. LUD-EXCUS-000-COM-065-066-14-15 ("**Order**") against M/s Deepak Builders. Aggrieved from the order M/s Deepak Builders have filed an Appeal in the Customs, Excise and Service Tax Appellate Tribunal bearing No ST/51022/2015. The Commissioner of Central Excise and Servic– Tax - Ludhiana has also filed an appeal against the Order in the Customs, Excise and Service tax Appellate Tribunal bearing No ST/51698/2015.*

II. Litigation involving our directors (other than Promoters)

D. Litigation filed against our Directors (other than Promoters)

1. Criminal proceedings

Nil

2. Outstanding actions by regulatory and statutory authorities

Nil

3. Material civil proceedings

Nil

A. *Litigation filed by our Directors (other than Promoters)*

1. Criminal proceedings

Nil

2. Material civil proceedings

Nil

B. *Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (*in ₹ millions*)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	**Nil**	**Nil**

III. Litigation involving our Promoters

A. *Litigation filed against our Promoters*

1. Criminal proceedings

Nil

2. Outstanding actions by regulatory and statutory authorities

Nil

3. Material civil proceedings

Nil

B. *Litigation filed by our Promoters*

1. **Criminal proceedings**

Nil

2. **Material civil proceedings**

i. ***Deepak Kumar Singal vs. Commissioner of Income Tax, Central Circle-1, Kitchlu Nagar, Aayakar Bhawan, Ludhiana***

Deepak Kumar Singal ("**Appellant**") filed an Income Tax Appeal under Section 260A of the Income Tax Act ("**Act**"), 1961, before the High Court of Punjab and Haryana ("**Court**"), challenging the penalty order dated May 31, 2019 in I.T.A. No. 934/CHD/2018 passed in favor of the Commissioner of Income Tax, Central Circle-1, Kitchlu Nagar, Aayakar Bhawan, Ludhiana ("**Respondent**"). On March 20, 2014, a search was carried out under section 132(1) of the Act, at the premises of the Appellant. During search operation, the Appellant declared undisclosed income at ₹15,000,000 during search operation. While framing the assessment order the assessing officer initiated penalty proceedings under Section 271AAB of the Act. During penalty proceedings, the Appellant explained that due to complicated nature of construction business, the financial transactions remain unrecorded in registers. However, the Appellant cooperated with the proceedings before the assessing officer but the assessing officer rejected the contentions of the Appellant and imposed penalty under section 271AAB of the Act amounting to ₹1,500,000, vide order dated September 30, 2016. The Appellant filed an appeal before the Respondent; however, the appeal was dismissed vide order dated April 30, 2018. Subsequently, the Appellant filed an appeal before the Income Tax Appellate Tribunal ("**ITAT**"), and ITAT dismissed the appeal vide order dated May 31, 2019. Hence, the Appellant has filed this present appeal and prayed to the Court to set aside the order dated May 31, 2019. The matter is currently pending.

ii. ***Sunita Singal vs. Commissioner of Income Tax, Central Circle-1, Kitchlu Nagar, Aayakar Bhawan, Ludhiana***

Sunita Singal ("**Appellant**") filed an Income Tax Appeal under Section 260A of the Income Tax Act ("**Act**"), 1961, before the High Court of Punjab and Haryana ("**Court**"), challenging the penalty order dated April 30, 2019 in I.T.A. No. 936/CHD/2018 passed in favor of the Commissioner of Income Tax, Central Circle-1, Kitchlu Nagar, Aayakar Bhawan, Ludhiana ("**Respondent**"). On March 20, 2014, a search was carried out under section 132(1) of the Act, at the premises of the Appellant. During search operation, the Appellant declared undisclosed income at ₹1,500,000 during search operation. While framing the assessment order the assessing officer initiated penalty proceedings under Section 271AAB of the Act. During penalty proceedings, the Appellant explained that due to complicated nature of construction business, the financial transactions remain unrecorded in registers. However, the Appellant cooperated with the proceedings before the assessing officer but the assessing officer rejected the contentions of the Appellant and imposed penalty under section 271AAB of the Act, vide order dated September 30, 2016. The Appellant filed an appeal before the Respondent; however, the appeal was dismissed vide order dated April 20, 2018. Subsequently, the Appellant filed an appeal before the Income Tax Appellate Tribunal ("**ITAT**"), and ITAT dismissed the appeal vide order dated April 30, 2019. Hence, the Appellant has filed this present appeal and prayed to the Court to set aside the order dated April 30, 2019. The matter is currently pending.

C. *Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (*in ₹ millions*)
Direct Tax	11*	57.90
Indirect Tax	1#	182.40
Total	**12**	**240.30**

**Inclusive of: (i) outstanding tax demand under section 143(3) of the Income Tax Act against Deepak Kumar Singal for the Fiscal 2010 amounting to ₹0.28 million; (ii) outstanding tax demand under section 154 of the Income Tax Act against Deepak Kumar Singal for the Fiscal 2019 amounting to ₹0.08 million; (iii) outstanding tax demand under section 250 of the Income Tax Act against Deepak Kumar Singal for the Fiscal 2012 amounting to ₹0.01 million; (iv) outstanding tax demand under section 153A of the Income Tax Act against Deepak Kumar Singal for the Fiscal 2010 amounting to ₹0.44 million; (v) outstanding tax demand under section 154 of the Income Tax Act against Deepak Kumar Singal for the Fiscal 2018 amounting to ₹0.02 million; (vi)* *outstanding tax demand under section 143(3) of the Income Tax Act against Deepak Kumar Singal for the Fiscal 2017 amounting to ₹0.004 million; (vii) outstanding tax demand under section 147 of the Income Tax Act against Deepak Kumar Singal for the Fiscal 2011 amounting to ₹0.10 million; (viii) outstanding tax demand under section 271(1)© of the Income Tax Act against Deepak Kumar Singal for the Fiscal 2011 amounting to ₹0.03 million; (ix) outstanding tax demand under section 1431a of the Income Tax Act against Deepak Kumar Singal for the Fiscal 2010 amounting to ₹4.82 million; (x) outstanding tax demand under section 271(1)(c) of the Income Tax Act against Deepak Kumar Singal for the Fiscal 2008 amounting to ₹0.01 million; and (xi) outstanding tax demand under section 154 of the Income Tax Act against Sunita Singal for the Fiscal 2017 amounting to ₹0.001 million.*

[#]*Inclusive of assessment order towards payment of output tax for the Fiscal 2017.*

Outstanding dues to creditors

As per the Restated Financial Statements, 5% of our trade payables as at October 31, 2023, was ₹56.61 million and accordingly, creditors to whom outstanding dues exceed ₹56.61 million have been considered as material creditors for the purposes of disclosure in this Draft Red Herring Prospectus.

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), and other creditors, as at October 31, 2023, by our Company, are set out below:

S. No.	Type of creditor	No. of creditors	Amount outstanding (₹ in Million)
1.	Dues to micro, small and medium enterprises	20	521.09
2.	Dues to other creditors	559	611.03
3.	**Total**	**579**	**1,132.12**

Based on this criterion, details of outstanding dues (trade payables) owed to Material Creditors, as at October 31, 2023, by our Company, are set out below:

S. No.	Type of Creditor	No. of creditors	Amount outstanding (₹ in Million)
1.	Material Creditors	4	354.99

The details pertaining to net outstanding dues towards our material creditors as on October 31, 2023 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at www.deepakbuilders.co.in.

Material Developments

Other than as stated in the section entitled "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments after October 31 2023***" on page 264, there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

We have set out below an indicative list of approvals obtained by our Company which are considered material and necessary for the purpose of undertaking their respective business activities. Other than as stated below, no further material approvals from any regulatory authority are required for carrying on the present business activities of our Company.

For carrying out our present business activities, which include diverse range of construction and infrastructure projects in sectors such as, administrative & institutional buildings, hospitals and medical colleges, industrial building, historical memorial complex, stadium and sports complex, residential complex, developmental and other construction activity, flyovers, approach roads, rail under bridge, rail over bridges, and development and redevelopment of railway stations, etc. We are required to obtain consents, licenses, registrations, permissions and approvals which may include registration of contract labour employed at our project sites, as applicable.

We obtain these licenses and approvals based on the requirements under the particular project being undertaken by us. These approvals may vary based on factors such as the legal requirement in the State in which the project is being undertaken, our contractual and statutory obligations, the size of the project undertaken and the type of the project. Where we have subcontracted the project or any part thereof to any subcontractor then such relevant approvals and licences may be required to be obtained by such subcontractor.

In addition, certain of our material approvals may have expired or may expire in the ordinary course of business, from time to time and our Company has either already made an application to the appropriate authorities for renewal of such material approvals or is in the process of making such renewal applications. In relation to the business activities and operations of our Company we have also disclosed below the material approvals applied for but not received. For details in connection with the applicable regulatory and legal framework within which we operate, see ***"Key Regulations and Policies"*** *page 224.*

I. Material approvals obtained in relation to the Offer

(1) The Board of Directors has, pursuant to a resolution passed at its meeting held on February 9, 2024, authorized the Offer, subject to the approval of the shareholders of the Company under Section 62 of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.

(2) The shareholders of the Company have, pursuant to a special resolution passed in the Extra-ordinary General Meeting held on March 12, 2024, authorized the Offer under Section 62 of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.

(3) The Company has obtained the in-principle listing approval from BSE and NSE dated [●] and [●].

II. Material approvals obtained in relation to our business and operations

Our Company has obtained the following material approvals to carry on our business and operations. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

A. Incorporation details of our Company

a. Certificate of incorporation dated September 11, 2017 issued to our Company by the RoC in the name of 'Deepak Builders & Engineers India Private Limited'.

b. Fresh Certificate of Incorporation dated October 12, 2022 issued to our Company by RoC pursuant to conversion of the Company from private company to public company and change of name of our Company from 'Deepak Builders & Engineers India Private Limited' to 'Deepak Builders & Engineers India Limited'.

c. The Corporate Identity Number of the Company is U45309DL2017PLC323467.

B. Tax related approvals obtained by our Company

Sr. No.	Nature of Registration/ License	Registration/ License No.	Issuing Authority	Date of Issue / Renewal	Date of Expiry
1.	Permanent Account Number	AAGCD3470Q	Income Tax Department	September 11, 2017	Valid till cancelled
2.	Tax Deduction Account Number	JLDD03310G	Income Tax Department	April 18, 2018	Valid till cancelled
3.	GST Registration Certificate – New Delhi	07AAGCD3470Q1Z6	Goods and Service Tax Department	April 13, 2018	Valid till cancelled
4.	GST Registration Certificate – Chandigarh	04AAGCD3470Q1ZC	Goods and Service Tax Department	July 17, 2019	Valid till cancelled
5.	GST Registration Certificate – Haryana	06AAGCD3470Q1Z8	Goods and Service Tax Department	May 5, 2018	Valid till cancelled
6.	GST Registration Certificate – Rajasthan	08AAGCD3470Q1Z4	Goods and Service Tax Department	December 1, 2021	Valid till cancelled
7.	GST Registration Certificate – Uttarakhand	05AAGCD3470Q1ZA	Goods and Service Tax Department	May 1, 2018	Valid till cancelled
8.	GST Registration Certificate – Punjab	03AAGCD3470Q1ZE	Goods and Service Tax Department	November 9, 2017	Valid till cancelled
9.	Punjab State Development Tax (PSDT)	E30AAGCD3470Q	Department of Excise and Taxation, Punjab State Development Tax	March 14, 2019	Valid till cancelled

C. Regulatory approvals of our Company

Sr. No.	Nature of Registration/ License	Registration/ License No.	Issuing Authority	Date of Issue	Date of Expiry
1.	"A" Class Electrical Contractor	739/l*	Secretary Licensing Board, Chief Electrical Inspector, Patiala, Punjab Government	September 25, 2018	September 15, 2025
2.	Class I – (Super) Contractor in CPWD*	9106739	Government of India, Directorate, CPWD	May 17, 2022	May 16, 2027
3.	Certificate of Registration under the Employee State Insurance Act, 1948 – Punjab	26000489370000999	Sub Region Office, Employees' State Insurance Corporation, Ludhiana	March 5, 2015	Valid until cancelled
4.	Certificate of Registration under the Employee State Insurance Act, 1948 – Haryana	24260489370010999	Sub Region Office, Employees' State Insurance Corporation, Palika Bazar, Mahesh Nagar, Ambala Cantt	September 19, 2022	Valid until cancelled

Sr. No.	Nature of Registration/ License	Registration/ License No.	Issuing Authority	Date of Issue	Date of Expiry
5.	Certificate of Registration under the Employee Provident Fund	PN/16012*	Ministry of Labour, Government of India, Regional Office Bhavishya Nidhi Bhavan, Ludhiana, Assistant P.F. Commissioner	June 13, 2018	Valid until cancelled
6.	Legal Entity Identifier Registration	8945006J43TJTUERN670	Ubisecure Oy	April 22, 2019	August 27, 2024
7.	Registration of establishment situated at Ahluwalia Chambers, 1st Floor, Plot No. 16-17, Local Madangir, New Pushpa Bhawan, South Delhi, New Delhi - 110 062	2024013497	Inspector, Shops and Commercial Establishments	January 20, 2024	Valid until cancelled
8.	Registration Certificate of registration of establishment situated at Near Lodhi Club, Shaheed Bhagat Singh Nagar, Ludhiana – 141 012, India	LDH/N06/00062713	The Inspector of Shops and Commercial Establishments	January 4, 2024	Valid until cancelled
9.	Sanstha Aadhar Number - for our establishment situated at near petrol pump, Khurd Dausa - 303 303	0785000000000106	Department of Statistics, Directorate of Economics & Statistice, Rajasthan, Jaipur	March 22, 2024	Valid until cancelled
10.	Registration of establishment situated at First Floor 2267/3, Flat No. 4, Opp. ICICI Bank, Old Delhi Road, Gurugram, Haryana – 12001	PSA/REG/PPT/LI-PPT-1/0320050	Inspector, Shops and Commercial Establishments	February 27, 2024	Valid until cancelled
11.	Registration of establishment situated at SCF No. 417, Motor Market Complex, Mani Majra, Chandigarh	PSCEA/2024/00125	Labour Department, Chandigarh	February 6, 2024	Valid until cancelled
12.	License issued under Rule 25 (1) of the Contract Labour (Regulation and Abolition), Central Rules, 1971 (National Institute of Ayurveda, Panchkula)*	CLRA/ALCCHANDIGARH/2022/L-17	Government of India, Office of Licensing Officer	January 20, 2022	January 19, 2025
13.	License issued under Rule 25 (1) of the Contract Labour (Regulation and Abolition), Central Rules, 1971 (Establishment of All India	CLRA/ALCNEWDELHIII/2022/L-71	Government of India, Office of Licensing Officer	March 22, 2022	March 21, 2025

Sr. No.	Nature of Registration/ License	Registration/ License No.	Issuing Authority	Date of Issue	Date of Expiry
	Institute of Ayurveda, Sarita Vihar, New Delhi)*				
14.	License issued under Rule 25 (1) of the Contract Labour (Regulation and Abolition), Central Rules, 1971 (Advanced Neurosciences Centre at PGIMER, Chandigarh)*	CLRA/ ALCCHANDIGARH/2019/L-149	Ministry of Labour & Employment, Office of the Deputy Chief Labour Commissioner (Central), Chandigarh	July 18, 2022	July 29, 2024
15.	License issued under Rule 25 (1) of the Contract Labour (Regulation and Abolition), Central Rules, 1971 (New Medical College, Dausa)*	CLC/2021/29/132560	Government of Rajasthan, Department of Labour	October 11, 2021	December 31, 2024
16.	License issued under Rule 25 (1) of the Contract Labour (Regulation and Abolition), Central Rules, 1971 (Building Work for Panipat Refinery Expansion Project (P25) of IOCL)*	CLRA/ ALCKARNAL/2022/L-408	Government of India, Office of Licensing Officer	November 22, 2022	November 21, 2024
17.	License issued under Rule 25 (1) of the Contract Labour (Regulation and Abolition), Central Rules, 1971 (Major Upgradation/Redevelopment of Faridabad Railway Station)*	CLRA/ ALCKARNAL/2022/L-431	Government of India, Office of Licensing Officer	November 29, 2022	November 28, 2024
18.	Registration under Rule 25 (1) of the Contract Labour (Regulation and Abolition), Central Rules, 1971 (Major Upgradation/Redevelopment of Jalandhar Cantt Railway Station)*	CLRA/ ALCJALANDHAR/2023/L-46	Government of India, Office of Licensing Officer	February 3, 2023	February 2, 2025
19.	License issued under Rule 12 (1) of the Contract Labour (Regulation and Abolition), Central Rules, 1970 (Sub – divisional engineer PWD B&R Amritsar, Batala road)*	ASR01CL4954*	Government of Punjab	April 09, 2023	December 31, 2024
20.	License issues under section 12 (1) of the Contract Labour (Regulation and Abolition), Central Rules, 1970 (PWD Pathankot)*	GDR02CL2974	Government of Punjab	July 03, 2023	December 31, 2024

Sr. No.	Nature of Registration/ License	Registration/ License No.	Issuing Authority	Date of Issue	Date of Expiry
21.	Certificate of Registration granted under Rule 24(1) of Building and other Construction Workers (Regulation of Employment and Condition of Service) Central Rules, 1998 (construction of National Institute of Ayurveda, Shree Mata Mansa Devi Shrine Board, Sector-5/D, Panchkula for Wapcos Ltd., Ministry of Jal Shakti)*	BOCW/ ALCCHANDIGARH/2022/R-2	ALC Chandigarh	January 11, 2022	NA
22.	Certificate of Registration granted under Rule 24(1) of Building and other Construction Workers (Regulation of Employment and Condition of Service) Central Rules, 1998 (Construction of Building with other related works)*	BOCW/ ALCNEWDELHIII/2019/ R-17	ALC New Delhi	August 7, 2019	NA
23.	Certificate of Registration granted under Rule 24(1) of Building and other Construction Workers (Regulation of Employment and Condition of Service) Central Rules, 1998 (Major Upgradation Development Redevelopment of Ludhiana Junction Railway Station of Firozpur Division of Nothern Railway)*	BOCW/ ALCJALANDHAR/2023/R-40*	Government of India, Office of Registering Officer	March 28, 2023	August 02, 2025
24.	Certificate of Registration granted under Rule 24(1) of Building and other Construction Workers (Regulation of Employment and Condition of Service) Central Rules, 1998 (Construction of Advanced Neurosciences Centre and their Maintenance during defect Liability Period at PGIMER, Chandigarh on Comprehensive EPC Basis)*	BOCW/ ALCCHANDIGARH/2019/R-51*	Government of India, Office of Registering Officer	December 6, 2023	NA
25.	Certificate of Registration granted under Rule 24(1) of Building and other Construction Workers	BOCW/ ALCKARNAL/2022/R-	Government of India, Office of Registering Officer	December 21, 2022	NA

Sr. No.	Nature of Registration/ License	Registration/ License No.	Issuing Authority	Date of Issue	Date of Expiry
	(Regulation of Employment and Condition of Service) Central Rules, 1998 (Major Upgradation/Redevelopment of Faridabad Railway Station)*	95*			
26.	Certificate of Registration granted under Rule 24(1) of Building and other Construction Workers (Regulation of Employment and Condition of Service) Central Rules, 1998 (Panipat Refinery Expansion Project P25 for IOCL)*	BOCW/ ALCKARNAL/2022/R-92*	Government of India, Office of Registering Officer	December 12, 2022	NA
27.	Certificate of Registration granted under Rule 24(1) of Building and other Construction Workers (Regulation of Employment and Condition of Service) Central Rules, 1998 (Major Upgradation and Redevelopment of Jalandhar Cantt Railway Station)*	BOCW/ ALCJALANDHAR/2023/R-13*	Government of India, Office of Registering Officer	February 03, 2023	April 30, 2024
28.	Sanstha Aadhaar Number under the Building and other Construction Workers (Regulation of Employment and Condition of Service) Act, 1996 (near Petrol Pump, Dausa)	0784970000000018	Department of Statistics, Directorate of Economics & Statistics, Rajasthan, Jaipur	November 25, 2021	Valid until cancelled

**Our Company is in the process of making an application for change in name pursuant to its conversion from private limited company to public limited company*

III. Material approvals or renewals for which applications are currently pending before relevant authorities

Sr. No.	Details of Application	Application number	Date of Application
1.	Application for registration of establishment, employing workers for building and other construction work, under BOCW Act, 1996 (PWD B and R Batala Road, Amritsar)	-	January 22, 2024*
2.	Application for registration of establishment, employing workers for building and other construction work, under BOCW Act, 1996 (Chakki Bank Railway Station, Pathankot)	-	January 22, 2024*
3.	Application for registration of	-	March 22, 2024

Sr. No.	Details of Application	Application number	Date of Application
	establishment situated at Near Kumaun Plaze Bazpur Road, Kumaun, Udham Singh Nagar		
4.	Application for renewal of License issued under Rule 25 (1) of the Contract Labour (Regulation and Abolition), Central Rules, 1971 - (Upgradation Development Redevelopment of Ludhiana Junction Railway Station of Firozpur Division of Northern Railway, Ludhiana)	02032304034380	March 28, 2024
5.	Application for obtaining consent to operate under the provisions of the Water (Prevention and Control of Pollution) Act, 1974 for RMC plant situated at the site of our project, Jalandhar, Cantt Railway Station Jalandhar	25292087	March 29, 2024
6.	Application for obtaining consent to operate under the provisions of the Water (Prevention and Control of Pollution) Act, 1974 for RMC plant situated at the site of our project, major upgradation/ development/ redevelopment of Ludhiana Junction Railway Station of Firojpur Division of Northern Railway	25291814	March 29, 2024
7.	Application for obtaining consent to operate under the provisions of the Water Prevention & Control Of Pollution Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and the Hazaradous Waste Management Rules, 2008 for RMC plant situated at the site of our project, Indian Oil Corporation Plant Building at Panipat	63674110	March 29, 2024
8.	Application for obtaining consent to operate under the provisions of the Water Prevention & Control Of Pollution Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and the Hazaradous Waste Management Rules, 2008 for RMC plant situated at the site of our project, Construction of National Institute of Ayurveda (NIA), Panchkula, Haryana	63703713	March 29, 2024
9.	Application for obtaining consent to operate under the provisions of the Water Prevention & Control Of Pollution Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and the Hazaradous Waste Management Rules, 2008 for RMC plant situated at the site of our project, Faridabad Railway Station	63703569	March 29, 2024

Applications made erroneously depicting our Promoter, Deepak Kumar Singal, as employer instead of our Company. Our Company is in the process of rectifying the application

IV. Material approvals expired and renewal yet to be applied for

Nil

V. Material approvals required but not obtained or applied for

Our Company is yet to make an application for RMC plants situated at the sites of our following projects:

i) All India Institute of Ayurveda (AIIA)-Ph-II, Sarita Vihar;
ii) Advanced Neurosciences Centre at PGIMER;
iii) New Medical College at Dausa.

Further, our Company is also yet to make an application under the Air (Prevention and Control of Pollution) Act, 1981 and the Hazaradous Waste Management Rules, 2008 for RMC plant situated at the site of our following project:

i) Jalandhar Cantt Railway Station; and
ii) Major upgradation/ development/ redevelopment of Ludhiana Junction Railway Station of Firojpur Division of Northern Railway

VI. Intellectual Property

As on the date of this Draft Red Herring Prospectus, our Company has registered the following trademark with the Registrar of Trademarks under the Trademarks Act, 1999:

Date of Issue	Trademark Holder	Trademark Number	Class	Trademark
March 9, 2023	Deepak Builders & Engineers India Limited	5841356	36	Deepak Builders
March 7, 2023	Deepak Builders & Engineers India Limited	5838707	37	

VII. Pending Intellectual property related approvals Application

As on the date of this Draft Red Herring Prospectus, our Company has made application for registration of some of our Trademarks with the Registrar of Trademarks under the Trademarks Act, 1999. We set out below the details of such trademark:

Date of Application	Trademark	Class	Application Number	Status
March 7, 2023	Device	36	5838706	Objected
March 9, 2023	Deepak Builders	37	5841357	Objected
March 29, 2024		37	10376839	Pending

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

1. The Board of Directors of our Company has authorised the Offer including the Fresh Issue by a resolution passed at its meeting held on February 9, 2024.

2. The Shareholders of our Company have authorised the Fresh Issue, pursuant to a special resolution passed in the Extraordinary General Meeting held on March 12, 2024 under Section 23 and 62(1) (c) of the Companies Act 2013.

3. Our Board has taken on record the consents of the Selling Shareholders to participate in the Offer for Sale pursuant to its resolution dated March 26, 2024.

4. The Board of Directors of our Company has, on April 9, 2024 approved the Draft Red Herring Prospectus for filing with SEBI and the Stock Exchanges.

Authorisation by the Selling Shareholders

Each of the Selling Shareholders have, severally and not jointly, confirmed the transfer of its respective portion of the Offered Shares pursuant to the Offer for Sale, as set out below:

Name of the Selling Shareholder	Maximum number of Equity Shares offered in the Offer for Sale	Date of consent letter	Date of board resolutions recording the consent of Selling Shareholder
Deepak Kumar Singal	2,160,000	February 9, 2024	March 26, 2024
Sunita Singal	240,000	February 9, 2024	March 26, 2024

In-principle Listing Approvals

Our Company has received in-principle approvals from the BSE and NSE for the listing of our Equity Shares pursuant to their respective letters, each dated [●].

Prohibition by the SEBI, the RBI or Governmental Authorities

Our Company, our Directors, our Promoters, the members of the Promoter Group, persons in control of our Company and companies or entities with which our Company's Promoters and Directors are associated as Directors / Promoters and each of the Selling Shareholders are not prohibited/debarred from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other securities market regulator in any other jurisdiction or any other authority/court. The listing of any securities of our Company has never been refused at any time by any of the Stock Exchange in India. There are no violations of securities laws committed by them in the past or are pending against them.

Except Vinod Kumar Kathuria, who serves as independent director on the board of A. K. Capital Services Limited, none of our Directors are, in any manner, associated with the securities market. Further, there are no outstanding actions initiated by SEBI against any of our Directors, in the past five years preceding the date of this Draft Red Herring Prospectus.

There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

Our Promoters or Directors have not been declared as Fugitive Economic Offenders.

Neither our Company nor our Directors or Promoters have been declared as a Wilful Defaulter.

The Company, its Directors and its Promoters / Promoter Group are not declared as "Fraudulent Borrowers" by the lending banks or financial institutions or consortium, in terms of the Master Directions on Frauds – Classification and Reporting by commercial banks and select FIs dated July 1, 2016, as amended, issued by the Reserve Bank of India.

The Selling Shareholders have confirmed that they have not been prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court. Further, there have not been any regulatory actions initiated against the Selling Shareholders by SEBI, RBI or any overseas regulator.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018 and amendments thereof

Our Company, our Promoters, member of Promoter Group and the Selling Shareholders, severally and jointly, confirms that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to them, as on the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- Our Company has had net tangible assets of at least ₹30.00 million, calculated on a restated basis, in each of the preceding three full years (of 12 months each).
- Our Company has an average operating profit of at least ₹150.00 million, calculated on a restated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;
- Our Company has a net worth of at least ₹10.00 million in each of the preceding three full years (of 12 months each), calculated on a restated basis; and
- Our Company has not changed its name in the last one year.

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, operating profits and net worth, have been derived from the Restated Financial Information included in this Draft Red Herring Prospectus as at, and for the last three Fiscals, are set forth below:

Particulars	**Fiscal 2023**	**Fiscal 2022**	**Fiscal 2021**
	(in ₹ million unless stated otherwise)		
Restated Net Tangible Assets (A)[(1)*]	893.47	703.38	540.54
Operating Profit (B)[(2)*]	453.18	383.37	306.31
Net Worth (C)[(3)*]	927.83	714.56	540.54
Restated Monetary Assets (D)[(4)*]	31.70	2.38	47.83
Restated Monetary Assets as a Percentage of the Restated Net Tangible Assets (D)/(A)	3.55%	0.34%	8.85%

**As restated*

1) *"Net Tangible Assets" means, as restated, the sum of all net assets of the Issuer, excluding intangible assets as defined in Indian Accounting Standard (Ind AS) 38, issued by the Institute of Chartered Accountants of India, revaluation reserves and prepaid expenses.*
2) *Operating profit" means, as restated, the profit before finance costs, other income and tax expenses.*
3) *"Net worth" means, as restated, the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation*
4) *"Monetary Assets" means cash in hand, balance with bank in current and deposit account (net of bank deposits not considered as cash and cash equivalent*

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees in the Offer shall be not less than 1,000 and should our Company fail to do so, the Bid Amounts received by our Company shall be refunded to the Investor, in accordance with the SEBI ICDR Regulations and applicable law.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable. Each of the Selling Shareholders, severally and not jointly, confirms that its respective portion of the Offered Shares is in compliance with Regulation 8 of the SEBI ICDR Regulations, and it has held its respective portion of the Offered Shares for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

1. None of our Company, the Selling Shareholders, our Promoters, members of our Promoter Group and our Directors are debarred from accessing the capital markets by SEBI;
2. None of the Promoters or Directors of our Company are promoters or a director of companies which are debarred from accessing the capital market by SEBI;
3. None of our Company, our Promoters or Directors have been categorized as a Wilful Defaulter or a Fraudulent Borrower;
4. None of our Promoters or Directors has been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018;
5. 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;
6. Our Company, along with the Registrar to the Offer, has entered into tripartite agreements dated February 1, 2023 and January 7, 2023 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares;
7. There are no outstanding convertible securities or any other right which would entitle any person with any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus; and
8. There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000 failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, and our Company shall be liable to pay interest on the application money in accordance` with applicable laws.

Disclaimer Clauses

DISCLAIMER CLAUSE OF THE SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO 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, FEDEX SECURITIES PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE BIDDERS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS AND EACH OF THE SELLING SHAREHOLDERS WILL BE RESPONSIBLE, SEVERALLY AND NOT JOINTLY, ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS TO THE EXTENT OF INFORMATION SPECIFICALLY PERTAINING TO ITSELF FOR ITS RESPECTIVE PORTION OF OFFERED SHARES. THE BOOK RUNNING LEAD

MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, FEDEX SECURITIES PRIVATE LIMITED, HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED APRIL 9, 2024 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 THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE 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 OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLM, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

Disclaimer from our Company, our Directors, the Selling Shareholders and the BRLM

Our Company, the Selling Shareholder, our Directors, and the BRLM accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.deepakbuilders.co.in or the Group Company or any of the Selling Shareholders, would be doing so at his or her own risk.

Each of the Selling Shareholders, its affiliates, accept no responsibility for any statements made or undertakings provided other than those specifically confirmed or undertaken by such Selling Shareholder, and only in relation to itself and/or to the respective Equity Shares offered by such Selling Shareholder through the Offer for Sale and included in this Draft Red Herring Prospectus and anyone placing reliance on any other source of information, including our Company's website at www.deepakbuilders.co.in or any of the websites of any affiliate of our Company or of any of the Selling Shareholders, would be doing so at his or her own risk.

The BRLM accepts no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided in the Underwriting Agreement to be entered into among the Underwriters, and our Company.

All information shall be made available by our Company, each of the Selling Shareholders (with respect to itself and its respective portion of the Offered Shares) 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 Bidding Centers or elsewhere.

None among our Company, the Selling Shareholders, BRLM and any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/ hardware system or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non- compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Caution

Investors who Bid in the Offer will be required to confirm and would be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, partners, designated partners, trustees, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, the Underwriters and their respective directors, partners, designated partners, trustees, 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.

The BRLM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective directors and officers, group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders and their respective affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Punjab, India only.

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, Hindu Undivided Families ("**HUFs**"), companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), systemically important non-banking financial companies or trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other applicable trust laws, and who are authorised under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, venture capital funds, permitted insurance companies, provident funds and pension funds with a minimum corpus of ₹250,000,000/- (Rupees Two Hundred and Fifty Million Only), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI and to permitted systemically important NBFCs registered with the RBI, non-residents including Eligible NRIs, Alternative Investment Funds. Foreign Portfolio Investors registered with SEBI, venture capital fund, foreign venture capital fund and QIBs.

This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. No person outside India is eligible to bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India. 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 the jurisdiction of appropriate court(s) in Punjab, India 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, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. 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 offer or sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or the Selling Shareholder since the date hereof or thatthe information contained herein is correct as of any time subsequent to this date.

Eligibility and Transfer Restrictions

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 Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and applicable laws of the jurisdictions where such offers and sales occur.

Each purchaser of the Equity Shares in the Offer in India shall be deemed to:

- represent and warrant to our Company, the BRLM and the Syndicate Members that it was outside the United States (as defined in Regulation S) at the time the offer of the Equity Shares was made to it and it was outside the United States (as defined in Regulation S) when its buy order for the Equity Shares was originated.

- represent and warrant to our Company, the BRLM and the Syndicate Members that it did not purchase the Equity Shares as result of any "directed selling efforts" (as defined in Regulation S).
- represent and warrant to our Company, the BRLM and the Syndicate Members that it bought the Equity Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to resell or otherwise transfer any of the Equity Shares, it agrees that it will not offer, sell or otherwise transfer the Equity Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act.
- represent and warrant to our Company, the BRLM and the Syndicate Members that if it acquired any of the Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.
- represent and warrant to our Company, the BRLM and the Syndicate Members that if it acquired any of the Equity Shares for one or more managed accounts, that it was authorized in writing by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.
- agree to indemnify and hold the Company, the BRLM and the Syndicate Members harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.
- acknowledge that our Company, the BRLM, the Syndicate Members and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or 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 U.S. Securities Act.

Disclaimer Clause of the BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Listing

The Equity Shares proposed to be Allotted pursuant to the Red Herring Prospectus and the Prospectus are proposed to be listed on the BSE and the NSE. Applications will be made to the Stock Exchanges for obtaining permission for the listing and trading of the Equity Shares being issued and sold in the Offer and [●] will be the Designated Stock Exchange, with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares are not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law. Any expense incurred by our Company on behalf of any of the Selling

Shareholders with regard to interest on such refunds as required under the Companies Act, 2013 and any other applicable law will be reimbursed by such Selling Shareholder as agreed among our Company and the Selling Shareholders in writing, in proportion to its respective portion of the Offered Shares. Provided that no Selling Shareholder shall be responsible or liable for payment of any expenses or interest, unless such delay is solely and directly attributable to an act or omission of such Selling Shareholder and such liability shall be limited to the extent of its respective Offered Shares.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges mentioned above are taken within such time prescribed by SEBI of the Bid/Offered Closing Date or such other period as may be prescribed by the SEBI.

If our Company does not allot Equity Shares pursuant to the Offer such time as prescribed by SEBI, it shall 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 or such other rate prescribed by SEBI. Each of the Selling Shareholders, severally and not jointly, shall extend commercially reasonable co-operation to our Company, as may be required solely in relation to its respective Offered Shares, in accordance with applicable law, to facilitate the process of listing the Equity Shares on the Stock Exchanges.

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"

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term of not less than six (6) months extending up to 10 (ten) years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Consents

Consents in writing of each of the Selling Shareholders, our Directors, the Company Secretary and Compliance Officer, Chief Financial Officer, the legal counsels, the BRLM, the Bankers to our Company, D&B India, Statutory Auditors, Independent Chartered Engineer(s), Advisor to the Company and Registrar to the Offer, have been obtained and consents in writing of, the Syndicate Members, Bankers to the Offer (Escrow Bank, Public Offer Account Bank, Sponsor Bank and Refund Bank) and Monitoring Agency, to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under Companies Act, 2013.

Our Company has received consent of our Statutory Auditors, who holds a valid peer review certificate, to include their name as required under Section 26(5) of the Companies Act 2013 in this Draft Red Herring Prospectus.

The said consents will be filed along with a copy of this Draft Red Herring Prospectus with the Registrar of Companies, as required under the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus, for filing with the RoC.

Experts

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

Our Company has received written consent dated March 26, 2024 from our Statutory Auditors, Parmod G Gupta & Associates, Chartered Accountants, who holds a valid peer review certificate dated November 24, 2021, to include its name as required under Section 26 of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of (i) the examination reports on the Restated Financial Statement and their examination report dated March 26, 2024; and (ii) the Statement of Special tax benefits dated March 26, 2024, included in this Draft Red Herring Prospectus.

Our Company has received written consent dated March 27, 2024, from Er. Abhishek Tiwari, Independent Chartered Engineer, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in his capacity as the Independent Chartered Engineer.

However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning under the U.S. Securities Act, as amended (the **"U.S. Securities Act"**).

The above-mentioned consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Particulars regarding public or rights issues by our Company during the last 5 (five) years

Our Company has not made any public issue in the last 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus. The Company has not undertaken rights issues of its equity shares in the last 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus. For details, see "***Capital Structure***" on page 93 of this Draft Red Herring Prospectus.

Commission or Brokerage on Previous issues in the last 5 (five) years

Since this is the initial public offering of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the 5 (five) years preceding the date of this Draft Red Herring Prospectus.

Capital Issues in the Preceding Three Years by our Company, our listed group companies, Subsidiary and associates of our Company

Our Company has not made any capital issue during the three years preceding the date of this Draft Red Herring Prospectus.

As on date of this Draft Red herring Prospectus, our Company does not have any listed group company or any listed subsidiary or a listed associate entity.

Performance vis-à-vis Objects

Our Company has not undertaken any public issues, including any rights issues to the public in the 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus.

Performance vis- à-vis Objects: Last Issue of Subsidiaries/Promoters

Our Company does not have any listed promoters neither any subsidiaries which have made any public issues, including rights issues to the public in the 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus.

The price information of past issues handled by the BRLM is as follows:

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

For details regarding the price information and track record of the past issue handled by the BRLM, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer the table below and the website of the BRLM at www.fedsec.in.

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY FEDEX SECURITIES PRIVATE LIMITED

Sr. No.	Issue Name	Issue Size (Cr)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
				MAINBOARD IPO				
1.	Mukka Proteins Limited	224.00	28	March 7, 2024	40.00	35.54%* 0.09%	Not Applicable	Not Applicable
				SME IPO				
	Oneclick Logistics India Limited	9.90	99.00	October 11, 2023	140.00	(30.91%) (2.10%)	(21.**87**%) 8.59%	Not Applicable
	Sharp Chucks and Machines Limited	16.84	58.00	October 12, 2023	66.00	43.71% (1.86%)	26.64% 8.85%	25.78% 14.51%t
	Committed Cargo Care Limited	24.94	77.00	October 18, 2023	82.00	(11.95%) 0.48%	(21.30%) 12.33%	Not Applicable
	KK Shah Hospital	8.78	45.00	November 6, 2023	56.10	84.00% 6.68%	Not Applicable	Not Applicable
	IBL Finance Limited	33.40	51	January 16, 2024	56.00	Not Applicable	Not Applicable	Not Applicable
	Docmode Health Technologies Limited	6.71	79.00	February 2, 2024	190.25	162.03% 2.52%	Not Applicable	Not Applicable
	Baweja Studios Limited	97.20	180.00	February 6, 2024	183.00	(28.61%) 2.48%	Not Applicable	Not Applicable
	Polysil Irrigation Systems Limited	17.43	54.00	February 16, 2024	56.00	35.50% 0.07%	Not Applicable	Not Applicable
	Deem Roll-Tech Limited	29.26	129.00	February 27, 2024	200.00	(29.15%) (0.06%)	Not Applicable	Not Applicable
	Gconnect Logitech and Supply Chain Limited	5.60	40	April 03, 2024	42	Not Applicable	Not Applicable	Not Applicable
	Vruddhi	4.76	70	April 03,	71	Not	Not	Not

	Engineering Works Limited	2024	Applicable	Applicable	Applicable

Sources: All share price data is from www.bseindia.com and www.nseindia.com

Note:

1. *Opening price information as disclosed on the website of the Designated Stock Exchange.*
2. *Change in closing price over the issue/offer price as disclosed on Designated Stock Exchange.*
3. *For change in closing price over the closing price as on the listing date, the CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.*
4. *In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.*
5. *In case 30th/90th/180th days, scrips are not traded then last trading price has been considered.*

This disclosure is restricted to last 10 issues handled by the Book Running Lead Manager.

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SUMMARY STATEMENT OF DISCLOSURE

Fiscal	Total no. of IPO	Total funds Raised (₹Cr)	Nos of IPOs trading at discount on 30th Calendar Day from listing date			Nos of IPOs trading at premium on 30th Calendar Day from listing date			Nos of IPOs trading at discount on 180th Calendar Day from listing date			Nos of IPOs trading at premium on 180th Calendar Day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less Than 25%
2020-21	*2	49.64	-	-	1	-	-	1	-	-	1	1	-	-
2021-22	**5	153.99	1	-	2	1	-	1	1	1	-	-	1	2
2022-23	***7	131.26	-	1	1	1	2	2	-	-	3	3	-	1
2023.-24	****14	541.00	-	4	3	3	3	1	-	-	1	1	1	1
2024-25	^2	10.36	-	-	-	-	-	-	-	-	-	-	-	-

**The script of Atam Valves Limited and Rangoli Tradecomm Limited were listed on October 06, 2020 and March 22, 2021 respectively.*
*** The script of Rajeshwari Cans Limited, Kuberan Global Edu Solutions Limited, Aashka Hospitals Limited Euro Panel Products Limited and Wherrelz IT Solutions Limited were listed on April 15, 2021, May 05, 2021, September 01, 2021, December 24, 2021 and December 29, 2021 respectively.*
**** The scripts of Sunrise Efficient Marketing Limited, Le Merite Exports Limited, Kesar India Limited, Virtuoso Optoelectronics Limited, Tapi Fruit Processing Limited, Moxsh Overseas Educon Limited and Lead Reclaim and Rubber Products Limited were listed on April 12, 2022, May 09, 2022, July 12, 2022, September 15, 2022, September 22, 2022, December 30, 2022 and February 21, 2023 respectively.*

***** The scripts of Pattech Fitwell Tube Components Limited, Yasons Chemex Care Limited, Pramara Promotions Limited, Kundan Edifice Limited, Oneclick Logistics India Limited, Sharp Chucks and Machines Limited, Committed Cargo Care Limited were listed April 21, 2023, August 03, 2023, September 13, 2023, September 26, 2023, October 11, 2023, October 12, 2023 and October 18, 2023, respectively, and have not completed 180 calendar days. The scripts of KK shah Hospitals and IBL Finance Limited were listed on November 6, 2023 and January 16, 2024 respectively, and have not completed 90 calendar days and 30 calendar days respectively.*

Track record of past issues handled by the BRLM

For details regarding the track record of the Managers, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to the website of the BRLM, as set forth in the table below:

Sr. No.	Name of the BRLM	Website
1.	Fedex Securities Private Limited	www.fedsec.in

Stock Market Data of the Equity Shares

This being the initial public issuing of the Equity Shares of our Company, the Equity Shares is not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Offer and our Company March 30, 2024 provides for retention of records with the Registrar to the Offer for a minimum period of 8 (eight) years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All Bidders can contact the Company Secretary and Compliance Officer, the BRLM 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, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All grievances, other than of Anchor Investors 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 full details such as name of the sole or First Bidder, ASBA Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Bid Amount through the UPI Mechanism), date of ASBA Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

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

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two 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 two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and subject to applicable law 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. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in the events of delayed unblock for cancelled/withdrawn/deleted 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 for the period of such delay, which period shall start from the day following the receipt of a complaint from the investor. The following compensation mechanism has become applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock.
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount; and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher.	From the date on which multiple amounts were blocked till the date of actual unblock.

Scenario	Compensation amount	Compensation period
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher.	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock.
Delayed unblock for non – Allotted / partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher.	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock.

Further, in terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the Book Running Lead Manager, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Our Company, the BRLM, the Selling Shareholders and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of any SCSB, Registered broker, Syndicate member, RTA or CDP including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company

We estimate that the average time required by our Company and/or the Registrar to the Offer for the redressal of routine investor grievances shall be ten Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Anil Kumar, Company Secretary as the Compliance Officer and he may be contacted in case of any pre-Offer or post-Offer related problems, at the address set forth hereunder.

Address: Near Lodhi Club, Shaheed Bhagat Singh Nagar,
Ludhiana - 141012, Punjab, India
Telephone: +91 98759 09242
E-mail: cs@deepakbuilders.co.in
Investor Grievance ID: investor@deepakbuilders.co.in

Each of the Selling Shareholders, severally and not jointly, have authorised Anil Kumar, the Company Secretary and Compliance Officer of our Company and the Registrar to the offer to redress any complaints received from Bidders solely to the extent of the statements specifically made, confirmed or undertaken by Selling Shareholders in the Offer Documents in respect of themselves and their respective Offered Shares.

Our Company has obtained authentication on the SCORES in compliance with the SEBI circular SEBI circular bearing number SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 read with SEBI circular SEBI/HO/OIAE/IGRD/CIR/P/2019/86 dated August 2, 2019 and the SEBI circular read with the 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 and SEBI circular SEBI/HO/OIAE/IGRD/P/CIR/2022/0150 dated November 7, 2022 in relation to redressal of investor grievances through SCORES.

Further, our Board has constituted a Stakeholders' Relationship Committee, which is responsible for redressal of grievances of the security holders of our Company. For details, see "***Our Management***" on page 238. Our Company has not received any investor grievances during the three years preceding the date of this Draft Red Herring Prospectus and as on date, there are no investor complaints pending.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of this

Draft Red Herring Prospectus.

Outstanding Debentures, Bonds or Redeemable Preference Shares

Our Company does not have any outstanding debentures, bonds or redeemable preference shares, as on the date of 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.

Fees Payable to the Syndicate

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the Syndicate Agreement. For details of the Offer expenses, see "***Objects of the Offer***" on page 101 of this Draft Red Herring Prospectus.

Commission payable to SCSBs, Registered Brokers, CRTAs and CDPs

For details of the commission payable to SCBS, Registered Brokers, CRTAs and CDPs, please see "***Objects of the Offer***" on page 101 of this Draft Red Herring Prospectus.

Disposal of investor grievances by listed Group Companies

Our Company does not have any listed group companies.

Capitalization of Reserves or Profits

Our Company has not capitalized its reserves or profits at any time during the 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus.

Revaluation of Assets

Our Company has revalued its fixed assets by an amount of ₹180.80 Million during the FY 2020-21.

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

Our Company has not made any application under the SEBI ICDR Regulations for seeking exemption from complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.

SECTION VII – OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered and Allotted pursuant to the Offer will be subject to the provisions of the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the SCRR, the Memorandum of Association, the Articles of Association, the SEBI Listing Regulations, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, the Bid cum Application Form, the Revision Form, the Abridged Prospectus and other terms and conditions as may be incorporated in the CAN, Allotment Advice and other documents and 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 issue of capital, offer for sale and listing and trading of securities, issued from time to time, by SEBI and the Stock Exchanges, the Government of India, the Stock Exchanges, 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, the Government of India, the Stock Exchanges, the RoC, the RBI and/or any other governmental, statutory or regulatory authorities while granting approval for the Offer.

The Offer

The Offer comprises of a Fresh Issue of Equity Shares by our Company and Offer for Sale by Selling Shareholders. The listing fees payable with respect to the Offer shall be borne by our Company. All costs, charges, fees and expenses associated with and incurred in connection with the Offer shall be shared among the Selling Shareholders in proportion to the number of Equity Shares sold by each of the Selling Shareholders through the Offer. Provided that all Offer-related expenses shall initially be borne by our Company and each of the Selling Shareholders shall reimburse the Company for their respective proportion of the expenses.

For details in relation to Offer expenses, see "***Objects of the Offer***" on page 101.

Ranking of the Equity Shares

The Equity Shares being offered, Allotted and transferred pursuant to the Offer will rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of rights to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with applicable laws. For details, see "***Dividend Policy***" and "***Description of Equity Shares and terms of Articles of Association***" on pages 261 and 410, respectively.

Mode of Payment of Dividend

Our Company will pay dividends, if declared, to the Shareholders, as per the provisions of the Companies Act 2013, the SEBI Listing Regulations, the Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the Government of India in this respect or any other applicable law. Any dividends declared by our Company after the date of Allotment (including pursuant to the transfer of Equity Shares under the Offer for Sale) in this Offer, will be payable to the Allottees, in accordance with applicable laws. See "***Dividend Policy***" and "***Main Provisions of the Articles of Association***" on pages 261 and 410, respectively.

Face Value, Offer Price, Floor Price and Price Band

The face value of the Equity Shares is ₹10/-. The Floor Price of Equity Shares is [●] per Equity Share and the Cap Price is [●] per Equity Share. The Anchor Investor Offer Price is [●] per Equity Share.

The Price Band and minimum Bid Lot for the Offer will be decided by our Company in consultation with the BRLM, and shall be advertised in all editions of the widely circulated English national daily newspaper [●]and all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of New Delhi where our Registered Office is located), each with wide circulation, respectively, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges. The Offer price shall be determined by our Company in consultation with the BRLM, 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 for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable 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 provisions of our Articles of Association, the equity shareholders of our Company shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or 'e-voting', in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory or preferential claims being satisfied;
- Right to freely transfer their Equity Shares, subject to any RBI rules, foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, 2013, the terms of the SEBI Listing Regulations and the Articles of Association of the Company.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture and lien, transfer and transmission, consolidation and splitting, see "***Description of Equity Shares and terms of Articles of Association***" on page 410.

Allotment of Equity Shares in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. Hence, the Equity Shares offered through the Red Herring Prospectus can be applied for in dematerialised form only. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two tripartite agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

1. Tripartite Agreement dated February 1, 2023 among NSDL, our Company and the Registrar to the Offer.
2. Tripartite Agreement dated January 7, 2023 among CDSL, our Company and Registrar to the Offer.

Market Lot and Trading Lot

Since the trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form, the tradable lot is one (1) Equity Share. Allotment of Equity Shares will be only in dematerialised form in multiples of [●] Equity Share, subject to a minimum Allotment of [●] Equity Shares. For details, see "***Offer Procedure***" on page 385.

Joint Holders

Subject to provisions contained in our Articles of Association, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

The courts of Punjab, India will have exclusive jurisdiction in relation to this Offer.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933 ("Securities Act") and may not be offered or sold within the United States (as defined in Regulation Sunder 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 offered and sold outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is verified or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall 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, transfer or alienation 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 our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our 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 days, our Board may thereafter withhold payment of all dividend, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialized form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders wish to change their nomination, they are requested to inform their respective Depository Participant.

Bid/Offer Programme

ANCHOR BID/OFFER OPENS ON	[●]*
BID / OFFER OPENS ON*	[●]
BID / OFFER CLOSES ON**	[●] #

**Our Company, may, in consultation with the BRLM, may consider participation by Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. Anchor Investors shall Bid on the Anchor Investor Bidding Date. 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.*
***Our Company may, in consultation with the BRLM, consider closing the Bid / Offer Period for QIBs one (1) day prior to the Bid / Offer Closing Date in accordance with the SEBI ICDR Regulations.*
#UPI mandate end time and date shall be at 5.00 p.m. on the Bid/Offer Closing Date.

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Anchor Investor Bidding Date	[●]
Bid/Offer Opening Date	[●]
Bid/Offer Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]

Event	Indicative Date
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account***	[●]
Credit of the Equity Shares to depository accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchanges	[●]

****In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled/ withdrawn/ deleted ASBA Forms, the Bidder shall be compensated by the SCSB responsible for causing such delay in unblocking at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated by the SCSB responsible for causing such delay in unblocking at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated by the SCSB responsible for causing such delay in unblocking at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/ Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The BRLM shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and 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 circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022 and the SEBI master circular no. SEBI/HO/CFD/PoD- 2/P/CIR/2023/00094 dated June 21, 2023, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.*

The processing fees for applications made by UPI Bidders 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 and 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 read with SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023.

The above timetable is indicative and does not constitute any obligation on our Company, or the Selling Shareholders or the BRLM.

While our Company will use best efforts to ensure that listing and trading of our Equity Shares on the Stock Exchanges commences within three Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by SEBI, with reasonable support and co-operation of each of the Selling Shareholders, as may be required in respect of its respective portion of the Offered Shares, the timetable may be subject to change for various reasons, including extension of Bid/Offer Period by our Company in consultation with the BRLM, due to revision of the Price Band, any delays in receipt of final listing and trading approvals from the Stock Exchanges, delay in receipt of final certificates from SCSBs, etc. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges in accordance with applicable law. Each of the Selling Shareholders, severally and not jointly, confirm that they shall extend reasonable support and co-operation required by our Company and the BRLM, to the extent of each Selling Shareholder's portion of the Offered Shares, to facilitate 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 such other period as may be prescribed.

SEBI vide circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the post issue timeline for initial public offerings. The revised timeline of T+3 days has been made applicable in two phases, i.e., voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Accordingly, the Offer will be made under UPI Phase III on mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time, including with respect to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023.

In terms of the UPI Circulars, in relation to the Offer, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/Offer Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay.

Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the Offer procedure is subject to change to any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/ Offer Period (except the Bid/ Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. Indian Standard Time ("IST")
Bid/ Offer Closing Date#	
Submission of electronic applications (online ASBA through 3-in-1 accounts)	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of electronic application (bank ASBA through online channels like internet banking, mobile banking and syndicate ASBA applications through UPI as a payment mechanism where Bid Amount is upto ₹0.50 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of electronic applications (syndicate non-retail, non-individual applications of QIBs and NIIs)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of physical applications (direct bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of physical applications (syndicate non-retail, non-individual applications where Bid Amount is more than ₹0.50 million)	Only between 10.00 a.m. and up to 12.00 p.m. IST
Revision/cancellation of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories*	Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid/ Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIBs	Only between 10.00 a.m. and up to 5.00 p.m. IST on Bid/ Offer Closing Date

#UPI mandate end time and date shall be at 5.00 p.m. on the Bid/Offer Closing Date.
**QIBs and Non-Institutional Bidders can neither revise their Bids downwards nor cancel/withdraw their Bids.*

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 Exchanges, in case of Bids by UPI Bidders.

On Bid/Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received by Retail Individual Bidders, after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on 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 BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of the time available for uploading the Bids on the Bid/Offer Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (IST) on the Bid/Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under this Offer. Bids will only be accepted on Working Days. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. Neither our Company, Selling shareholders, BRML nor any member of the Syndicate is liable for any failure in: (i) uploading or downloading the Bids due to faults in any software / hardware system or otherwise, and (ii) the blocking of the Bid Amount in the ASBA Account of Bidders on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Our Company, in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/Offer Period in accordance with the SEBI ICDR Regulations. 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 will not be less than the face value of the Equity Shares. In all circumstances, the Cap Price shall be less than or equal to 120% of the Floor Price, subject to it being at least 105% of the Floor Price. In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

In case of any revision in the Price Band, the Bid/Offer Period shall be extended for at least 3 (three) additional Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 (ten) Working Days. Further, in cases of *force majeure*, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, may extend the Bid / Offer Period for a minimum of 3 (three) Working Days, subject to the Bid /Offer Period not exceeding 10 (ten) 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 websites of the BRLM and at the terminals of the members of the Syndicate and by intimation to the Designated Intermediaries and Sponsor Bank as applicable. In case of revision of the Price Band, the Bid lot shall remain the same.

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 Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

Under-subscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange.

Minimum Subscription

If our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR or the minimum subscription of 90% of the Fresh Issue on the Bid/Offer Closing Date; or subscription level falls below aforesaid minimum subscription after the Bid/Offer Closing Date due to withdrawal of Bids or technical rejections or any other reason; or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares in the Offer, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond two days, our Company shall pay interest at the rate of 15% per annum including the circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, issued by SEBI and master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023.

In case of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and complying with Rule 19(2)(b) of SCRR, allotment of Equity Shares shall be first made towards the Fresh Issue followed by transfer of/ sale of the Offered Shares in the Offer for Sale. Additionally, even if the minimum subscription for 90% of the Fresh Issue is achieved, the Allotment for the balance valid Bids will be made (i) firstly, towards the remaining Equity Shares offered pursuant to the Fresh Issue; and (iii) thereafter, towards the Offered Shares proportionately between the Selling Shareholders. In the event any Equity Shares are not sold in the Offer for Sale on account of under-subscription, such unsold Equity Shares shall be subject to lock-in in accordance with the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus and applicable provisions of the SEBI ICDR Regulations.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders.

Each of the Selling Shareholders shall severally and not jointly adjust or reimburse, in proportion to the portion of its respective Offered Shares, any expenses (with regard to delayed payment of refunds) and interest incurred by our Company on behalf of such Selling Shareholder for any delays in making refunds as required under the Companies Act and any other applicable law as agreed among our Company and the Selling Shareholders in writing, provided that no Selling Shareholder shall be responsible or liable for payment of any expenses or interest, unless such delay is solely and directly attributable to an act or omission of such Selling Shareholder.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

Restriction on transfer and transmission of shares

Except for the lock-in of the pre-Offer Equity Share Capital of our Company, minimum Promoters' Contribution and Equity Shares allotted to Anchor Investors pursuant to the Offer, as detailed in "***Capital Structure***" on page 93 and except as otherwise provided in our Articles of Association, there are no restrictions on transfers and transmission of Equity Shares or on their consolidation or splitting, for details see, "***Description of Equity Shares and terms of Articles of Association***" on page 410.

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

Withdrawal of the Offer

Our Company in consultation with the BRLM, reserves the right not to proceed with the Offer, after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company will issue a public notice within two days from the Bid/Offer Closing Date, or such time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLM, through the Registrar to the Offer, will instruct the SCSBs or the Sponsor Bank(s), as the case may be, 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 advertisements have appeared, and the Stock Exchanges will also be informed promptly by our Company.

If our Company in consultation with the BRLM, withdraw the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a public offering of Equity Shares, our Company will file a fresh draft red herring prospectus with SEBI and the Stock Exchanges.

Notwithstanding the foregoing, this 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 Bid/Offer Closing Date or such other period as may be prescribed under applicable laws.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

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OFFER STRUCTURE

The Offer is of upto14,400,000 Equity Shares of face value of ₹ 10 each, for cash at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating to ₹ [●] million comprising of a Fresh Issue of upto 12,000,000 Equity Shares aggregating up to ₹ [●] million by our Company and an Offer for Sale of up to upto 2,400,000 Equity Shares aggregating to ₹ [●] million by the Selling Shareholders.

The Offer is being made through the Book Building Process.

Particulars	QIBs (1)	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation* (2)	Not more than [●] Equity Shares or Offer less allocation to Non-Institutional Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for Allotment/ allocation	Not more than 50% of the Offer shall be available for allocation to QIBs. However, up to 5% of the Net QIB Portion shall 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. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs.	Not less than 15% of the Offer or the Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation out of which a) one third of such portion shall be reserved for NIIs with application size of more than ₹0.2 million and up to ₹ 1 million; and b) two third of such portion shall be reserved for NIIs with application size of more than ₹1 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders.	Not less than 35% of the Offer or the Offer less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation.
Basis of Allotment if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and b) Up to [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above Not more than **[●]** Equity Shares may be allocated on a discretionary basis to	The allocation to each Non-Institutional Investor shall not be less than the minimum application size viz. ₹0.2 million Equity Shares subject to the availability of Equity Shares in Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis, subject to valid Bids being received at or above the Offer Price, in accordance with the SEBI ICDR Regulations. Further, (a) one third of the portion available to Non-Institutional Investors shall be reserved for applicants with	Proportionate, subject to the minimum Bid lot. The allotment to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, "***Offer Procedure***" on page 385.

Particulars	QIBs [(1)]	Non-Institutional Bidders	Retail Individual Bidders
	Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.	application size of more than ₹0.2 million and up to ₹1 million; and (b) two third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹1 million, provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Investors. For details, see "***Offer Procedure***" on page 385.	
Minimum Bid	Such number of Equity Shares in multiples of **[●]** Equity Shares, that the Bid Amount exceeds ₹0.2 million and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares that the Bid Amount exceeds ₹0.2 million and in multiples of **[●]** Equity Shares thereafter	**[●]** Equity Shares and in multiples of **[●]** Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer (excluding the Anchor Investor Portion), subject to applicable limits under applicable law.	Such number of Equity Shares in multiples of **[●]** Equity Shares not exceeding the size of the Offer (excluding the QIB Portion), subject to applicable limits under applicable law.	Such number of Equity Shares in multiples of **[●]** Equity Shares so that the Bid Amount does not exceed ₹0.2 million
Bid Lot	**[●]** Equity Shares and in multiples of **[●]** Equity Shares thereafter		
Mode of allotment	Compulsorily in dematerialised form		
Allotment Lot	A minimum of **[●]** Equity Shares and in multiples of one Equity Share thereafter		
Trading Lot	One Equity Share		
Who can apply[(3)]	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual funds, Eligible FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million, National Investment Fund set	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, trusts and FPIs who are individuals, corporate bodies and family offices which are categorised as category II FPIs and registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the *karta*).

Particulars	QIBs [(1)]	Non-Institutional Bidders	Retail Individual Bidders
	up by the Government of India, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies.		
Terms of Payment	**In case of Anchor Investors**: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[(4)] **In case of all other Bidders**: Full Bid Amount shall be blocked in the bank account of the ASBA Bidder (other than Anchor Investors) by the SCSBs 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		
^Mode of Bidding	ASBA only (excluding UPI Mechanism)[(5)] except for Anchor Investors	ASBA only (including the UPI Mechanism for an application size of upto ₹0.5 million)[(6)]	ASBA only (including UPI Mechanism) [(6)]

**Assuming full subscription in the Offer.*

^SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the investors. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIBs, NIBs and RIBs and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

(1) Our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹50 million per Anchor Investor, and (iii) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof will be permitted, subject to minimum allotment of ₹50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹100 million. 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 or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion.

*(2) Subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them 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 all QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders of which one-third of the Non-Institutional Portion shall be reserved for applicants with an application size of more than ₹0.2 million and up to ₹1 million and two-thirds of the Non-Institutional Portion shall be reserved for applicants with an application size of more than ₹1 million and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to applicants in the other sub-category of Non-Institutional Portion in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. 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 the event of under-subscription in the Offer, the Allotment for the valid Bids will be made, in the first instance, towards subscription for 90% of the Fresh Issue. For details, please see "**Terms of the Offer**" on page 373.*

(3) In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. 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. The signature of only such 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. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

(4) Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.

(5) Anchor Investors are not permitted to use the ASBA process.

(6) In case the Offer Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them.

[7] *UPI Bidders are advised to confirm the availability of the UPI Mechanism with their respective brokers, prior to submission of Bids.*

Bids by FPIs with certain structures as described under "***Offer Procedure***" on page 385 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.

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 Equity Shares under the Offer.

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least 3 (three) additional Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 (ten) 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 websites of the BRLM and at the terminals of the members of the Syndicate.

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 Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

OFFER PROCEDURE

*All Bidders should read the General Information Document, for Investing in Public Offer prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 issued by SEBI and the UPI Circulars (the "**General Information Document**") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Offer; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Bid cum Application Form); (viii) designated date; (ix) disposal of applications and electronic registration of bids; (x) submission of Bid cum Application Form; (xi) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xii) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days ("**UPI Phase I**"). The UPI Phase I was effective till June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds was discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was to continue for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the Covid-19, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days will be made effective using the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**") and modalities of the implementation of UPI Phase III has been notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended by circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular bearing reference no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 has introduced certain additional measures for streamlining the process of initial public issue and redressing investor grievances. This circular has come into force for initial public issue 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 SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹0.5 million shall use the UPI Mechanism. The provisions of these circulars are deemed to form part of this Draft Red Herring Prospectus.*

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

The BRLM shall be the nodal entity for any issues arising out of public issuance process. In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and BRLM shall continue to coordinate with intermediaries involved in the said process.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two 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 two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended by SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Our Company, the Selling Shareholders, the BRLM and the members of the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

Further, our Company, the Selling Shareholders, the BRLM and the Syndicate are not liable for any adverse occurrence consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company 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 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 (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 to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations, out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹0.2 million and up to ₹1 million; and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹1 million , provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders; and not less than 35% of the Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except the QIB Category, would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, subject to applicable laws. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN and UPI ID (for UPI Bidders using the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable law.

Bidder must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021 and CBDT Circular No.7 of 2022 dated March 30, 2022 read with press release dated March 28, 2023, read with subsequent circulars issued in relation thereto. .

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of *inter alia*, equity shares and convertibles by introducing an alternate payment mechanism using UPI. 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 RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI 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 issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB 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 issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. 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. Under this phase, submission of the ASBA Form by RIBs 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 issue closure to listing continued to be six Working Days during this phase. 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.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. In this phase, the time duration from public issue 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 SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 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. Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

The Offer will be made under UPI Phase III of the UPI Circular.

All SCSBs offering the facility of making applications in public offers shall also provide the facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the UPI Bidders using the UPI Mechanism.

Non-Institutional Bidders Bidding with an application size of up to ₹0.5 million in the Non-Institutional Portion may also Bid using the UPI Mechanism, where made available.

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 make an application as prescribed in Annexure I of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and 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 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹0.5 million shall use UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

i. a syndicate member;
ii. a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);
iii. a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);
iv. a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

For further details, refer to the "General Information Document" available on the websites of the Stock Exchanges and the BRLM.

Bid cum Application Form

Copies of the ASBA Forms (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered Office. An electronic copy of ASBA Forms will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

Anchor Investor Application Forms shall be available at the offices of the BRLM at the Anchor Investor Bidding Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. All ASBA Bidders must provide either, (i) bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected. Non-Institutional Bidders bidding through UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (other than UPI Bidders using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated Feb 13, 2020 and press release dated June 25, 2021 and September 17, 2021 and CBDT Circular No.7 of 2022 dated March 30, 2022 read with press release dated March 28, 2023 and any subsequent applicable circular issued thereto.

Further, ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the 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. UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. UPI Bidders authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. UPI 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 or by Sponsor Bank under the UPI Mechanism, as applicable at the time of submitting the Bid. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid. In order to ensure timely information to Bidders, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked. For all IPOs opening on or after September 1, 2022, as specified in SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, all the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular shall be applicable for all categories of investors viz. Retail, QIB and NIB and also for all modes through which the applications are processed.

Since the Offer is made under Phase III, ASBA Bidders may submit the ASBA Form in the manner below:

i. RIBs (other than the UPI Bidders 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. UPI Bidders 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 NIIs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

iv. 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 or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	**Colour of Bid cum Application Form***
Resident Indians including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	[●]
Non-Residents including FPIs and Eligible NRIs, FVCIs and registered bilateral and multilateral development financial institutions applying on a repatriation basis	[●]
Anchor Investors	[●]

** Excluding electronic Bid cum Application Forms*

Notes:

1. *Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com)*
2. *Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLM.*

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges and the Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on the application monies blocked. For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Bidders using UPI Mechanism where made available) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. In accordance with BSE circular no. 20220803-40 and NSE circular no. 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification of Bids shall be allowed in parallel during the Bid/Offer Period until the Cut-Off Time. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the bankers to an offer) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank and the Bankers to the Offer. The BRLM shall also be required to obtain the audit trail from the Sponsor Bank and the Bankers to the Offer for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI Circular no.SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

Pursuant to NSE circular dated August 3, 2022 with reference no. 25/2022, the following is applicable to all initial public offers opening on or after September 1, 2022:

a) Cut-off time for acceptance of UPI mandate shall be up to 5:00 pm on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the offer and Depository Participants shall continue till further notice;
b) There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued;
c) Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 5 pm on the initial public offer closure day;
d) The Stock Exchanges shall display Offer demand details on its website and for UPI bids the demand shall include/consider UPI bids only with latest status as RC 100–black request accepted by Investor/ client, based on responses/status received from the Sponsor Bank(s).

Electronic registration of Bids

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for

Book Building on a regular basis before the closure of the Offer.

b) On the Bid/ Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given time till 5:00 pm on the next Working Day following the Bid/ Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Participation by associates and affiliates of the BRLM and the Syndicate Members, Promoters, Promoter Group and persons related to Promoters / Promoter Group

The BRLM and the Syndicate Members shall not be allowed to subscribe to or purchase the Equity Shares in this Offer, in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLM and the Syndicate Members may bid for Equity Shares in the Offer, either in the Net QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, and such Bid subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis or in any other manner as introduced under applicable laws, and such subscription may be on their own account or on behalf of their clients.

Except as stated below, neither the BRLM nor any associates of the BRLM can apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the BRLM
(ii) insurance companies promoted by entities which are associate of the BRLM
(iii) AIFs sponsored by the entities which are associate of the BRLM; or
(iv) FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associate of the BRLM.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a "*person related to the Promoter or Promoter Group*": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoter or members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of a BRLM, if: (a) either of them controls, directly or indirectly through its Subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLM.

Except to the extent of participation in the Offer for Sale by the Promoter Selling Shareholder, the Promoter Group will not participate in the Offer.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which such Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity-related instruments of any single company, provided that the limit of 10% shall not be applicable for investments in case of index fund or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their respective SCSB or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non- Resident External ("**NRE**") accounts (including UPI ID, if activated), or Foreign Currency Non-Resident ("**FCNR**") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSB to block their Non-Resident Ordinary ("**NRO**") accounts or confirm or accept the UPI Mandate Request (in case of UPI Bidders using the UPI Mechanism) for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] colour). By way of Press Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, shall not be considered for calculation of indirect foreign investment.

Participation of Eligible NRIs in the Offer shall be subject to compliance with the FEMA NDI Rules. In accordance with the FEMA NDI Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up Equity Share capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant.

For details, see "***Restrictions on Foreign Ownership of Indian Securities***" on page 408.

Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the *karta*. The Bidder/applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

Bids by FPIs

In terms of applicable FEMA NDI Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI or an investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control) shall be below 10% of our post-offer Equity Share capital on a fully diluted basis. In case, the total holding of an FPI, or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents (blue colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income-tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for offer procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, is permitted to issue, subscribe to or otherwise deal in offshore derivative instruments directly or indirectly, if it complies with the following conditions: (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with the 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (i) to (iv)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

BID received from FPIs bearing the same PAN shall be treated as multiples bids and are liable to be rejected, except for bid from FPIs that utilise the multiple investment manager structure in accordance with the operational guidelines for FPIs and designated depository participants issued to facilitate implementation of SEBI FPIs regulations (such structure referred to as "**MIM structure**"), provided such bid have been made with different beneficiary account numbers, Client IDs and DP IDs.

Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Further, in the following cases, Bids by FPIs shall not be treated as multiple Bids:

- FPIs which utilise the multi-investment manager structure;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected.

For details of investment by FPIs in the Offer, see "***Restrictions on Foreign Ownership of Indian Securities***" on page 408. Participation of FPIs shall be subject to the FEMA Non-debt Instruments Rules.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents.

Bids by SEBI registered VCFs, AIFs and FVCIs

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (the "SEBI AIF Regulations") prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

The category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A category III AIF cannot invest more than 10% of its investible funds in one investee company. A VCF registered as a category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking. An FVCI can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations).

Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations 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.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such equity shares shall be locked in for a period of at least six months period from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, Selling Shareholders or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof subject to applicable law

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "Banking Regulation Act"), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. 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: (a) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company, provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause (b)) within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, the in consultation with the BRLM reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended ("**IRDAI Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Provident Funds/Pension Funds

In case of Bids made by provident funds/pension funds with minimum corpus of ₹250 million, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the Book Running Lead Manager, reserve the right to reject any Bid, without assigning any reason thereof.

Bids by Systemically Important NBFCs

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time. The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with minimum corpus of ₹ 250 million and pension funds with a minimum corpus of ₹250 million, in each case, subject to applicable law and in accordance with their respective constitutional documents 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 as applicable 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 reason thereof.

Our Company, in consultation with the BRLM, in their absolute discretion, reserve 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, in consultation with the BRLM, may deem fit, without assigning any reasons thereof.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

(i) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLM.

(ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. 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 ₹100 million.

(iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(iv) Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date, i.e., the Anchor Investor Bidding Date, and will be completed on the same day.

(v) Our Company, in consultation with the BRLM may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:
    (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100 million
    (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and
    (c) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹50 million per Anchor Investor.

(vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Offer Opening Date, through intimation to the Stock Exchange.

(vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the

Bid.

(viii) 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.

(ix) 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 on the Anchor Investor Pay-in Date specified in the CAN. 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 Allocation Price shall still be the Anchor Investor Office Price.

(x) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

(xi) Neither the BRLM or any associate of the BRLM ((except Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associate of BRLM or AIFs sponsored by the entities which are associate of the BRLM or FPIs, other than individuals, corporate bodies or family offices sponsored by the entities which are associate of the BRLM) nor any "person related to the Promoter or Promoter Group" shall apply in the Offer under the Anchor Investor Portion. For details, see "***Offer Procedure***" on page 385.

(xii) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

For more information, see the General Information Document.

The above information is given for the benefit of the Bidders. Our Company, Selling Shareholders, BRLM and the members of Syndicate 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 Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in this Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Offer**.**

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholders and/or the BRLM are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the 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 or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General Instructions

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bid(s) during the Bid/ Offer Period and withdraw or lower the size of their Bid(s) until Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid/ Offer Period.

Do's:

1. Check if you are eligible to apply as per the terms of this Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

2. Ensure that you have Bid within the Price Band;

3. Ensure that you (other than the Anchor Investors) have mentioned the correct details of your ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not a UPI Bidder using the UPI Mechanism in the Bid cum Application Form and if you are a UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;

4. UPI Bidders using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;

5. UPI Bidder using UPI Mechanism, may submit their ASBA Forms with the Syndicate Member, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of the relevant Designated Intermediary;

6. UPI Bidders Bidding using the UPI Mechanism shall make Bids only through the SCSBs, Mobile Applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;

7. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

8. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;

9. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, sub-Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;

10. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

11. In case of joint Bids, ensure that 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. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;

12. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms. PAN of the First Bidder is required to be specified in case

of joint Bids;

13. Bidders should ensure that they receive the Acknowledgment slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form;

14. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;

15. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

16. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification dated February13, 2020 issued by the Central Board of Direct Taxes and the press release dated June 25, 2021 and September 17, 2021 and CBDT Circular No.7 of 2022 dated March 30, 2022 read with press release dated March 28, 2023;

17. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

18. Ensure that the Demographic Details are updated, true and correct in all respects;

19. 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;

20. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

21. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents, including a copy of the power of attorney, are submitted;

22. Ensure that Bids submitted by any person resident outside India should be in compliance with applicable foreign and Indian laws;

23. UPI Bidders Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

24. Since the Allotment will be in demat form only, ensure that the depository account is active, the correct DP ID, Client ID, the PAN, and UPI ID (for UPI Bidders bidding through UPI mechanism) and PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for ASBA Bidders bidding through UPI mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID,UPI ID (for UPI Bidders bidding through UPI mechanism) and PAN available in the Depository database;

25. In case of QIBs and NIBs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);

26. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Offer, which is UPI 2.0 certified by NPCI;

27. The ASBA Bidders shall ensure that bids above ₹0.5 million, are uploaded only by the SCSBs;

28. Bidders (except UPI Bidders Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of UPI Bidders, once the Sponsor Bank issues the UPI Mandate Request, the UPI Bidders would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment;

29. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in the UPI Bidder's ASBA Account;

30. UPI Bidders should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

31. Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;

32. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;

33. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/Offer Closing Date;

34. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, were required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids are liable to be rejected;

35. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLM;

36. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders Bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website (at www.sebi.gov.in) or such other websites as updated from time to time;

37. Ensure that you have correctly signed the authorization /undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank, as applicable via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

38. UPI Bidders Bidding using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, the UPI Bidder shall be deemed to have verified the attachment containing the application details of the UPI Bidder Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in his/her ASBA Account;

39. UPI Bidders Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the Bid cum Application Form

40. Bidders (other than Anchor Investors) ensure that only their own ASBA Account or only their own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism, where made available) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

41. Retail Individual Investors Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in his/her account and subsequent debit of funds in case of allotment in a timely manner;

42. Bids by Eligible NRIs and HUFs for a Bid Amount of less than ₹0.2 million would be considered under the Retail Portion, and Bids for a Bid Amount exceeding ₹0.2 million would be considered under the Non-Institutional Portion, for the purposes of allocation in the Offer;

43. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected;

44. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 12:00 p.m. of the working Day immediately after the Bid/Offer Closing Date; and

45. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

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 Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;

4. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

5. Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary only;

6. Anchor Investors should not Bid through the ASBA process;

7. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than

the Bidding Centres;

8. Do not submit the Bid cum Application Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres or to any unauthorised Designated Intermediary;

9. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

10. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);

11. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer/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 this Draft Red Herring Prospectus;

12. Do not submit your Bid after 3.00 pm on the Bid/Offer Closing Date;

13. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Offer Closing Date;

14. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

15. If you are a UPI Bidder using the UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID;

16. Do not submit the General Index Register (GIR) number instead of the PAN;

17. Do not Bid for a Bid Amount exceeding ₹0.2 million (for Bids by Retail Individual Investors);

18. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

19. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;

20. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Retail Individual Investors can revise or withdraw their Bids until the Bid/Offer Closing Date;

21. 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 Bidder;

22. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;

23. 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;

24. 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);

25. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a UPI Bidder Bidding using the UPI Mechanism, do not submit Bids through an SCSB and/or Mobile Applications and/or UPI handle that is not listed on the website of SEBI;

26. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

27. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;

28. Do not submit a Bid cum Application Form with third-party UPI ID or using a third-party bank account (in case of Bids submitted by UPI Bidders using the UPI Mechanism);

29. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders Bidding using the UPI Mechanism;

30. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

31. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;

32. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected;

33. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;

34. Do not Bid if you are an OCB; and

35. Bids uploaded by QIBs after 4:00 p.m. on the QIB Bid/Offer Closing Date and by Non-Institutional Bidders uploaded after 4:00 p.m. on the Bid/Offer Closing Date, and Bids by RIBs uploaded after 5:00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges. On the Bid/Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid-cum-Application Forms as stated herein and as informed to the Stock Exchanges.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to our Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, see **"*General Information*"** on page 84.

For helpline details of the Book Running Lead Manager pursuant to the SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see "***General Information –Book Running Lead Manager***" on page 86.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended by SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares through the Offer Document except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than one per cent. of the Offer may be made for the purpose of making Allotment in minimum lots.

The Allotment of Equity Shares to applicants other than to the Retail Individual Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The Allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available Equity Shares, if any, shall be Allotted on a proportionate basis. The Allotment to each Non-Institutional Investor shall not be less than the minimum application size viz. ₹0.2 million, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis.

Payment into Escrow Account for Anchor Investors

Our Company in consultation with the BRLM, in their 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. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Accounts should be drawn in favour of:

(i) In case of resident Anchor Investors: "[●]";
(ii) In case of non-resident Anchor Investors: "[●]".

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders and the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer 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 advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of [●] (a widely circulated English national daily newspaper), and in all editions of [●] (a widely circulated Hindi daily newspaper, Hindi being the regional language of New Delhi, where our Registered Office is located). In the pre-Offer advertisement, our Company shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. 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 ICDR Regulations.

Allotment Advertisement

Our Company, the BRLM and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of New Delhi where our Registered Office is located).

Copies of the above advertisements shall be made available on the website of the Company at www.deepakbuilders.co.in.

The above information is given for the benefit of the Bidders/applicants. Our Company, Selling Shareholders, BRLM and the members of the Syndicate 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/applicants are advised to make their independent investigations and ensure that the

number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters on or immediately after the finalisation of the Offer Price. After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC, in accordance with applicable law. The Prospectus will contain details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and will be complete in all material respects.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated February 1, 2023 among NSDL, our Company and the Registrar to the Offer.
- Tripartite Agreement dated January 7, 2023 among CDSL, our Company and Registrar to the Offer.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"*Any person who—*
(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months period extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5 million or with both.

Undertakings by our Company

Our Company undertakes the following:

(i) the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

(ii) that if the 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, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;

(iii) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within three Working Days of the Bid/Offer Closing Date or such other time as may be prescribed;

(iv) that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

(v) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

(vi) that if our Company does not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice 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 Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

(vii) that if our Company, in consultation with the BRLM, withdraws the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh draft Offer document with the SEBI, in the event our Company subsequently decides to proceed with the Offer thereafter;

(viii) Promoter's contribution, if any, shall be brought in advance before the Bid / Offer Opening Date;

(ix) that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors; and

(x) no further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring 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 Selling Shareholders

Each of the Selling Shareholder, severally and not jointly, specifically undertakes and/or confirms the following in respect to itself as a Selling Shareholder and its respective portion of the Offered Shares:

(i) it is the legal and beneficial holder and has full title to its respective portion of the Offered Shares;

(ii) its respective portion of Offered Shares are eligible for being offered in the Offer in terms of Regulation 8 of the SEBI ICDR Regulations;

(iii) it shall extend all necessary support, documentation and cooperation, as required under applicable laws or requested by to the Company and/ or the BRLM, to the extent of their respective Offered Shares;

(iv) its respective portion of the Offered Shares shall be transferred pursuant to the Offer, free and clear of any encumbrances;

(v) it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Offer; and

(vi) it shall not have recourse to the proceeds from the Offer for Sale until receipt by our Company of the final listing and trading approvals from all the Stock Exchanges.

Utilisation of Offer Proceeds

Our Company, specifically confirm and declare:

(a) that all monies received from the Offer shall be credited / transferred to separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;

(b) details of all monies utilised out of the proceeds from the Fresh Issue shall be disclosed, and continue to be disclosed till all the time any part of the proceeds from the Fresh Issue remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised, or the form in which such unutilised monies have been invested; and

(c) details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

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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 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. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. The Government of India makes policy announcements on FDI through press notes and press releases. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The DPIIT (formerly Department of Industrial Policy & Promotion) issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (the "**FDI Circular**"), which consolidates and supersedes all previous press note, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020.

In terms of Press Note 3 of 2020, dated April 17, 2020 ("**Press Note**"), issued by the DPIIT, the FDI Circular and the FEMA (Non-debt Instruments) Rules has been amended to state that all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India.

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. 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 FDI Circular and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Circular; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see "***Offer Procedure – Bids by Eligible NRIs***" and "***Offer Procedure –Bids by FPIs***" on page 392 and 392, respectively.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sale occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The 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 Bids 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 Bidders. Our Company, Selling Shareholders and the

BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the Bids are not in violation of laws or regulations applicable to them.

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SECTION VIII – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

Pursuant to the Companies Act and the SEBI ICDR Regulations, the Description of Equity Shares and Terms of the Articles of Association are detailed below. Capitalised terms used in this section have the meaning given to them in the Articles of Association. 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 these Articles of Association were adopted pursuant to members' resolution passed at the Extraordinary General Meeting held on, January 19, 2024 in substitution for and to the entire exclusion of, the regulations contained in the existing Articles of Association of the Company.

MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Article 1

1. The regulation contained in the Table marked 'F' in Schedule F to the Companies Act, 2013 as amended from time to time, shall not apply to the company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.

Article 2

2. The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration or addition to its regulations by resolutions as prescribed or permitted by the Companies Act 2013, as amended from time to time, be such as are contained in these Articles.

Article 3

DEFINITIONS AND INTERPRETATION

3. In these Articles, the following words and expressions unless repugnant to the subject shall mean the following:

   "**Act**" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.

   "Annual General Meeting" means the annual general meeting of the Company convened and held in accordance with the Act.

   "Articles of association" or "Articles" mean these articles of association of the Company, as originally framed or as altered from time to time or applied in pursuance of any previous company law or of this Act.

   "Board" or Board of Directors" means collective body of the Directors of the Company.

   "Business" shall mean the business as mentioned in Memorandum of Association including related activities and such other business, in each case as approved by the Board of Directors in accordance with the provisions of these Articles.

   "Capital" means the share capital, for the time being, raised or authorized to be raised, for purposes of the Company.

   "Chairman" means the chairman of Board of Directors and/or of the Company.

“Company” means Deepak Builders & Engineers India Limited, a company Incorporated under the laws of India.

“Depository” means in depository, as defined in clause (e) of sub-section (I) of Section 2 of the Depositories Act, 1996 and a company formed and registered under the Companies Act, 2013 and which has been granted a certificate of registration under sub-section (IA) of Section 12 of the Securities and Exchange Board of India Act, 1992.

“Director” shall mean any director of the Company, including alternate directors, Independent Directors and nominee directors appointed by the Board in accordance with the provisions of these Articles.

“Equity Shares or Shares” shall mean the issued, subscribed and fully paid –up equity shares of the Company of Rs. 10/- each.

“Exchange” shall mean BSE Limited and the National Stock Exchange of India Limited.

“Extraordinary General meeting” means and extraordinary general meeting of the Company convened and held in accordance with the Act.

“General Meeting” means any duly called, constituted and convened meeting of the shareholders of the Company under the provisions of the Act, and any adjournments thereof:

“Member” means the duly registered holder from time to time, of the shares of the Company and includes the subscribers to the Memorandum of Association and in case of shares held by a Depository, the beneficial owners whose names are recorded as such with the Depository:

“Memorandum” or Memorandum of Association” means the memorandum of association of the Company, as may be altered from time to time:

“Office” means the registered office, for the time being of the Company:

“Officer” shall have the meaning assigned thereto by the Act:

“Ordinary Resolution” shall have the meaning assigned thereto by the Act.

“Register of Members” means the register of members to be maintained pursuant to the provisions of the Act and the register of beneficial owners pursuant to Section 11 of the Depositories Act, 1996, in case of shares held in a Depository.

“Special Resolution” shall have the meaning assigned thereto by the Act.

4. Except where the contact requires otherwise these Articles will be interpreted as follows.

(a) headings are for convenience only and shall not affect the construction or interpretation any provision of these Articles

(b) where a word or phrase is defined other parts of speech and grammatical forms and the cognate variations of that word or phrase shall have corresponding meanings:

(c) words importing the singular shall include the plural and vice versa:

(d) all words (whether gender –specific or gender neutral) shall be deemed to include each of the masculine, feminine and neuter genders:

(e) the expressions “hereof” “herein” and similar expressions shall be construed as references to these Articles as a whole and not limited to the particular Article in which the relevant expressions appears:

(f) the *ejusdem generis* (for the same kind) rule will not apply to the interpretation of these Articles. Accordingly include and including will be read without limitation.

(g) Any reference to a person includes any individual firm, corporation partnership, company, trust, association, joint venture, government (or agency or political subdivision thereof) or other entity of any kind whether or not having separate legal personally. A reference to any person in these Articles shall where the context permits include such person's executions administrators, heirs legal representatives and permitted successors and assigns:

(h) a reference to any document (including these Articles) is to that document as amended consolidated, supplemented, notated or replaced from time to time,

(i) references made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the Ministry of Corporate Affairs. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Companies Act, 2013 have been notified.

(j) a reference to any statute or statutory provision includes to the extent applicable at any relevant time.

(k) (i) that statute or statutory provision as from time to time consolidated modified, re-enacted or replaced by any other stature or statutory provision; and
(ii) any subordinate legislation or regulation made under the relevant statute or statutory provision:

(l) references to writing include any mode of reproducing words in a legible and non – transitory form; and

(m) references to Rupees Re., Rs. INR, ₹ are references to the lawful currency of India.

SHARE CAPITAL AND VARIATION OF RIGHTS

5. AUTHORISED SHARE CAPITAL

The authorised share capital of the Company shall be such amount divided in to such numbers, class(s) and description of shares and into such denomination(s) as stated for the time being, or may be varied, from time to time, under the provisions of the Act, in the Clause V of the Memorandum of Association, with power to increase or reduce such capital from time to time.

The Company in a General Meeting may from time to time, increase the capital by the creation of new shares. Such increase in the capital shall be of such aggregate amount and to be divided into such number of Shares of such respective amounts, as the resolution, so passed in that respect, shall prescribe. Subject to the provisions of the Act, any Shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting, resolving upon the creation thereof, shall direct, and, if no direction be given, as the Directors shall determine, and in particular such Shares may be issued with a preferential, restricted or qualified right to dividends, and in the distribution of assets of the Company on winding up and with or without a right of voting at General Meetings of the Company, in conformity with and only in the manner prescribed by the provisions of the Act. Whenever capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the applicable provisions of the Act.

6. NEW CAPITAL PART OF THE EXISTING CAPITAL

Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered as part of the existing capital and shall be subject to the provisions herein contained with reference to the payment of calls and installment forfeiture lien, surrender, transfer and transmission, voting and otherwise.

7. KINDS OF SHARE CAPITAL

The Company may issue the following kinds of shares in accordance with these Articles, the Act and other applicable law.

(a) Equity share capital
   (i) With voting rights, and / or
   (ii) With differential rights as to dividend voting or otherwise in accordance with the Act; and
   (iii) Options or Warrant which may be converted to Equity in accordance with the Act.

(b) Preference share capital
   (i) Redeemable preference shares in accordance with the Act.

8. SHARES AT THE DISPOSAL OF THE DIRECTORS

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 Board of Directors who may issue, allot or otherwise dispose of all or any of such shares 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 and with the sanction of the Company in General Meeting give to any person the option or right to call for any shares either at par or at a premium during such time and for such consideration as the Board of Directors think fit

9. CONSIDERATION FOR ALLOTMENT

The Board of Directors may issue and allot shares of the Company as payment in full or in part for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in the acquisition and /or in the conduct of its business and any shares which may be so allotted may be issued as fully paid up shares and if so issued shall be deemed as fully paid up shares. Provided that option or right to call on Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting. The Board shall cause to be filed the returns as to allotment as may be prescribed from time to time.

10. SUB –DIVISION, CONSOLIDATION AND CANCELLATION OF SHARE CERTIFICATE

Subject to the applicable provisions of the Act, the Company in its General Meetings may by an ordinary Resolution, from time to time:

(a) Increase the share capital by such sum to be divided into shares of such amount as it thinks expedient:

(b) Divide, sub-divide, reclassify or consolidate its shares or any of them, and the resolution whereby any share is sub-divided may determine that as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage in relation to dividend, capital or otherwise as compared with the others.

(c) Cancel shares which at the date of such General meeting have not been taken or agreed to be takes by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

(d) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares, provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act; and

(e) Convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denomination

11. FURTHER ISSUE OF SHARES

(1) Subject to the provisions of the Act and the rules framed thereunder and the regulations framed by SEBI which are applicable to the Company at the time of the issue of capital, where at any time, it is proposed to increase the subscribed capital of the Company by allotment of further shares either out of the unissued or out of the increased share capital then such shares shall be offered,:

(A) To the persons who at the date of the offer are holders of the Equity shares of the Company in proportion as nearly as circumstances admit to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in (i) to (iii) below:

(i) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days or such lesser number of days as may be prescribed and not exceeding thirty days from the date of the offer, within which the offer if not accepted shall be deemed to have been declined.

Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue:

(ii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (ii) shall contain a statement of this right; provided that the Directors may decline, without assigning any reason to allot any Shares to any Person in whose favour any member may, renounce the Shares offered to him;

(iii) After the expiry of time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the members and the Company.

(B) to employees under any scheme of employees stock option subject to special resolution passed by the Company and subject to the rules and such other conditions as may be prescribed under applicable law: or

(C) to any person(s), if it is authorised by a Special Resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered value subject to compliance with the applicable conditions prescribed in the Act and the rules made thereunder;

(2) Nothing in sub – clause (iii) of Clause (I)(A) shall be deemed:
(i) To extend the time within which the offer should be accepted or
(ii) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares compromised in the renunciation.

(3) Nothing in this Article shall apply to the increase of the subscribed capital of the Company by the exercise

of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company or to subscribe for shares of the Company

Provided that the terms of issue of such debentures or loans containing such an option have been approved before the issue of such debentures or the raising of such loans by a special resolution passed by the Company in a General Meeting.

(4) Notwithstanding anything contained in Article 11(3) hereof, where any debentures have been issued, or loan has been obtained from any government by the Company and if that government considers it necessary in the public interest so to do, it may by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order appeal to National Company Law Tribunal which shall after hearing the Company and the Government may pass such order as it deems fit.

In determining the terms and conditions of conversion under above mentioned clause, the government shall have due regard to the financial position of the Company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.

Where the government has, by an order made under abovementioned clause, directed that any debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal under above mentioned clause or where such appeal has been dismissed, the Memorandum of the Company shall, where such order the effect of increasing the authorized share capital of the Company, be altered and the authorized share capital of the Company shall stand increased by an amount equal to the amount of the value of Shares which such debentures or loans or part thereof has been converted into.

A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the rules made thereunder.

12. ALLOTMENT ON APPLICATION TO BE ACCEPTANCE OF SHARES

Any application signed by or on behalf of an applicant for shares in the Company followed by and allotment of any shares therein shall be an acceptance of shares within the meaning of these Articles and every person, who, thus or otherwise accepts any shares and whose name is on the Register of Members, shall, for the purpose of these Articles, be a member.

13. RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT

The Board shall observe the restrictions as regards allotment of shares to the public contained in the Act and other applicable laws, and as regards return on allotments, the Directors shall comply with applicable provisions of the Act and other applicable laws.

14. MONEY DUE ON SHARES TO BE A DEBT TO THE COMPANY

The money (if any) which the Board shall on the allotment of any shares being made by them require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them, shall immediately on the inscription of the name of allottee in the Register as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly, in the manner prescribed by the Board.

15. **INSTALLMENTS ON SHARES**

If, by the conditions of allotment of any shares whole or part of the amount or issue price thereof shall be payable by installments every such installment shall which due, be paid to company by the person who, for the time being and from time to time, shall be the registered holder of the share or his legal representative.

16. **MEMBERS OR HEIRS TO PAY UNPAID AMOUNTS**

Every Member or his heirs executors or administrators shall pay to the Company the portion of the capital represented by his share or shares which may for the time being remain unpaid there on in such amounts at such time or times and in such manner, as the Board shall from time to time, in accordance with these Articles require or fix for the payment thereof.

17. **VARIATION OF SHAREHOLDERS RIGHTS**

(a) If at any time the share capital of the Company is divided into different classes of shares, the rights attached to the shares of any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to provisions of the Act and other applicable laws and whether or not the Company is being wound up, be varied with the consent in writing 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 issued shares of that class as prescribed by the Act.

(b) Subject to the provisions of the Act and other applicable laws to every such separate meeting the provisions of these Articles relating to meeting shall mutatis mutandis apply

18. **PREFERENCE SHARES**

(a) Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have the power to issue on a cumulative or non –cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act, and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

(b) Convertible Redeemable Preference Shares

The Company subject to the applicable provisions of the Act and the consent of the Board shall have power to issue on a cumulative or non – cumulative basis convertible redeemable preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act exercise such power as they deem fit and provide for redemption at a premium or otherwise and /or conversion of such shares into such securities on such terms as they may deem fit

19. **PAYMENTS OF INTEREST OUT OF CAPITAL**

The Company shall have the power to pay interest out of its capital on so much of the shares which have been issued for the purpose of raising money to defray the expenses of the construction of any work or building for the Company in accordance with the Act.

20. **AMALGAMATION**

Subject to provisions of these Articles, the Company may amalgamate or cause itself to be amalgamated with any person, firm or body corporate subject to the provisions of the Act.

SHARE CERTIFICATES

21. ISSUE OF CERTIFICATE

Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors so determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates, unless prohibited by any provision of law or any order of Court, tribunal or other authority having jurisdiction, within two (2) months from the date of allotment, or within one (1) month of the receipt of application of registration of transfer, transmission, sub division, consolidation or renewal of any of its shares as the case may be or within a period of six (6) months from the date of allotment in the case of any allotment of debenture. 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 certificate for a share to one of several joint holders shall be sufficient delivery to all such joint holders.

Every certificate shall specify the shares to which it relates and the amount paid –up thereon and shall be signed by two directors or by a director and the company secretary, wherever the company has appointed a company secretary and the common seal it shall be affixed in the presence of the persons required to sign the certificate.

Provided that where the Company does not have a seal, the share certificates shall be signed by two Directors, or by a director and the company secretary, wherever the company has appointed a company secretary.

22. RULES TO ISSUE SHARE CERTIFICATES

The Act shall be complied with in respect of the issue, reissue, renewal of share certificates and the format, sealing and signing of the certificates and records of the certificates issued shall be maintained in accordance with the Act.

23. ISSUE OF NEW CERTIFICATE IN PLACE OF ONE DEFACED, LOST OR DESTROYED

If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, 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, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued upon payment of such fees for each certificate as may be specified by the Board (which fees shall not exceed the maximum amount permitted under the applicable law) provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf.

The provisions of the foregoing Articles relating to issue of certificates in relation to are shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

UNDERWRITING & BROKERAGE

24. COMMISSION FOR PLACING SHARES, DEBENTURES, ETC.

(a) Subject to the provision of the Act and other applicable laws, the Company may at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) to any shares or debentures of the Company or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares or debentures of the Company.

(b) The Company may also, in any issue, pay such brokerage as may be lawful.

(c) 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.

LIEN

25. COMPANY'S LIEN ON SHARES / DEBENTURES

The Company shall subject to applicable law have a first and paramount lien on every share / debenture (not being a fully paid share / debenture) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called, or payable at a fixed time in respect of that share / debenture and equitable interest in any share shall be created upon the footing and condition that this Article will have full effect. Unless otherwise agreed, the registration of transfer of shares / debentures shall operate as a waiver of the Company's lien, if any, on such shares / debentures.

Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

The fully paid up shares shall be free from all lien and in the case of partly paid up shares the Company's liens shall be restricted to moneys called or payable at a fixed time in respect of such shares.

26. LIEN TO EXTEND TO DIVIDENDS, ETC.

The company's lien, if any, on a share shall extend to all dividends or interest, as case may be, payable and bonuses declared from time to time in respect of such / debentures.

27. ENFORCING LIEN BY SALE

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 (14) days' after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.

No Member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.

28. VALIDITY OF SALE

To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. 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 with reference to the sale.

29. VALIDITY OF COMPANY'S RECEIPT

The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (if necessary, to execution of an instrument of transfer or at transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

30. APPLICATION OF SALE PROCEEDS

The proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable and 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.

31. OUTSIDER'S LIEN NOT TO AFFECT COMPANY'S LIEN

In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent justification or unless required by law) be bound to recognize any equitable or other claim to or interest in, such share on the part of any other person whether a creditor of the registered holder or otherwise. The Company's lien shall prevail not withstanding that it has received notice of any such claim.

32. PROVISIONS AS TO LIEN TO APPLY MUTATIES MUTANDIS TO DEBENTURES ETC.

The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.

CALLS ON SHARES

33. BOARD TO HAVE RIGHT TO MAKE CALLS ON SHARES

The Board may subject to the provisions of the Act and any other applicable law, from time to time, make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares (whether on account of the nominal value of the shares or by premium) and not by the conditions of allotment thereof made payable at fixed time. 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. A call may be revoked or postponed at the discretion of the Board. The power to call on share shall not be delegated to any other person except with the approval of the shareholders' in a General meeting.

34. NOTICE FOR CALL

Each Member shall, subject to receiving at least fourteen (14) day's 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.

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more Members as the Board may deem appropriate in any circumstances.

35. CALL WHEN MADE

The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier then the date of resolution making such call, and thereupon the call shall be deemed to have been made on the date so determined and if no such date is so determined a call shall be deemed to have been made at the date when the resolution authorizing such call was passed at the meeting of the Board and may be required to be paid in installments.

36. LIABILITY OF JOINT HOLDERS FOR A CALL

The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof

37. CALLS TO CARRY INTEREST

If a Member fails to pay any call due from his on the day appointed for payment thereof, or any such extension thereof as aforesaid he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at the rate of ten percent or such other lower rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member. The Board shall be at liberty to waive payment of any such interest wholly or in part.

38. **DUES DEEMED TO BE CALLS**

Any sum which by the terms of issue of 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 Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

39. EFFECT OF NON-PAYMENT OF SUMS

In case of non-payments of such sum, all the relevant provisions of these Articles 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.

40. PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST

The Board –

(a) May, subject to provisions of the Act, 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 as may be agreed upon between the Board and the Member paying the sum in advance. Nothing contained in this Article shall confer on the Member (i) any right to participate in profits or dividends or (ii) any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable by him. The Directors may at any times repay the amount so advanced.

41. **PROVISIONS AS TO CALLS TO APPLY MUTATIS MUTANDIS TO DEBENTUTES, ETC.**

The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities, including debentures, of the Company.

FORFEITURE OF SHARES

42. BOARD TO HAVE A RIGHT TO FORFEIT SHARES

If a Member fails to pay any call, or installment of a call or any money due in respect of any share 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 or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non –payment.

43. **NOTICE FOR FORFEITURE OF SHARES**

The notice aforesaid shall

(a) Name a day, (not being earlier then the expiry of fourteen days from the date of services of the notice) on or before which the call or installment and such interest and expenses as 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.

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. Subject to the provisions of the Act, such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.

44. RECEIPT OF PART AMOUNT OR GRANT OF INDULGENCE NOT TO AFFECT FORFEITURE

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payments of any such money shall preclude the forfeiture of such shares as herein provided. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by applicable law

45. FORFETTED SHARE TO BE THE PROPERTY OF THE COMPANY

Any share forfeited in accordance with these Articles shall be deemed to be the property of the Company and may be sold. Re-allocated or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board thinks fit

46. ENTRY OF FORFEITURE IN REGISTER OF MEMBERS

When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and any entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members but so forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry its aforesaid.

47. MEMBER TO BE LIABLE EVEN AFTER FORFETURE

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, and shall 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. All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. The liability of such person shall cease if and when the Company shall have received payment in full all such monies in respect of the shares.

48. EFFECT OF FORFEITURE

The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles expressly saved.

49. CERTIFICATE OF FORFEITURE

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 fact therein stated as against all persons claiming to be entitled to the share.

50. TITLE OF PURCHASER AND TRANSFEREE OF FORFEITED SHARES

The Company may receive the consideration if any, given for the share on any sale, re – allotment 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. The transferee shall thereupon to registered as the holder of the share and the transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title so the share be affected by any irregularity or invalidity in the proceeding in reference to the forfeiture, sale re – allotment or disposal of the share.

51. VALIDITY OF SALES

Upon any sale after forfeiture or for enforcing alien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and after his name has been entered in the register of Members is respect of such shares the validity of the sale shall not be impeached by any person.

52. CANCELLATION OF SHARE CERTIFICATE IN RESPECT OF FORFEITED SHARES

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the deflating member) stand cancelled and become null and void and be of no effect and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto

53. BOARD ENTTLED TO CANCEL FORFEITURE

The Board may at any time before any share so forfeited shall have them sold, re allotted or otherwise disposed of, cancel the forfeiture thereof upon such conditions at it thinks fit

54. SURRENDER OF SHARE CERTIFICATES

The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering them on such term as they think fit

55. SUMS DEEMED TO BE CALLS

The provisions of these Articles as to forfeiture shall apply in the case of non –payment of any sum which, by the terms of issue of a share, becomes payable at affixed 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

56. PROVISIONS AS TO FORFEITURE OF SHARES TO APPLY MUTATIS MUTANDIS TO DENENTURES, ETC.

The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures, of the Company.

TRANSFER AND TRANSMISSION OF SHARES

57. REGISTER OF TRANSFERS

The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares. The Company shall also use a common form of transfer.

58. ENDORSEMENT OF TRANFER

In respect of any transfer of shares registered in accordance with the provisions of these Articles, the Board may, at its discretion, direct and endorsement of the transfer and the name of the transferee and other particulars on the existing share certificate and authorize any Director or officer of the Company to authenticate such endorsement on behalf of the Company or direct the issue of a fresh share certificate in lieu of and in cancellation of the existing certificate in the name of the transferee.

59. INSTRUMENT OF TRANSFER

a) The instrument of transfer of any share shall be in writing and all the provisions of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. The Company shall use the form of transfer, as prescribed under the Act, in all cases. In case of transfer of shares, where the Company has not issued any certificates and where the shares are held in dematerialized from, the provisions of the Depositories Act, 1996 shall apply.

b) The Board may decline to recognize any instrument of transfer unless
   (i) the instrument of transfer is in the form prescribed under the Act:
   (ii) the instrument of transfer is accompanied by the certificate of 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
   (iii) the instrument of transfer is in respect of only one class of shares.

c) No fee shall be charged for registration of transfer transmission, probate, succession certificate and letters of administration certificate of death or marriage power of attorney or similar other document.

60. EXECUTION OF TRANSFER INSTRUMENT

Every such instrument of transfer shall be executed both by and on behalf of both the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the Register of Members in respect thereof.

61. CLOSING REGISTER OF TRANSFERS AND OF MEMBERS

Subject to compliance with the Act and other applicable law, the Board shall be empowered, on giving not less than seven (7) days notice or such period as may be prescribed, to close the transfer books, register of members, the register of debenture holders at such time or times and for such period or periods, not exceeding thirty (30) days at a time and not exceeding an aggregate forty five (45) days in each year as it may seem expedient.

62. DIRECTORS MAY REFUSE TO REGISTER TRANSFEER

Subject to the provisions of these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may (at its own absolute and uncontrolled discretion) decline or refuse by giving reasons, whether in pursuance of any power of the Company under these Articles or otherwise, to register or acknowledge any transfer of, or the transmission by operation of law of the right to any securities or interest of a Member in the Company, after providing sufficient cause, within a period of thirty days from the date on which the instrument of transfer, or the intimation of such transmission as the case may be, was delivered to the Company, provided that registration of transfer of any securities shall not be refused on the ground of the transferor being alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except where the Company has a lien on shares. Transfer of shares debentures in whatever lot shall not be refused.

63. TRANSFER OF PARTLY PAID SHARES

Where in the case of partly paid shares an application for registration is made by the transferor alone, the transfer shall not be registered, unless the Company gives the notice of the application to the transferee in accordance with the provisions of the Act and the transferee gives no objection to the transfer within the time period prescribed under the Act.

64. TITLE TO SHAES OF DECEASED MEMBERS

The executors or administrators or the holders of a succession certificate issued in respect of the shares of a deceased Member and not being one of several joint holders shall be the only person whom the Company shall recognize as having any title to the shares registered in the name of such Members and in case of the death of one or more of the joint holders of any registered share, the survivor or survivors shall be entitled to the title or interest in such shares but nothing herein contained shall taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person. Provided nevertheless that in case the Directors, in their absolute discretion think fit it shall be lawful for the Directors to dispense with the production of a probate or letters of administration or a succession certificate or such other legal representation upon such terms (if any) (as to indemnify or otherwise) as the Directors may consider necessary or desirable.

65. TRANSFERS NOT PERMITTED

No share shall in any circumstances be transferred to any infant, insolvent or a person of unsound mind, except fully paid shares through a legal guardian

66. TRANSMISSION OF SHARES

Subject to the provisions of the Act and these Articles, any person becoming entitled to shares in consequence of the death, money bankruptcy or insolvency of any Member, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board (with it shall not be under any obligation to give) upon producing such evidence as the Board thinks sufficient, that he sustains the character in respect of which he proposes to act under this Article or of his title, elect to either be registered himself as holder of the shares or elect to have some person nominated by him and approved by the Board, registered as such holder or so make such transfer of the share as the deceased or insolvent member could have made. 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 be so elects provided nevertheless if such person shall elect to have his nominee registered, be shall testify that election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained and until he does so he shall not be freed from any liability in respect of the shares . Further, all limitations restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer 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

67. RIGHTS ON TRANSMISSION

A person becoming entitled to a share by reason of the death or insolvency of the holder shall, subject to the Directors' right to retain such dividends or money, 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 meeting of the company

Provided that the Board may at any time give a 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 (90) days, the Board may thereafter withhold payment of all dividends, bonus or other moneys payable in respect of such share, until the requirement of notice have been complied with.

68. SHARE CERTIFICATES TO BE SURRENDERED

Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with (save as provided in the Act) properly stamped and executed instrument of transfer.

69. COMPANY NOT LIABLE TO NOTICE OF EQUIATBLE RIGHTS

The company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register)to the prejudice of persons having or claiming any equitable rights, title or interest in the said shares, notwithstanding that the Company may have had notice of such equitable rights referred thereto in any books of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable rights ,title or interest or under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the board shall so think fit.

70. **TRANSFER AND TRANSMISSION OF DEBENTURES**

The provisions of these Articles, shall, mutatis mutandis, apply to the transfer of or the transmission by law of the right to any securities including, debentures of the company.

ALTERATION OF CAPITAL

71. RIGHTS TO ISSUE SHARE WARRENTS

The company may issue share warrants subject to and in accordance with provisions of the Act and other applicable laws. The board may, in its discretion, with respect to any share which is fully paid up on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the board may from time to time require as to the identity of the person signing the application, and the amount of the stamp duty on the warrant and such fee as the board may from time to time require having been paid, issue a warrant.

72. BOARD TO MAKE RULES

The board may from time to time, make rules as to the terms on which it shall think fit, a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

73. SHARES MAY BE CONVERTED INTO STOCK

Where share 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 Articles under which, the share 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, accordingly 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 Articles of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder"/"member" shall include "stock" and "stock holder" respectively.

74. REDUCTION OF CAPITAL

The Company may, by a Special Resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the applicable laws-

a) its share capital ;and /or
b) any capital redemption reserve account ;and /or
c) any share premium account

and in particular without prejudice to the generality of the foregoing power may be(i)extinguishing or reducing the liability on any of its shares in respect of share capital not paid up ;(ii)either with or without extinguishing or reducing liability on any of its shares (a) cancel paid up share capital which is lost or is unrepresented by available assets or (b) pay off any paid up share capital which is in excess of the wants of the company and may, if and so far as is necessary alter its Memorandum by reducing the amount of its share capital and of its shares accordingly.

75. **DEMATERIALSATION OF SECURITIES**

a) The Company shall recognize interest in dematerialised securities under the Depositories Act, 1996.

Subject to the provisions of the Act, either the Company or the investor may exercise an option to issue (in case of the company only), deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized in which event, the rights and obligations of the parties concerned and matters connected therewith or incidental thereof shall be governed by the provision of the Depositories Act,1996 as amended from time to time or any statutory modification(s) thereto or re-enactment thereof, the Securities and Exchange Board of India (Depositories and participants) Regulations ,2018 and other applicable laws.

b) Demateralisation /Re-Materalisation of Securities

Notwithstanding anything to the contrary or inconsistent contained in these Articles, the company shall be entitled to dematerialize its existing securities, re-materalise its securities held in Depositories and/ or offer its fresh securities in the dematerialized form pursuant to the Depositories Act,1996 and the rules framed thereunder, if any.

c) Option to receive security certificate or hold securities with the Depository

Every person subscribing to or holding securities of the company shall have the option to receive the security certificate or hold securities with a Depository. Where a person opts to hold a security with the Depository, the Company shall intimate such Depository of the details of allotment of the security and on receipt of such information, the Depository shall enter in its Record, the name of the allottees as the beneficial owner of that security.

d) Securites in Electronic Form

All securities held by a Depository shall be dematerialized and held in electronic form. No certificates shall be issued for the securities held by the Depository.

e) Beneficial owner deemed as absolute owner

Except as ordered by the Court of competent jurisdiction or by applicable law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as holder of any security or whose name appears as the beneficial owner of any security in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claims to or interest in respect of such securities or (except only as by these Articles otherwise expressly provided) any right in respect of a security other than an absolute rights thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any security in the joint names of any two or more persons or the survivor or survivors of them.

f) Register and index of beneficial owners

Notwithstanding anything herein contained, a person whose name is at any time entered in the Register of Members of the Company as the holder of a share in the Company, but who does not hold the beneficial interest in such share shall, within such time and in such form as prescribed under the Act, make a declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest (including the change, if any) in such share in such manner as may be required under the provisions of the Act.

Where any declaration referred to above is made to the Company, the Company shall make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration, a return in the prescribed form with the Registrar with regard to such declaration.

The company shall cause to be kept a register and index of members with details of securities held in materialized and dematerialized forms in any media as may be permitted by law including any form of electronic media. The register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a register and index of members for the purposes of this Act. The company shall have the power to keep in any state or country outside India, a Register of members, resident in that state or country.

76. BUY BACK OF SHARES

Notwithstanding anything contained in these Articles, but subject to applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities out of free reserves, the securities premium account or the proceeds of issue of any Share or specified Securities.

Subject to the all applicable provisions of the Act and subject to such approvals, permissions, consents and sanctions from the concerned authorities and departments, including Securities Exchange Board of India and the Reserve Bank of India, if any, the Company may, by passing a special resolution at a general meeting, purchase its own Shares or other specified securities (hereinafter referred to as 'buy-back') from its existing Shareholders on a proportionate basis and/or from the open market and/or from the lots smaller than market lots of the securities (odd lots), and/or the securities issued to the employees of the Company pursuant to a scheme of stock options or sweat equity, from out of its free reserves or out of the securities premium account of the Company or out of the proceeds of any issue made by the Company specifically for the purpose, on such terms, conditions and in such manner as may be prescribed by law from time to time; provided that the aggregate of the securities so bought back shall not exceed such number as may be prescribed under the Act or Rules made from time to time.

GENERAL MEETINGS

77. ANNUAL GENERAL MEETINGS

a. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year

b. An Annual General Meeting of the Company shall be held in accordance with the provisions of the Act.

78. EXTRAORDINARY GENERAL MEETINGS

All General Meetings other than the Annual General Meeting shall be called "Extraordinary General Meetings". Provided that, the Board may, whenever it thinks fit, call an Extraordinary General Meeting.

79. EXTRAORDINARY MEETINGS ON REQUISITION

The Board shall, on the requisition of members, convene an Extraordinary General Meeting of the company in the circumstances and in the manner provided under the Act.

80. NOTICE FOR GENERAL MEETINGS

All General Meetings shall be convened by giving not less than clear twenty one (21) day's notice, in such manner as is prescribed under the Act, specifying the place, date and hour of the meeting and a statement of the business proposed to be transferred at such a meeting in the manner mentioned in the Act. Notice shall be given to all the Members and to such persons as are under the Act and /or these Articles entitled to receive such notice from the Company but any accidental omission to give notice to or non-receipt of the notice by any Member or other person to whom it should be given shall not invalidate the proceedings of any General Meetings.

The Members may participate in General Meetings through such modes as permitted by applicable laws.

81. SHORTER NOTICE ADMISSIBLE

Upon compliance with the relevant provisions of the act, an Annual General Meeting or any General Meeting may be convened by giving a shorter notice than twenty one (21) days.

82. **CIRCULATION OF MEMBERS' RESOLUTION**

The company shall comply with provisions of section 111 of the Act, as to giving notice of resolutions and circulating statements on the requisition of members.

83. SPECIAL AND ORDINARY BUSINESS

a) Subject to the provisions of the Act, all business shall be deemed special that is transacted at the Annual General Meeting with the exception of declaration of any dividend, the consideration of financial statements and reports of the Directors and auditors, the appointment of Directors in place of those retiring and the appointment of and fixing of the remuneration of the auditors. In case of any other meeting, all business shall be deemed to be special.

b) In case of special business as aforesaid, an explanatory statement as required under the applicable provision of the Act shall be annexed to the notice of the meeting.

84. QUORUM FOR GENEREAL MEETING

Five (5) Members or such other number of Members as required under the provision of section 103 the Act or the applicable law for the time being in force prescribes, personally present shall be quorum for the General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the meeting

85. TIME FOR QUORUM AND ADJOURNMENT

Subject to the provisions of the act, if within half an hour from the time appointed for a meeting, a quorum is not present, the meeting, if called upon the requisition of Members, shall be cancelled and in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine. If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall be quorum and may transact the business for which the meeting was called.

86. CHAIRMAN OF GENERAL MEETING

The Chairman, if any, of the Board of Directors shall preside as chairman at every General Meeting of the Company

87. ELECTION OF CHAIRMAN

Subject to the provisions of the Act, if there is no such chairman or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the Directors present shall elect another Director as chairman and if no Director be present or if all the Directors decline to take the chair, then the members present shall chose a member to be the chairman.

88. ADJOURNMNET OF MEETING

Subject to the provision of the Act, the chairman of a General Meeting may, with the consent given in the meeting at which a quorum is present (and shall if so directed by the meeting) adjourn that meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When the meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as nearly to the original meeting, as may be possible. Save as aforesaid and as provided in Section 103 of the Act, it shall not be necessary to give any notice of adjournment of the business to be transacted at an adjourned meeting.

89. VOTING AT MEETING

At any General meeting, a demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded. The demand for a poll may be withdrawn at anytime by the person or persons who made the demand. Further, no objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairperson of the General Meeting, whose decision shall be final and conclusive.

90. DECISION BY POLL

If a poll is duly demanded in accordance with the provision of the Act, it shall be taken in such manner as the Chairman directs as the results of the poll deemed to be the decision of the meeting on the resolution in respect of which the poll was demanded

91. CASTING VOTE OF CHAIRMAN

In case of equal votes, whether on a show of hands or an a poll, the chairman of the General meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled to as a member

92. **PASSING RESOLUTIONS BY POSTAL BALLOT**

a) Notwithstanding any of the provisions of these Articles, the company may, and in the case of resolutions relating to such business as notified under the Act, to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General meeting of the company

b) where the company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under the act.

c) If a resolution is assented to by the requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a General Meeting convened in that behalf

VOTE OF MEMBERS

93. VOTING RIGHTS OF MEMBERS

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 holding Equity shares and present in person shall have one vote.

b) On a poll, every member holding Equity Shares therein shall have voting rights in proportion to his share in the paid up equity share capital .

c) A Member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once

94. VOTING BY JOINT HOLDERS

In case of Joint holders the vote of first named of such joint holders in the Register of Members who tender a vote whether in person or by proxy shall be accepted, to the exclusion of the votes of other joint holders

95. VOTING BY MEMBER OF UNSOUND MIND

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 legal guardian may, on a poll ,vote by proxy

96. NO RIGHT TO VOTE UNLESS CALLS ARE MADE

No member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him have been paid or in regard to which the Company has lien and has exercised any right of lien.

97. PROXY

Any member entitled to attend and vote at a General Meeting may do so either personally or through his continued attorney or through another person as a proxy on his behalf, for that meeting

98. INSTRUMENT OF PROXY

An instrument appointing a proxy shall be in the form as prescribed under the Act for this purpose .The instrument appointing a proxy shall be in writing under the hand of appointer or of his attorney duly authorized in writing or if appointed by a body corporate either under its common seal or under the hand of its officer or attorney duly authorized in writing by it. Any person whether or not he is a member of the company may be appointed as a proxy.

The instrument appointing a proxy and power of attorney or other attorney (if any) under which it is signed or a notarized copy of that power must be deposited at the office of the company not less than fourty eight hours(48) prior to the time fixed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in case of a poll, not less than twenty four (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

99. VALIDITY OF PROXY

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 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.

100. CORPORATE MEMBERS

Any corporation which is a member of a company may, by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act its representative at any meeting of the company and the said person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Member of the Company (including the right to vote by proxy).

DIRECTOR

101. NUMBER OF DIRECTORS

Unless otherwise determined by General Meeting and, subject to the applicable provisions of the Act, the number of Directors shall not be less than three (3) and not more than fifteen (15), and at least one (1) director shall be resident of India i.e. atleast one director who has stayed for minimum 182 days in India in a previous calendar year.

The Company shall appoint such number of woman director as may be required under the provisions of the Act other applicable laws.

Provided that the Company may appoint more than fifteen (15) directors after passing a Special Resolution.

The following shall be the first directors of the company
a) Mr. Deepak Kumar Singal
b) Mrs. Sunita Singal

102. SHARE QUALIFICATION NOT NECESSARY

Any person whether a Member of the Company or not may be appointed as Director and no qualification by way of holding shares shall be required of any director

103. ADDITIONAL DIRECTORS

Subject to the provisions of the Act, 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.

104. ALTERNATE DIRECTORS

a) Subject to the provisions of the Act, the Board may, appoint a person, not being a person holding any alternate directorship for any other director in the company or holding directorship in the Company ,to act as an alternate director for a director during his absence for a period of not less than 3(three) months from India (hereinafter in this Article called the "**Original Director**")

b) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. If the term of office of the Original Director is determined before he returns to India the automatic re-appointment of retiring directors in default of another appointment shall apply to the original director and not to the alternate director.

105. APPOINTMENT OF DIRECTOR TO FILL A CASUAL VACANCY

Subject to the provisions of the Act, if the office of any Director appointed by the company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board which shall be subsequently approved by members in the immediate next general meeting. The director so appointed shall hold office only up to the date which the director in whose place he is appointed would have held office if it had not been vacated.

106. REMUNERATION OF DIRECTORS

(a) A Director (other than a Managing Director or whole-time Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board of Directors or any committee thereof attended by him.

The remuneration of Directors including Managing Director and / or whole-time Director may be paid in accordance with the applicable provisions of the Act.

(b) The Board of Directors may allow and pay or reimburse any director who is not a *bonafide* resident of the place where a meeting of the board or of any committee is held and who shall come to such place for the purpose of attending such meeting or for attending its business at the request of the Company, such sum as the Board, may consider fair compensation for travelling, and out-of-pocket expenses and if any director be called upon to go or reside out of the ordinary place of his residence on the company's business he shall be entitled to be reimbursed any travelling or other expenses incurred in connection with the business of the company.

(c) The Managing Directors/whole-time Directors shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the company and shall be entitled to be paid by the company any remuneration that they may pay to such part time employees.

107. REMUNERATION FOR EXTRA SERVICES

If any Director, being willing, shall be called upon to perform extra services or to make any special exertions (which expression shall include work done by Directors as a Member of any committee formed by the Directors) in going or residing away from the town in which the office of the Company may be situated for any purposes of the company or in giving any special attention to the business of the Company or as member of the Board, then subject to the provisions of the Act, the Board may remunerate the Director so doing either by a fixed sum, or by a percentage of profits or otherwise and such remuneration, may be either in addition to or in substitution for any other remuneration to which he may be entitled.

108. CONTINUING DIRECTOR MAY ACT

The continuing Directors may act notwithstanding any vacancy in the Board, but if the number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company, but for no other purpose.

109. VACATION OF OFFICE OF DIRECTOR

The office of a Director shall be deemed to have been vacated under the circumstances enumerated under Act.

ROTATION AND RETIREMENT OF DIRECTOR

110. ONE-THIRD OF DIRECTORS TO RETIRE EVERY YEAR

At the Annual General Meeting of the company to be held every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office and they will be eligible for re-election. The managing director or whole time director appointed shall be included in calculating the total number of Directors of whom one third shall retire from office under this Article and will be retire by rotation. Provided nevertheless that the Directors appointed as a debenture director under Articles hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

111. RETIRING DIRECTORS ELIGIBLE FOR RE-ELECTION

A retiring Director shall be eligible for re-election and the company, at the Annual General meeting at which a Director retires in the manner aforesaid, may fill up the vacated office by electing a person thereto

112. **WHICH DIRECTOR TO RETIRE**

The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lots.

113. POWER TO REMOVE DIRECTOR BY ORDINARY RESOLUTION

Subject to the provisions of the Act, the company may by an Ordinary resolution in General Meeting, remove any Director before the expiration of his period of office and may, by an ordinary resolution, appoint another person instead.

Provided that an independent director re-appointed for second term under the provisions of the Act and shall be removed by the company only by passing a Special Resolution and after giving him a reasonable opportunity of being heard.

114. DIRECTORS NOT LIABLE FOR RETIREMENT

The company in General meeting may, when appointing a person as a director declare that his continued presence on the Board of Directors is of advantage to the Company and that his office as Director shall not be liable to be determined by retirement by rotation for such period until the happening of any event of contingency set out in the said resolution.

115. DIRECTOR FOR COMPANIES PROMOTED BY THE COMPANY

Directors of the company may be or become a director of any company promoted by the Company or in which it may be interested as vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a director or member of such company subject to compliance with applicable provisions of the Act.

PROCEEDINGS OF BOARD OF DIRECTORS

116. MEETINGS OF THE BOARD

a) The Board of Directors shall meet as and when required with a maximum gap of four(4) months between two(2) meetings of the Board for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in accordance with the Act, provided that at least four (4) such meetings shall be held in every year. Place of meetings of the Board shall be at a location determined by the Board at its previous meeting, or if no such determination is made, then as determined by the chairman of the Board.

b) The Chairman may, at any time, and the secretary or such other Officer of the company as may be authorized in this behalf on the requisition of Director shall at any time summon a meeting of the Board. Notice of at least seven (7) days in writing of every meeting of the board shall be given to every Director and every alternate director at his usual address whether in India or abroad.

c) The notice of each meeting of the Board shall include (i) the time for the proposed meeting; (ii) the venture for the proposed meeting ;and (iii) an agenda setting out the business proposed to be transacted at the meeting

d) To the extent permissible by applicable law, the Directors may participate in a meeting of the Board or any committee thereof, through electronic mode, that is by way of video conferencing i.e., audio visual electronic communication facility. The notice of the meeting must inform the Directors regarding the availability of participation through video conferencing. Any director participating in a meeting though the use of video conferencing shall be counted for the purpose of quorum.

117. QUESTIONS AT BOARD MEETING HOW DECIDED

Questions arising at any time at the meeting of the board shall be decided by majority of votes and in case of equality of votes, the Chairman in his absence the Vice Chairman are the director presiding shall have a second or casting vote.

118. QUORUM

Subject to the provisions of the act and other applicable law, the quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.

At any time the number of interested directors is equal to or exceeds two-thirds of total strength, the number of remaining directors, that is to say the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such times. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution of meeting, that is to say, the total strength of Board after deducting there from the number of Directors, if any, whose places are vacant at the time. The term 'interested director' means any Director whose presence cannot by reason of applicable provisions of the Act be counted for the purpose of forming a quorum at meeting of the board, at the time of the discussion or vote on the concerned matter or resolution.

119. ADJOURNED MEETING

Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting of the Board, a quorum is not present, the meeting, shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine.

120. ELECTION OF CHAIRMAN OF BOARD

a) The board may elect a Chairman of its meeting and determine the period for which he is to hold office.

b) If no such Chairman is elected or at any meetings the Chairman is not present within five minutes after the time appointed for holding the meeting the Directors present may choose one along themselves to be the Chairman of the meeting.

121. POWERS OF DIRECTORS

a) The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act or any other applicable law, or by the Memorandum or by the Articles required to be exercised by the company in a General Meeting, subject nevertheless to these Articles, to the provisions of the Act or any other applicable law and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in a General Meeting but no regulation made by the company in a General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation not been made.

b) 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 has the Board shall from time to time by resolution determine.

122. DELEGATION OF POWERS

a) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such members of its body as it thinks fit.

b) Any committee so formed shall, in the exercise of the power so delegated conform to any regulations that may be imposed on it by the Board.

123. ELECTION OF CHAIRMAN OF COMMITTEE

a) A committee may elect a Chairman of its meeting. If no such Chairman is elected or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of the members to be the Chairman of the committee meeting.

c) The Quorum of a committee may be fixed by the board of directors.

124. QUESTIONS HOW DETERMINED

a) A Committee may meet and adjourn as it thinks proper

b) Questions arising at any meeting of committee shall be determined by a majority of votes of the members present as the case may be and in case of equality of vote, the Chairman shall have a second or casting vote, in addition to his vote as a member of the committee.

125. VALIDITY OF THE ACTS DONE BY BOARD OR A COMMITTEE

All acts done by any meeting of the Board or 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 even such Director or such person has been duly appointed and was qualified to be a Director

126. RESOLUTION BY CIRCULATION

Save as otherwise expressly provided in the act , a resolution in writing circulated in draft together with the necessary papers , if any, to all the Directors or to all the members of the committee then in India , not being less in number than the quorum fixed of the meeting of the Board or the Committee as the case may be and to all other Directors or members at their usual address in India and approved by such of the Directors as are then in India or by a majority of such of them as are entitled to vote at the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the board or committee duly convened and held.

127. MAINTENANCE OF FOREIGN REGISTER

The Company may exercise the powers conferred on it by the Act with regard to keeping of a foreign register, and the Board may (subject to the provisions of those sections) make and vary such regulations as it may think fit respecting the keeping of any register.

128. BORROWING POWERS

a) Subject to the provisions of the Act and these Articles, the Board may from time to time at their discretion raise or borrow or secure the payment of any such sum of money for the purpose of the Company, in such manner and upon such terms and conditions in all respects as they think fit, and in particular , by promissory notes or by receiving deposits and advances with or without security or by the issue of bonds, debentures, perpetual or otherwise, including debentures convertible into shares of this company or any other company or perpetual annuities and to secure any such money so borrowed, raised or received, mortgage, pledge, or charge the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities.

Provided however, that the moneys to be borrowed, together with the money altered borrowed by the company apart from temporary loans (as defined under section 180 (1) of the Act) obtained from the Company's bankers in the ordinary course of business shall not, without the sanction of the Company by a Special resolution at a General meeting exceed the aggregate of the paid capital of the company, its free reserves and securities premium. Provided that every Special Resolution passed by the Company in General meeting in relation to the exercise of the power to borrow shall specify the total amount up to which the moneys may be borrowed by the board of Directors.

a) The Directors may by resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors or Managing Director or to any other person permitted by applicable law, if any, within the limits prescribed.

b) To the extent permitted under the applicable law and subject to compliance with the requirements thereof, the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate and the same shall be in the interests of the company.

c) Any Bonds , debentures -stock or other securities may if permissible under applicable law may be issued at a discount , premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner for such consideration as the Board shall consider to be for the benefit of the company, and on the condition that they or any part of them may be convertible into Equity shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, attending (but not voting) in the General meeting, appointment of Directors or otherwise. Provided that debentures with rights to allotment of or conversion into Equity shares shall not be issued except with the sanction of the Company in General meeting accorded by a Special resolution.

129. NOMINEE DIRECTORS

a) Subject to the provisions of the Act, so long as any moneys remain owing by the Company to Financial Institutions regulated by the Reserve Bank of India ,State Financial corporation or any Financial Institution owned or controlled by the Central Government or State Government or any Non-Banking financial Company regulated by the Reserve Bank of India or any such company from whom company has borrowed for the purpose of carrying on its objects or each of the above has granted any loans / or subscribes to the debentures of the Company or so long as any of the aforesaid companies or Financial institutions holds or continues to hold debentures/ shares in the company as a result of underwriting or by direct subscription or private placement or so long as any liability of the company arising out of any guarantee furnished on behalf of the company remains outstanding and if the loan or other agreement with such institution/corporation/company (hereinafter referred to as the **"corporation"**) so provides, the corporation may in pursuance of the provisions of any law for the time being in force or of any agreement have a right to appoint from time to time any person or persons as a Director or Directors whole-time or non whole-time (which Director or Directors is/are hereinafter referred to as "Nominee Directors") on the Board of the company and to remove from such office any person or persons so appointed and to appoint any person or persons in his/their place(s).

b) The Nominee Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the meetings of the committee of which Nominee Directors is/are members as also the minutes of such meetings. The corporation should also be entitled to receive all such notices and minutes.

c) The Company may pay the Nominee Directors sitting fees and expenses to which the other Directors of the company are entitled, but if any other fees commission, monies or remuneration in any form is payable to the Directors of the company the fees, commission, monies and remuneration in relation to such Nominee Directors may accrue to the Nominee appointer and same shall accordingly be paid by the company directly to the Corporation.

d) Provided that the sitting fees, in relation to such Nominee Directors shall also accrue to the appointer and same shall accordingly be paid by the company directly to the appointer.

130. REGISTER OF CHARGES

The Directors shall cause a proper register to be kept, in accordance with the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the registration of mortgages and charges therein specified.

131. MANAGING DIRECTOR(S) AND/OR WHOLE TIME DIRECTORS

a) The Board may from time to time and with such sanction of the central government as may be required by the Act, appoint one or more of the Directors to the office of the managing director and/or whole time directors for such term and subject to such remuneration, terms and conditions as they may think fit.

b) The Directors may from time to time resolve that there shall be either one or more managing directors and/or whole-time directors.

c) In the event of any vacancy arising in the office of a managing director and/or whole-time directors, vacancy shall be filled by the Board of Directors subject to the approval of the members.

d) If a managing director and/or whole-time director ceases to hold office as Director, he shall ipso facto and immediately cease to be managing director/whole time director.

e) If the managing director and/or whole-time director shall be liable to retirement by rotation as long as he holds office as managing director or whole-time director.

132. POWERS AND DUTIES OF MANAGING DIRECTOR OR WHOLE – TIME DIRECTOR

The managing director/whole time director shall subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable under these Articles by the Board of Directors, as they may think fit and confer such power for such time and to be exercised as they may think expedient and they may confer such power either collaterally with or to the exclusion of any such substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers. The Managing Directors/whole time Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board's direction.

Subject also to the other applicable provisions, if any, of the Act, the Company shall not appoint or employ, or continue the appointment or employment of, a Person as its managing or whole-time director who :-

a) is below the age of twenty-one years or has attained the age of seventy years
b) is an undischarged insolvent, or has any time been adjudged an insolvent;
c) suspends, or has at any time suspended, payment to his creditors, or makes or has, at any time, made, a composition with them; or

d) is or has, at any time, been convicted by a Court and sentenced for a period of more than six months

133. REIMBURSEMENT OF EXPENSES

The managing director/whole time director shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the Company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company any remuneration that they may pay to such part time employees.

134. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

Subject to the provisions of the Act –

a) A chief executive officer, manager, company secretary and 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 and chief financial officer so appointed may be removed by means of a resolution of the Board.

b) A director may be appointed as chief executive officer, manager, company secretary and chief financial officer. Further, an individual may be appointed or reappointed as the chairperson of the Company as well as the managing director or chief executive officer of the Company at the same time.

c) A provision of the Act or the Articles requiring or authorizing a thing to be done by or to a Director and chief executive officer, manager, company secretary and chief financial officer shall not be satisfied by its being done by or to the same person acting both as a Director and as, or in place of, chief executive officer, manager, company secretary and chief financial officer

COMMON SEAL

135. CUSTODY OF COMMON SEAL

The Board shall provide for the safe custody of the common seal for the Company and they shall have power from time to time to destroy the same and substitute a new seal in lieu thereof.

136. SEAL HOW AFFIXED

The Directors shall provide a common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Directors shall provide for the safe custody of the seal for the time being and the seal shall never be used expect by or under the authority of the Directors or a committee of the Directors previously given, and in the presence of atleast one Director or company secretary, if any, or such other person duly authorized by the Directors or a committee of the Directors, who shall sign every instrument to which the seal is so affixed in his presence.

The Company may 438xercisee the power conferred by the Act with regard to having an official seal for use abroad and such powers shall accordingly be vested in the Directors or any other person duly authorized for the purpose.

DIVIDEND

137. COMPANY IN GENERAL MEETING MAY DECLARE DIVIDENDS

The company in general meeting may declare dividends to be paid to the Members according to their respective rights, but no dividend shall exceed the amount recommended by the Board. The Company may, in general meeting, declare a smaller dividend, than was recommended by the Board.

138. INTERIM DIVIDENDS

Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit and as appear to it to be justified by the profits of the company.

139. RIGHT TO DIVIDEND AND UNPAID OR UNCLAIMED DIVIDEND

a) Where capital is paid in advance of calls, such capital, while carrying interest, shall not confer a right to dividend or to participate in the profits.

b) Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days to a special account to be opened by the Company in that behalf in any scheduled bank to be called " Unpaid Dividend Account of [●]"

c) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven(7) years from the date of such transfer, shall be transferred by the Company to the fund known as Investor Education and Protection Fund established under the Act.

d) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.

e) All other provisions under the Act will be complied with in relation to the unpaid or unclaimed dividend.

140. DIVISION OF PROFITS

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.

141. DIVIDENDS TO BE APPORTIONED

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.

142. RESERVE FUNDS

a) 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, thinks fit.

b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve

143. DEDUCTION OF ARREARS

Subject to the Act, no member shall be entitled to receive payment of any interest or dividend in respect of his share or shares while any money may be due or owing from him to the Company in respect of such share or shares of or otherwise howsoever whether alone or jointly with any other person or persons and the board may deduct from any dividend payable to any members all sums of money, if any, presently payable by him to the Company on account of the calls or otherwise in relation to the shares of the company.

144. RETENTION OF DIVIDENDS

The Board may retain dividends payable upon shares in respect of which any person is, under Articles 57 to 70 herein before contained, entitled to become a member, until such person shall become a member in respect of such shares.

145. RECEIPT OF JOINT HOLDER

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.

146. DIVIDEND HOW REMITTED

Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or 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. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

147. DIVIDENDS NOT TO BEAR INTEREST

No dividend shall bear interest against the company.

148. TRANSFER OF SHARES AND DIVIDENDS

Subject to the provisions of the Act, any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

CAPITALISATION OF PROFITS

149. CAPITALISATION OF PROFITS

a) The company in general meeting may, on recommendation of the Board, resolve
   - (i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and
   - (ii) that such sum be accordingly set free for distribution in the manner specified in Sub - clause (b) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportion.

b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in sub - clause (c) of Article 51 below, either in or towards -
   - (i) paying up any amounts for the time being unpaid on shares held by such members respectively;
   - (ii) 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; or
   - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause

(ii);

(iv) A securities premium account and a capital redemption reserve account or any other permissible reserve account may be applied as permitted under the Act in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares.

(v) The Board shall give effect to the resolution passed by the company in pursuance of these Articles.

150. POWER OF DIRECTORS FOR DECLARATION OF BONUS ISSUE

a) Whenever such a resolution as aforesaid shall have been passed, the Board shall –

i. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and

ii. generally do all acts and things required to give effect thereto.

b) The Board shall have full power :

i. 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 or debentures becoming distributable in fractions; and

ii. to authorize 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 or other securities to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;

c) Any agreement made under such authority shall be effective and binding on such members.

ACCOUNTS

151. WHERE BOOKS OF ACCOUNTS TO BE KEPT

The Books of account shall be kept at the Office or at such other place in India as the Directors think fit in accordance with the applicable provisions of the Act.

152. INSPECTION BY DIRECTORS

The books of accounts and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act

153. INSPECTION BY MEMBERS

No Member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorized by the Board.

SERVICE OF DOCUMENTS AND NOTICE

154. MEMBERS TO NOTIFY ADDRESS IN INDIA

Each registered holder of shares from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

A document or notice may be served or given by the Company on any member either personally or by sending it, by post or by such other means such as fax, e-mail, if permitted under the Act, to him at his registered address or, if he has no registered address in India, to the address, if any, in India, supplied by him to the Company for serving documents or notices on him.

155. **SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS**

If a Member has no registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighborhood of office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

156. SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF MEMBERS

A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Member by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assigned of the insolvent by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

157. PERSONS ENTITLED TO NOTICE TO GENERAL MEETINGS

Subject to the provisions of the Act and those Articles, notice of General Meeting shall be given:

a) To the members of the Company as provided by these Articles.
b) To the persons entitled to a share in consequence of the death or insolvency of a Member
c) To the Directors of the Company
d) To the auditors for the time being of the Company; in the manner authorized by as in the case of any Member or Members of the Company.

158. NOTICE BY ADVERTISEMENT

Subject to the provisions of the Act any document required to be served or sent by the Company on or to the Members, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district in which the office is situated.

159. MEMBERS BOUND BY DOCUMENT GIVEN TO PREVIOUS HOLDERS

Every person who by the operation of law, transfer or other means whatsoever, shall become entitled to any shares, shall be bound by every document in respect of such share which, previously to his name and address being entered in the Register of members, shall have been duly served on or sent to the person from whom he derived his title to such share.

Any notice to be given by the Company shall be signed by the Managing Director or by such Director or Secretary (if any) or officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

WINDING UP

160. Subject to the applicable provisions of the Act -

a) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the 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.

b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

d) Any person who is or has been a Director or manager, whose liability is unlimited under the Act, shall, in addition to his liability, if any, to contribute as an ordinary member, be liable to make a further contribution as if he were at the commencement of winding up, a member of an unlimited company, in accordance with the provisions of the Act.

161. **APPLICATION OF ASSETS**

Subject to the provisions of the Act as to be preferential payment the assets of the Company shall, on its winding up, be applied in satisfaction of its liabilities *pari passu* and, subject to such application shall be distributed among the Members according to their rights and interests in the Company.

INDEMNITY

162. DIRECTOR'S AND OTHER'S RIGHT TO INDEMNITY

Subject to the provisions of the Act, every Director and officer of the Company shall be indemnified by the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquired or in which relief is granted to him by the court or the tribunal. Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses to the extent it is finally judicially determined to have resulted from the negligence, willful misconduct or had faith acts or omissions of such Director.

163. INSURANCE

The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

SECRECY CLAUSE

164. **SECRECY**

No member shall be entitled to inspect the Company's works without the permission of the managing director/Directors or to require discovery of any information respectively and detail of the Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the managing director/Directors will be inexpedient in the interest of the members of the Company to communicate to the public.

GENERAL POWER

165. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Articles in that behalf herein provided.

166. At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the applicable Regulations framed by Securities and Exchange

Board of India ("**SEBI Regulations**") including Securities and Exchange Board of India (Listing Obligations and Disclosure requirement) Regulations, 2015, as amended (**the "Listing Regulations"**), the provisions of the applicable SEBI Regulations or Listing Regulations shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the applicable SEBI Regulations or Listing Regulations, from time to time.

The Company shall not, at any time, vary the terms of a prospectus or objects for which the prospectus was issued by the Company, except subject to the approval of, or except subject to an authority given by the Company in general meeting by way of special resolution, and in accordance with the provisions of the Companies Act, 2013. Provided that the dissenting Shareholders, being the Shareholders who have not agreed to the proposal to vary the terms of the contracts or the objects referred to in the prospectus, shall be given an exit offer by the promoters or controlling shareholders of the company, at the fair market value of the equity shares as on the date of the resolution of the Board of Directors recommending such variation in the terms of the objects referred to in the prospectus, in accordance with such terms and conditions as may be specified on this behalf by the Securities and Exchange Board of India.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office and the Corporate Office between 10 a.m. IST and 5 p.m. IST on all Working Days and will also be available at the website of our Company at www.deepakbuilders.co.in from date of this Draft Red Herring Prospectus and the Red Herring Prospectus until the Bid/Offer Closing Date.

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 other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other Applicable Law.

Material Contracts to the Offer

1. Offer Agreement dated March 30, 2024 entered into between our Company, the Selling Shareholders and the BRLM.
2. Registrar Agreement dated March 30, 2024 entered into between our Company, the Selling Shareholders and the Registrar to the Offer.
3. Cash Escrow and Sponsor Bank Agreement dated [●] entered into between our Company, the Selling Shareholders, the BRLM, the Syndicate Members, Banker(s) to the Offer and the Registrar to the Offer.
4. Share Escrow Agreement dated [●] entered into among the Selling Shareholders, our Company and the Share Escrow Agent.
5. Syndicate Agreement dated [●] entered into between the BRLM, members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer.
6. Monitoring Agency Agreement dated [●] entered into between the Company and the Monitoring Agency.
7. Underwriting Agreement dated [●] entered into between our Company, the Selling Shareholders, the Registrar and the Underwriters.

Material Documents

1. Certified copies of our Memorandum of Association and Articles of Association, as amended until date.
2. Certificate of incorporation dated September 11, 2017 issued pursuant to incorporation as a private limited company.
3. Fresh certificate of incorporation dated October 12, 2022, consequent upon conversion from private company to public company and consequent upon change in the name of the Company from "Deepak Builders and Engineers India Private Limited" to "Deepak Builders and Engineers India Limited".
4. Resolution of the Board of Directors of the Company dated February 9, 2024 approving the Offer and other related matters.
5. Resolution of the Shareholders of the Company dated March 12, 2024 approving the Fresh Issue and other related matters.
6. Resolution of the Board of Directors of our Company dated April 9, 2024 approving this Draft Red Herring Prospectus for filing with SEBI and the Stock Exchanges.
7. Resolution of our Board of Directors dated March 26, 2024, taking on record the approval for the Offer for Sale by the Selling Shareholders.
8. Consent letters dated February 9, 2024 from the Selling Shareholders consenting to participate in the Offer for Sale.
9. Shareholders' Resolutions dated January 19, 2024 approving the terms of appointment and remuneration of Deepak Kumar Singal as Managing Director,
10. Shareholders' Resolutions dated January 19, 2024 approving the terms of appointment and remuneration of Sunita Signal as Whole Time Director,
11. Copies of annual reports of our Company for the last three Fiscals, i.e., 2023, 2022 and 2021.
12. Statement of special tax benefits dated March 26, 2024 from the Statutory Auditors included in this Draft Red Herring Prospectus.

13. Consent of the Statutory Auditors dated March 26, 2024 to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations and referred to as an "expert" as defined under Section 2(38) of the Companies Act to the extent and in their capacity as the Statutory Auditor, and for inclusion of their examination report dated March 26, 2024 on examination of our Restated Financial Statement and the statement of possible special tax benefits in the form and context in which it appears in this Draft Red Herring Prospectus.
14. Certificate dated April 9, 2024, from our Statutory Auditor, Parmod G Gupta & Associates, Chartered Accountants, Statutory Auditors verifying the Key Performance Indicators (KPIs).
15. Consents of our Promtoers, Directors, Bankers to our Company, the BRLM, Registrar to the Offer, Legal Counsel to the Offer, Lenders to the Company (where such consent is required), D&B India, Company Secretary and Compliance Officer of our Company, Chief Financial Officer, and Er. Abhishek Tiwari, Independent Chartered Engineer as referred to, in their respective capacities.
16. Industry report titled "***Industry Report on Construction Industry in India***" dated March 31, 2024 prepared and issued by Dun & Bradstreet Information. Services India Private Limited ("**D&B India**"), appointed by us on January 10, 2024, and exclusively commissioned and paid for by us in connection with the Offer
17. Business Takeover Agreement dated March 1, 2018 entered between our company and M/s Deepak Builders, a partnership firm.
18. Certificate dated April 9, 2024 from our Statutory Auditors, Parmod G Gupta & Associates, Chartered Accountants to include details regarding repayment of loan of the Company.
19. In-principle listing approvals each dated [●] from BSE and NSE.
20. Tripartite Agreement dated February 1, 2023 among our Company, NSDL and the Registrar to the Offer.
21. Tripartite Agreement dated January 7, 2023 among our Company, CDSL and the Registrar to the Offer.
22. Due diligence certificate to SEBI from the BRLM, dated April 9, 2024.
23. SEBI final observation letter number [●] dated [●].

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 with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, 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, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, Securities and Exchange Board of India Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

Deepak Kumar Singal
Chairman cum Managing Director
DIN:

Date: April 9, 2024
Place: Punjab

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, 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, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, Securities and Exchange Board of India Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

Sunita Singal
Whole-time Director
DIN: 01534585

Date: April 9, 2024
Place: Punjab

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, 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, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, Securities and Exchange Board of India Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

Inder Dev Singh
Independent Director
DIN: 06662559

Date: April 9, 2024
Place: Chandigarh

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, 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, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, Securities and Exchange Board of India Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

Kashish Mittal
Independent Director
DIN: 06975800

Date: April 9, 2024
Place: Punjab

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, 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, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, Securities and Exchange Board of India Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

Vinod Kumar Kathuria
Independent Director
DIN: 06662559

Date: April 9, 2024
Place: Mumbai