

THIS DRAFT RED HERRING PROSPECTUS IS NOT AN ADVERTISEMENT UNDER THE REAL ESTATE (REGULATION AND DEVELOPMENT) ACT, 2016 AND IS NOT INTENDED FOR INFORMING PERSONS ABOUT OUR REAL ESTATE PROJECTS OR TO INVITE ANY PERSON TO MAKE ADVANCES OR DEPOSITS IN RELATION TO ANY OF OUR REAL ESTATE PROJECTS



Puranik Builders Limited ("our Company" or "the Company" or "the Issuer") was incorporated as 'Puranik Builders Private Limited', a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated May 8, 1990 issued by the Registrar of Companies, Maharashtra at Mumbai ("RoC"). Thereafter, our Company was converted into a public limited company pursuant to a special resolution passed in the extraordinary general meeting of the Shareholders of our Company held on April 27, 2018 and the name of our Company was changed to its present name 'Puranik Builders Limited', pursuant to a fresh certificate of incorporation issued by the RoC on May 10, 2018. For more information regarding changes in the name and registered office of our Company, see "History and Certain Corporate Matters" on page 171.

Corporate Identity Number: U99999MH1990PLC056451

Registered Office and Corporate Office: PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West) - 400 615

Contact Person: Ritu Baheti, Company Secretary and Compliance Officer; Telephone: +91 22 2598 8888; E-mail: cs@puraniks.in; Website: www.puranikbuilders.com

**PROMOTERS OF OUR COMPANY: SHAILESH PURANIK, SHRIKANT PURANIK, YOGESH PURANIK, NILESH PURANIK, PURANIK BUSINESS PRIVATE TRUST AND PURANIK FAMILY PRIVATE TRUST**

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE, INCLUDING A PREMIUM OF ₹[●] PER EQUITY SHARE, (THE "ISSUE PRICE") AGGREGATING UP TO ₹[●] MILLION, COMPRISING OF A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹5,100.00 MILLION BY OUR COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 472,500 EQUITY SHARES BY RAVINDRA PURANIK AND UP TO 472,500 EQUITY SHARES BY GOPAL PURANIK (COLLECTIVELY, THE "SELLING SHAREHOLDERS"), AGGREGATING UP TO 945,000 EQUITY SHARES ("OFFERED SHARES") AGGREGATING UP TO ₹[●] MILLION (THE "OFFER FOR SALE" AND TOGETHER WITH THE FRESH ISSUE, THE "ISSUE").

OUR COMPANY MAY, IN CONSULTATION WITH THE BRLMS, CONSIDER UNDERTAKING A PRIVATE PLACEMENT OF SPECIFIED SECURITIES FOR CASH CONSIDERATION AGGREGATING UP TO ₹1,500 MILLION ("PRE-IPO PLACEMENT"). THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLMS, AND THE PRE-IPO PLACEMENT WILL BE UNDERTAKEN PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC. IF THE PRE-IPO PLACEMENT IS UNDERTAKEN, THE AMOUNT RAISED FROM THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO THE ISSUE SIZE SATISFYING THE MINIMUM ISSUE SIZE REQUIREMENTS UNDER THE SCRR.

THE ISSUE INCLUDES A RESERVATION OF UP TO [●]<sup>\*</sup> EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (WHICH SHALL NOT EXCEED 5% OF THE POST-ISSUE EQUITY SHARE CAPITAL OF OUR COMPANY) (THE "EMPLOYEE RESERVATION PORTION") AT A DISCOUNT OF [●]% (EQUIVALENT TO ₹[●]) ON THE ISSUE PRICE. THE ISSUE LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE SHALL CONSTITUTE [●]% AND [●]%, RESPECTIVELY, OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLMS AND THE PRICE BAND (INCLUDING THE RUPEE AMOUNT OF DISCOUNT, IF ANY, TO THE ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT"), IF ANY) WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS IN CONSULTATION WITH THE BRLMS 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) AND THE MUMBAI EDITION OF [●] (A WIDELY CIRCULATED MARATHI NEWSPAPER, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED OFFICE IS SITUATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED ("SEBI ICDR REGULATIONS"), AND SUCH ADVERTISEMENT SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE"), AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSES OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

<sup>\*</sup>Our Company and the Selling Shareholders in consultation with the BRLMS, may offer a discount of up to [●]% of the Issue Price to Eligible Employees bidding in the Employee Reservation Portion.

**THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH AND THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES**

In case of any revision in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Issue Period not exceeding 10 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/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the BRLMS, and at the terminals of the Syndicate Member(s) and by an intimation to the Designated Intermediaries and the Sponsor Bank, as applicable.

The Issue is being made in accordance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 31 of the SEBI ICDR Regulations. This Issue 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 Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs" and such portion the "QIB Portion"), provided that our Company and the Selling Shareholders, in consultation with the BRLMS, may allocate up to 60% of the QIB Portion to Anchor Investors, on a discretionary basis ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("Anchor Investor Allocation Price"). In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (excluding the Anchor Investor Portion) ("Net QIB Portion"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the 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 from them at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All Bidders (except Anchor Investors) shall mandatorily participate in this Issue only through the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective bank account (including UPI ID in case of RIs, if applicable) which will be blocked by the SCSBs, or the bank accounts linked with the UPI ID, as applicable, to participate in the Issue. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see "Issue Procedure" on page 335.

**RISKS IN RELATION TO THE FIRST ISSUE**

This being the first public issue of the Issuer, 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 the Issue Price (as determined and is justified by our Company and the Selling Shareholders, in consultation with the BRLMS, in accordance with the SEBI ICDR Regulations and as stated under "Basis for Issue Price" on page 100) 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 or 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 Issue 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 Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does the 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 26.

**OUR COMPANY'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY**

The Issuer, 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 Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, the Selling Shareholders, severally and not jointly, accept responsibility for and confirm only those statements specifically made by such Selling Shareholders in this Draft Red Herring Prospectus, to the extent of information specifically pertaining to them and their respective portion of the Offered Shares, are true and correct in all material aspects and are not misleading in any material respect.

**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 BSE and NSE for listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of this Issue, [●] is the Designated Stock Exchange. A copy of the Red Herring Prospectus and the Prospectus shall be delivered for filing to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Issue Closing Date, see "Material Contracts and Documents for Inspection" on page 388.

**BOOK RUNNING LEAD MANAGERS**

**REGISTRAR TO THE ISSUE**



**Elara Capital (India) Private Limited**  
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Email: puranik.ipo@elaracapital.com  
Investor grievance e-mail: mb.investorgrievances@elaracapital.com  
Website: www.elaracapital.com  
Contact person: Kunal Safari/ Namrata Ravasia

**YES Securities (India) Limited**  
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Telephone: +91 22 6507 8131  
Email: puranik.ipo@ysil.in  
Investor grievance e-mail: igc@ysil.in  
Website: www.yesinvest.in  
Contact Person: Sachin Kapoor/ Lalit Phatak

**KFin Technologies Private Limited**  
Selenium, Tower B, Plot No- 31 and 32, Financial District  
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Telephone: +91 40 6716 2222  
Email: puranik.ipo@kfintech.com  
Investor grievance e-mail: einward.ris@kfintech.com  
Website: www.kfintech.com  
Contact Person: M. Murali Krishna

**BID/ISSUE PERIOD**

**BID/ISSUE OPENS ON\***

[●]<sup>\*</sup>

**BID/ISSUE CLOSES ON**

[●]<sup>\*\*</sup>

<sup>\*</sup>Our Company and the Selling Shareholders may, in consultation with the BRLMS, consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date, i.e., [●].

<sup>\*\*</sup>Our Company and the Selling Shareholders may, in consultation with the BRLMS, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations.

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## SECTION I - GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meanings ascribed to such terms herein, and references to any legislation, act, rule, regulation, circular, guideline, policy, notification or clarification will include any amendments or re-enactments thereto, from time to time.*

*Notwithstanding the foregoing, terms in the sections “Main Provisions of the Articles of Association”, “Statement of Tax Benefits”, “Objects of the Issue”, “Industry Overview”, “Our Business”, “Risk Factors”, “Regulations and Policies”, “Financial Information” and “Outstanding Litigation and Other Material Developments”, will have the meaning ascribed to such terms in those respective sections.*

*Unless the context otherwise indicates, all references to “our Company”, “the Company” and “the Issuer” are references to Puranik Builders Limited, a company incorporated in India under the Companies Act, 1956, with its Registered Office situated at PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West) - 400 615. References to “we”, “us” and “our” are references to our Company, together with its Subsidiaries, on a consolidated basis, unless the context indicates otherwise.*

#### Company Related Terms

Term	Description
AoA/Articles of Association/Articles	The articles of association of our Company, as amended from time to time
Audit Committee	The audit committee of our Company, constituted in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, as described in “Our Management” on page 189
Auditors/Statutory Auditors	The statutory auditor of our Company, being Sanjay Rane & Associates
Board/Board of Directors	The board of directors of our Company, or a duly constituted committee thereof
Corporate Office	Corporate office of our Company located at PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West) - 400 615
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Company, constituted in accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the details of which are provided in “Our Management” on page 189
Director(s)	The director(s) on our Board
Equity Shares	The equity shares of our Company of face value of ₹10 each
ESOP 2018	The employee stock option plan of our Company, namely Puranik Builders Limited-Employee Stock Options Scheme 2018
Group Companies	Companies with which there were related party transactions as disclosed in the Restated Consolidated Financial Statements under the applicable accounting standards and also other companies as considered material by our Board, as identified in the section entitled “Our Group Companies” on page 215
Independent Director(s)	The independent director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013
IPO Committee	The committee of our Company constituted pursuant to a resolution passed by our Board on September 7, 2021 to facilitate the process of the Issue, as described in “Our Management” on page 189
Key Management Personnel/Key Managerial Personnel/KMP	Key management personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, together with the key managerial personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and as described in “Our Management” on page 189
Materiality Policy	The policy adopted by our Board on September 7, 2021 for (i) determining Group Companies; (ii) material outstanding litigations; and (iii) material creditors, in terms of the SEBI ICDR Regulations and for the purposes of the disclosure in this Draft Red Herring Prospectus
Material Subsidiary	Puranik Buildcon Private Limited has been identified as material subsidiary of our Company in terms of the SEBI Listing Regulations
MoA/Memorandum of Association	The memorandum of association of our Company, as amended from time to time

Term	Description
Nomination and Remuneration Committee/NRC	The nomination and remuneration committee of our Company, constituted in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” on page 189.
Preference Shares	5% redeemable non-convertible preference shares of our Company of face value of ₹10 each
Promoter Group	Persons and entities constituting the promoter group in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations. For further details, see “ <i>Our Promoters and Promoter Group</i> ” on page 209.
Promoters	Promoters of our Company namely, Shailesh Puranik, Shrikant Puranik, Yogesh Puranik, Nilesh Puranik, Puranik Business Private Trust and Puranik Family Private Trust  For further details, see “ <i>Our Promoters and Promoter Group</i> ” on page 209.
Puranik Business Trust	Puranik Business Private Trust
Puranik Family Trust	Puranik Family Private Trust
Registered Office	Registered office of our Company located at PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West) - 400 615
Registrar of Companies/RoC	The Registrar of Companies, Maharashtra located at 100, Everest, Marine Drive, Mumbai-400 002, Maharashtra, India
Restated Consolidated Financial Statements	The consolidated financial information of our Company, which comprises of the restated consolidated Ind AS summary statement of assets and liabilities, the restated consolidated Ind AS summary statement of profit and loss, the restated consolidated Ind AS statement of changes in equity and the restated consolidated Ind AS summary statement of cash flows, for the four month period ended July 31, 2021 and July 31, 2020, and for the Fiscals ended March 31, 2021, March 31, 2020 and March 31, 2019, the significant accounting policies and other information including schedules, notes, and annexures thereto, included in this Draft Red Herring Prospectus, prepared in accordance with Ind AS, the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015 and restated in accordance with Section 26 of the Companies Act, the requirements of SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI, and included in “ <i>Financial Statements</i> ” on page 219.
Selling Shareholders	Ravindra Puranik and Gopal Puranik
Shareholders	Shareholders holding Equity Shares, from time to time
Stakeholder’s Relationship Committee	The stakeholder’s relationship committee of our Company, constituted in accordance with Regulation 20 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” on page 189.
Subsidiaries	The subsidiaries of our Company, in accordance with the Companies Act, 2013 and applicable accounting standards, whose financial statements are consolidated with that of our Company. Such entities are:  Subsidiaries under Companies Act, 2013:  <ol style="list-style-type: none"> <li>1. Puranik Buildcon Private Limited;</li> <li>2. Puranik Buildwell Private Limited<sup>^</sup>;</li> <li>3. Fortune Infracreators Private Limited;</li> <li>4. SYNS Builders Private Limited;</li> <li>5. Shree Riddhi Siddhi Vinayak Developers Private Limited<sup>^</sup>;</li> <li>6. NRP Real Estates Private Limited<sup>#</sup>;</li> <li>7. S.G.P Real Estates Private Limited;</li> <li>8. SHP Real Estates Private Limited;</li> <li>9. Y.G.P Realities Private Limited<sup>#</sup>;</li> <li>10. Ekdant Constructions and Developers Private Limited;</li> <li>11. Puranik Constructions Private Limited<sup>*</sup>; and</li> <li>12. Swapnadhara Project Private Limited<sup>*</sup>.</li> </ol> Subsidiaries under applicable accounting standards <sup>§</sup> :  <ol style="list-style-type: none"> <li>1. Annapurna Lifespaces LLP;</li> <li>2. Sai Pushp Enterprises;</li> <li>3. Sai Shiva Infra Developers;</li> <li>4. Kaushalya Real Estates;</li> <li>5. Puraniks Supreme Enterprises;</li> <li>6. Puranik Megatowns; and</li> <li>7. Sai Shraddha Developers.</li> </ol> For further details, see “ <i>Our Subsidiaries</i> ” on page 176.

Term	Description
	<p><i>*Note: Our Company does not have any direct or indirect holding in this company. Although this company has been consolidated as per Ind AS 110, our Company exercises control over it through its directors and their relatives (entities controlled by directors or relatives of directors)</i></p> <p><i>^Pursuant to a scheme of amalgamation presently pending before the NCLT Mumbai Bench, these entities are in the process of being amalgamated into our Company. The final order from the NCLT Mumbai Bench in this regard, is awaited. For further details please see “History and Certain Corporate Matters” on page 171.</i></p> <p><i>#Presently in the process of strike-off. The final order from the RoC in this respect, is awaited. For further details, see “Our Subsidiaries” on page 176.</i></p> <p><i>§Maitrey Builders &amp; Developers (“Maitrey”) was a subsidiary of our Company as on November 30, 2020 and has accordingly been included as such in the Restated Consolidated Financial Statements. Subsequently, pursuant to a dissolution deed dated December 1, 2020. Maitrey was dissolved as a partnership firm. Accordingly, as on the date of this Draft Red Herring Prospectus, Maitrey is not a subsidiary of our Company.</i></p> <p>Ind AS 110 (Consolidated Financial Statements) requires all entities, including partnerships, which are controlled by an entity to be classified as its subsidiaries for the purposes of preparation and presentation of its consolidated financial statements. Accordingly, Annapurna Lifespaces LLP, Sai Pushp Enterprises, Kaushalya Real Estates, Maitrey Builders and Developers, Puranik Megatowns, Puraniks Supreme Enterprises, Sai Shiva Infra Developers and Sai Shraddha Developers which were entities established as partnership firms or limited liability partnerships by our Company along with other third parties for the purposes of undertaking business operations including construction and development of residential and commercial establishments, have been treated as subsidiaries of our Company for the purposes of preparation and presentation of the Restated Consolidated Financial Statements.</p> <p>However, these entities have operated as and continue to operate (as applicable) under the joint venture model of development. Accordingly, their business activities (as applicable) are referred to as being under the joint venture model in this Draft Red Herring Prospectus although all such entities are classified as subsidiaries and not joint ventures in the Restated Consolidated Financial Statements.</p>

### Issue Related Terms

Term	Description
Acknowledgment Slip	The slip or document issued by the Designated Intermediary(ies) to a Bidder as proof of registration of the Bid
Allotted/Allotment/Allot	Unless the context otherwise requires, the allotment of Equity Shares to successful Bidders pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling Shareholders to the successful Bidders, pursuant to the Issue
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or would be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A QIB, who applies under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus. For further details, see “Issue Procedure” on page 335
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs
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 the Prospectus
Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLMs will not accept any Bids in the Anchor Investor Portion, and allocation to the Anchor Investors shall be completed
Anchor Investor Issue Price	The final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be a price equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs.

<b>Term</b>	<b>Description</b>
Anchor Investor Portion	Up to 60% of the QIB Portion, which may be allocated by our Company and the Selling Shareholders, in consultation with the BRLMs, to Anchor Investors, on a discretionary basis, in accordance with SEBI ICDR Regulations. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by RIIs using the UPI Mechanism, where the Bid Amount shall be blocked upon acceptance of UPI Mandate Request by RIIs using UPI Mechanism.
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form which will be blocked by such SCSB or the account of the RII Bidder blocked upon acceptance of UPI Mandate Request by RIIs using the UPI Mechanism to the extent of the appropriate Bid Amount in relation to a Bid by an ASBA Bidder
ASBA Bidder	Prospective investors (other than Anchor Investors) in the Issue who intend to submit the Bid through the ASBA process
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 and the Prospectus
Bankers to the Issue	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Public Offer Account Bank(s) and the Sponsor Bank, as the case may be
Basis of Allotment	The basis on which the Equity Shares will be Allotted, as described in "Issue Procedure" on page 100
Bid	An indication to make an offer during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of an Anchor Investor Application Form, to purchase our Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form. The term 'Bidding' shall be construed accordingly
Bid Amount	<p>The highest value of the optional Bids as indicated in the Bid cum Application Form and payable by the Anchor Investor or as blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid in the Issue, as applicable.</p> <p>The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹500,000. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000. Only in the event of an under-subscription in the Employee Reservation Portion post the initial allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000. The Eligible Employees applying in the Employee Reservation Portion can apply at the Cut-off Price and the Bid amount shall be Cap Price net of Employee Discount, multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form.</p> <p>In case of Retail Individual Investors Bidding at the Cut-Off Price, the Bid Amount is the Cap Price, multiplied by the number of Equity Shares Bid for by such Retail Individual Investor, and mentioned in the Bid cum Application Form</p>
Bid cum Application Form	The form in terms of which the Bidder shall make a Bid, including an ASBA Form or the Anchor Investor Application Form, as the case may be, and which shall be considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus and the Prospectus
Bid Lot	[●] Equity Shares
Bid/Issue Closing Date	<p>Except in relation to Anchor Investors, the date after which the Designated Intermediaries shall not accept any Bids for the Issue, being [●], which shall be published in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and Mumbai edition of [●] (a widely circulated Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located).</p> <p>Any revision in the Price Band and the revised Bid/Issue 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 websites of the BRLMs, and at the terminals of the Syndicate Member(s) and by an intimation to the Designated Intermediaries and the Sponsor Bank, as applicable.</p>

<b>Term</b>	<b>Description</b>
Bid/Issue Opening Date	Except in relation to Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids for the Issue, being [●], which shall be published in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and Mumbai edition of [●] (a widely circulated Marathi newspaper, Marathi being the regional language of Maharashtra where our Registered Office is located)
Bid/Issue Period	Except in relation to Anchor Investors, the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days during which prospective Bidders (excluding Anchor Investors) can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus.
Bidder/Applicant	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor and Eligible Employee.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, being the Designated Branch for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	The book building process as described in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue Price shall be determined
Book Running Lead Managers	The book running lead managers to the Issue namely, Elara Capital (India) Private Limited and YES Securities (India) Limited
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders (other than Anchor Investors) can submit the Bid cum Application Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges.
CAN/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 Bidding Date
Cap Price	Higher end of the Price Band, above which the Issue Price and Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted (including any revisions thereof)
Cash Escrow and Sponsor Bank Agreement	Agreement dated [●] entered among our Company, the Selling Shareholders, the Registrar to the Issue, the BRLMs and the Bankers to Issue, for <i>inter alia</i> the appointment of the Sponsor Bank, for the collection of the Bid Amounts from the Anchor Investors, transfer of funds to the Public Issue Account, and where applicable remitting refunds, if any, on the terms and conditions thereof
Circulars on Streamlining of Public Issues/UPI Circular	Circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with the circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 circular no. SEBI/HO/CFD/DIL2/CIR/P/2021./2480/1/M dated March 16, 2021, circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any subsequent circulars or notifications issued by SEBI in this regard.
Client ID	Client identification number maintained with one of the depositories in relation to the demat account
Collecting Depository Participants/CDPs	The depository participants, as defined under the Depositories Act, 1996 and registered under Section 12 (1A) of the SEBI Act and who are eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI
Cut-off Price	Issue Price as finalised by our Company and the Selling Shareholders, in consultation with the BRLMs, which may be any price within the Price Band.  Only Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidders' address, names of the Bidders' father/husband, investor status, occupation, PAN, bank account details and UPI ID, wherever applicable.
Designated CDP Locations	Such centres of the Collecting Depository Participants where Bidders (except Anchor Investors) can submit the Bid cum Application Forms. The details of such Designated CDP Locations, along with the names and contact details of the CDPs are available on the respective websites of the Stock Exchanges and updated from time to time
Designated Date	The date on which funds are transferred from the Escrow Account and instructions are given to the SCSBs (in case of RIIs using UPI Mechanism, instructions through the Sponsor Bank)

Term	Description
	to unblock the ASBA Accounts and transfer the amounts blocked by the SCSBs, from the ASBA Accounts, to the Public Issue Account or the Refund Account, as applicable, in terms of the Red Herring Prospectus and the aforesaid transfer and instructions shall be issued only after finalisation of Basis of Allotment in consultation with the Designated Stock Exchange
Designated Intermediaries	<p>In relation to ASBA Forms submitted by RIBs (not using the UPI mechanism) by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.</p> <p>In relation to ASBA Forms submitted by RIBs where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RIB using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs.</p> <p>In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders, Designated Intermediaries shall mean Syndicate, Sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs.</p>
Designated RTA Locations	Such centres of the RTAs where Bidders (except Anchor Investors) can submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchanges ( <a href="http://www.nseindia.com">www.nseindia.com</a> and <a href="http://www.bseindia.com">www.bseindia.com</a> ) and updated from time to time
Designated Stock Exchange	[●]
Draft Red Herring Prospectus/ DRHP	This draft red herring prospectus dated September 20, 2021, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which our Equity Shares will be Allotted and the size of the Issue, including any addenda or corrigenda thereto
Elara	Elara Capital (India) Private Limited
Eligible Employee(s)	<p>All or any of the following:</p> <ol style="list-style-type: none"> <li>i. a permanent and full-time employee of our Company or Subsidiaries (excluding such employees who are not eligible to invest in the Offer under applicable laws), as on the date of filing of the Red Herring Prospectus with the RoC and who continues to be a permanent and full-time employee of our Company or Subsidiaries until the submission of the ASBA Form and is based, working and present in India or abroad as on the date of submission of the ASBA Form and Allotment, including an employee of our Company or Subsidiaries, who is employed against a regular vacancy but, is on probation as on the date of the submission of ASBA Form, will also be deemed to be a 'permanent and full time' employee of our Company or Subsidiaries; or</li> <li>ii. a Director of our Company, whether a whole-time Director or part time Director, (excluding our Promoter and individual members of the Promoter Group and other Directors not eligible to invest in the Issue under applicable laws, rules, regulations and guidelines) as of the date of filing of the Red Herring Prospectus with the RoC and who continues to be a Director until submission of the ASBA Form and is based, working and present in India or abroad as on the date of submission of the ASBA Form and Allotment</li> </ol>
Eligible NRI	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares
Employee Discount	Discount of [●]% (equivalent to ₹[●]) to the Issue Price to Eligible Employees Bidding in the Employee Reservation Portion, as may be decided by our Company and the Selling Shareholders in consultation with the BRLMs and announced at least two Working Days prior to the Bid/Issue Opening Date
Employee Reservation Portion	<p>The portion of the Issue, being up to [●] Equity Shares, aggregating up to ₹[●] million, which shall not exceed 5% of the post-Issue equity share capital of our Company, available for allocation to Eligible Employees, on a proportionate basis.</p> <p>Further, a discount of up to [●]% to the Issue Price (equivalent of ₹ [●] per Equity Share) may be offered to Eligible Employees, bidding in the Employee Reservation Portion in accordance with the SEBI ICDR Regulations and details of which will be announced at least two Working Days prior to the Bid/Issue Opening Date.</p>
Escrow Account	Account opened with Escrow Bank and in whose favour the Anchor Investors will transfer money through direct credit or NACH or NEFT or RTGS in respect of the Bid Amount when submitting a Bid



<b>Term</b>	<b>Description</b>
Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI as Bankers to an issue under the BTI Regulations, and with whom the Escrow Account(s) will be opened, in this case being [●]
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name appears as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revisions thereof, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted, and which shall not be less than the face value of the Equity Shares
Fresh Issue	The fresh issue of up to [●] Equity Shares at ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹5,100 million.
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 Circular, as amended from time to time. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs
Gross Proceeds	The gross proceeds of the Fresh Issue that will be available to our Company
Issue	<p>The initial public offer of up to [●] Equity Shares of face value of ₹10 each for cash at a price of ₹[●] each aggregating up to ₹[●] million, consisting of:</p> <p>(i) Fresh Issue of up to [●] Equity Shares aggregating up to ₹5,100 million;</p> <p>(ii) Offer for Sale of up to 945,000 Equity Shares aggregating up to ₹[●] million by the Selling Shareholders.</p> <p>The Issue, aggregating up to ₹[●] million, comprises a Net Issue to the public of up to [●] Equity Shares and an Employee Reservation Portion of up to [●] Equity Shares for subscription by Eligible Employees.</p> <p>Our Company may, in consultation with the BRLMs, consider undertaking a private placement of Specified Securities for cash consideration aggregating up to ₹1,500 million. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to the Issue size satisfying the minimum issue size requirements under the SCRR. Additionally, in the event the Pre-IPO Placement includes allotment of convertible securities of our Company, the same shall be converted into Equity Shares, prior to the registration of the Red Herring Prospectus.</p>
Issue Agreement	The agreement dated September 20, 2021 as amended amongst our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Price	The final price at which Equity Shares will be Allotted to the successful Bidders (except Anchor Investors), as determined in accordance with the Book Building Process and determined by our Company and the Selling Shareholders, in consultation with the BRLMs, in terms of the Red Herring Prospectus on the Pricing Date
Issue Proceeds	The gross proceeds of this Issue based on the total number of Equity Shares Allotted under this Issue and the Issue Price
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot
Minimum Promoters' Contribution	Aggregate of 20% of the fully diluted post-Issue equity share capital of our Company that are eligible to form part of the minimum promoter's contribution, as required under the provisions of the SEBI ICDR Regulations, held by our Promoters that shall be locked-in for a period of eighteen months from the date of Allotment
Monitoring Agency	[●]
Monitoring Agency Agreement	Agreement dated [●], entered into between our Company and the Monitoring Agency in relation to monitoring of the Net Proceeds
Mutual Fund Portion	5% of the Net QIB Portion or [●] Equity Shares, which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Issue Price
Net Issue	Issue less the Employee Reservation Portion
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Net Proceeds	Gross Proceeds less Issue expenses to the extent applicable to the Fresh Issue
Non-Institutional Investors/NII	All Bidders, that are not QIBs (including Anchor Investors) or Retail Individual Investors or Eligible Employees Bidding in the Employee Reservation Portion, who have Bid for Equity

<b>Term</b>	<b>Description</b>
	Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue, being not less than 15% of the Net Issue or [●] Equity Shares, available for allocation on a proportionate basis to Non-Institutional Investors, subject to valid Bids being received at or above the Issue Price
Offer for Sale	The offer for sale of up to 472,500 Equity Shares by Ravindra Puranik and up to 472,500 Equity Shares by Gopal Puranik, aggregating up to 945,000 Equity Shares
Offered Shares	Up to 945,000 Equity Shares aggregating up to ₹[●] million offered by the Selling Shareholders in the Offer for Sale.
Pre-IPO Placement	A private placement of Specified Securities for cash consideration aggregating up to ₹1,500 million The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to the Issue size satisfying the minimum issue size requirements under the SCRR. Additionally, in the event the Pre-IPO Placement includes allotment of convertible securities of our Company, the same shall be converted into Equity Shares, prior to the registration of the Red Herring Prospectus.
Price Band	Price band of the Floor Price of ₹[●] and a Cap Price of ₹[●], including any revisions thereof.  The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs, and shall be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and the Mumbai edition of Mumbai [●] (a widely circulated Marathi newspaper, Marathi being the regional language of Maharashtra where our Registered Office is located) at least two Working Days prior to the Bid/Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchanges for the purpose of uploading on their websites
Pricing Date	The date on which our Company and the Selling Shareholders, in consultation with the BRLMs, shall finalise the Issue Price
Prospectus	The Prospectus to be filed with the RoC in relation to this Issue, on or after the Pricing Date in accordance with the provisions of Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations, containing the Issue Price, the size of the Issue and certain other information, including any addenda or corrigenda thereto
Public Issue Account	The account opened with the Bankers to the Issue under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account and the ASBA Accounts on the Designated Date
Public Issue Account Bank	The banks with whom the Public Issue Account has been opened for collection of Bid Amounts from Escrow Account and ASBA Account on the Designated Date, in this case being [●]
QIB Portion	The portion of the Issue, being not more than 50% of the Net Issue or [●] Equity Shares to be Allotted to QIBs on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company and the Selling Shareholders, in consultation with the BRLMs), subject to valid Bids being received at or above the Issue Price
Qualified Institutional Buyers/ QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus/RHP	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares shall be Allotted and which will be filed with the RoC at least three Working Days before the Bid/Issue Opening Date and which will become the Prospectus after filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto
Refund Account	Account opened with the Refund Bank from which refunds, if any, of the whole or part of the Bid Amount shall be made to the Bidders, if required
Refund Bank	The bank with whom the Refund Account has been opened, in this case being [●]
Registered Brokers	Stock brokers registered with SEBI and the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of circular number CIR/CFD/14/2012 dated October 14, 2012, issued by SEBI
Registrar Agreement	The agreement dated September 20, 2021, entered into among our Company, the Selling Shareholders and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registrar and Share Transfer Agents/RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the list available on the websites of BSE and NSE

<b>Term</b>	<b>Description</b>
Registrar to the Issue	KFin Technologies Private Limited
Retail Individual Investors/RIIs	Bidders other than Eligible Employees Bidding in the Employee Reservation Portion whose Bid Amount for Equity Shares in the Issue is not more than ₹200,000 in any of the bidding options in the Issue (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Issue, being not less than 35% of the Net Issue or [●] Equity Shares, available for allocation to Retail Individual Investors, which shall not be less than the minimum Bid lot, subject to availability in the Retail Portion
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 and Non-Institutional Investors 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 Investors and Eligible Employees Biding in the Employee Reservation Portion can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date
Self-Certified Banks/SCSBs Syndicate	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> and <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> , or such other website as may be prescribed by SEBI from time to time.  Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) 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 number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> , as updated from time to time.
Share Escrow Agent	Escrow agent to be appointed pursuant to the Share Escrow Agreement, namely [●]
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 and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders, and in case of RIIs, only ASBA Forms with UPI
Specified Securities	Equity Shares and/or convertible securities of our Company, including but not limited to convertible debentures and/or convertible preference shares
Sponsor Bank	The Banker to the Issue registered with SEBI to be appointed by our Company to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to make the mandate collect requests and/or payment instructions of the RIIs using the UPI and carry out any other responsibilities, in terms of the Circular on Streamlining of Public Issues, in this case being [●]
State Government	The government of a state in India
Stock Exchanges	Collectively, BSE Limited and National Stock Exchange of India Limited
Syndicate Agreement	The agreement to be entered into among the members of the Syndicate, our Company and the Selling Shareholders in relation to the collection of Bid cum Application Forms by the Syndicate Members (other than Bids directly submitted to the SCSBs under the ASBA process and Bids submitted to the Registered Brokers at the Broker Centres)
Syndicate Member(s)	Intermediaries registered with the SEBI who are permitted to accept bids, applications and place orders with respect to the Issue, and carry out activities as an underwriter, as may be appointed by our Company, in consultation with the BRLMs, in this case being [●]
Syndicate or members of the Syndicate	Collectively, the BRLMs and the Syndicate Member(s)
Systemically Important Non-Banking Financial Company or NBFC-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations, as a non-banking financial company registered with the RBI and recognised as a systemically important non-banking financial company by the RBI.
Underwriters	The underwriters to be appointed in terms of the Underwriting Agreement
Underwriting Agreement	The agreement to be entered into among our Company, the Selling Shareholders and the Underwriters on or after the Pricing Date but prior to filing of the Prospectus

Term	Description
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI mobile application (such mobile applications as disclosed by SCSBs on the website of SEBI) and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that may be used by an RII to make a Bid in the Issue in accordance with the Circular on Streamlining of Public Issues
UPI PIN	Password to authenticate UPI transaction
Working Day(s)	Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai are open for business, provided however, with reference to (a) announcement of Price Band; and (b) Bid/Issue Period, “Working Day” shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) period between the Bid/Issue Closing Date and the 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, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and the Circular on Streamlining of Public Issues
YES	YES Securities (India) Limited

### Conventional and General Terms and Abbreviations

Term	Description
AIF(s)	Alternative Investment Funds, as defined in, and registered under the SEBI AIF Regulations
Air Act	Air (Prevention and Control of Pollution) Act, 1981
AS	Accounting standards referred to in the Companies (Accounting Standards) Rules, 2006 issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CGST Act, 2017	Central Goods and Services Tax Act, 2017
CIN	Corporate Identity Number
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act / Companies Act, 2013	Companies Act, 2013, read with the rules, regulations, notifications, clarifications and modifications thereunder
Competition Act	Competition Act, 2002
COVID – 19	Pandemic caused due to the worldwide spread of the novel coronavirus disease
CPC	Code of Civil Procedure, 1908
CSR	Corporate Social Responsibility
Demat	Dematerialised
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India earlier known as Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
DP ID	Depository Participant’s Identity number
Environment Act	Environment (Protection) Act, 1986
EPF Act	Employees’ Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees’ State Insurance Act, 1948
ESOP	Employee stock option plan
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
FEMA	The Foreign Exchange Management Act, 1999 read with rules, regulations, notifications, circulars and directions thereunder
FEM Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019

Term	Description
Finance Act	Finance Act, 2021
Financial Year/Fiscal/Fiscal Year	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
Fire Safety Act	Maharashtra Fire Prevention and Life Safety Measures Act, 2006
FPIs	Foreign Portfolio Investors, as defined and registered with SEBI under SEBI FPI Regulations
FVCI	Foreign venture capital investors as defined and registered with SEBI under the SEBI FVCI Regulations
GAAR	General Anti-Avoidance Rules
GDP	Gross Domestic Product
GoI/Central Government/ Government	The Government of India
GST	Goods and services tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IGST Act, 2017	Integrated Goods and Services Tax Act, 2017
Income Tax Act	Income Tax Act, 1961
Ind AS	Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as notified under Rule 3 of Companies (Indian Accounting Standard) Rules, 2015
INR/Rupee/₹/Rs.	Indian Rupee, the official currency of the Republic of India
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IRDAI Investment Regulations	Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016
IT	Information Technology
LLP	Limited Liability Partnership
Maharashtra Establishment Act	Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 read with rules
MCA	Ministry of Corporate Affairs, GoI
Mn	Million
MoEF	Ministry of Environment, Forest and Climate Change
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A.	Not applicable
NCDs	Non-convertible debentures
NPCI	National Payments Corporation of India
NR/Non-resident	A person resident outside India, as defined under FEMA and includes NRIs, FVCIs and FPIs
NRI	Non-Resident Indian as defined under the FEM Rules
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RERA	The Real Estate (Regulation and Development) Act, 2016 and rules made thereunder
SBO Rules	Companies (Significant Beneficial Owners) Rules, 2018
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SE Act	Shops and establishment legislations as enacted by various state governments
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI ESOP Regulations 2014	Erstwhile Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
SEBI SBEB Regulations 2021	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000

<b>Term</b>	<b>Description</b>
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SGST Act, 2017	State Goods and Services Tax Act, 2017, as enacted by various state governments
STT	Securities Transaction Tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Trademarks Act	Trademarks Act, 1999
UPI	Unified Payments Interface, a payment mechanism that allows instant transfer of money between any two persons bank account using a payment address which uniquely identifies a person's bank account
U.S. Securities Act	U.S. Securities Act of 1933, as amended
US\$/USD/US Dollar	United States Dollar, the official currency of the United States of America
USA/U.S./US/United States	United States of America
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
Water Act	The Water (Prevention and Control of Pollution) Act, 1974

### Industry Related Terms

<b>Term</b>	<b>Description</b>
C&W	Cushman & Wakefield India
C&W Report	Industry Research Report – Mumbai & Pune (Residential and Commercial Real Estate) dated September 2021 prepared and issued by Cushman & Wakefield India, commissioned by the Company
Capital employed	Sum of long-term borrowings, current maturities of long-term borrowings, unsecured loans, shareholders' equity, other equity and non-controlling interest
CC	Commencement certificate
Completed Project	Projects where the Company and/or subsidiaries of the Company and/ or associates/ joint ventures of the Company (as applicable) have completed development; and in respect of which the occupancy/completion certificate, as applicable, has been obtained
Debt to Equity Ratio	Ratio of total outstanding indebtedness which includes long-term borrowings, current maturities of long-term borrowings and unsecured loans to the sum of shareholders' equity, other equity and non-controlling interest
Developable Area	Developable area is the total construction area of the project. This is inclusive of the total built-up area as per floor space index and the area which is not included in the floor space index such as balconies, cupboards, staircases, passages, service areas, clubhouse, podiums, amenities, according to the prevailing rules and regulations of the sanctioning authority
DM model	Development management model
EBITDA	Earnings before interests, taxes, depreciation and amortization excluding other income
EBITDA margins	EBITDA as a percentage of revenue from operations.
Forthcoming Project	Projects in respect of which (i) all title or development rights or other interest in the land is held either directly or indirectly by the Company/subsidiaries of the Company/associates/joint ventures of the Company (as applicable) or where development right agreements are in the process of execution; (ii) preliminary management development plans are in place; (iii) requisite applications for approvals and conversion of usage, if applicable, have been made; and (iv) architects have been identified and they have commenced planning
JD model	Joint development model arrangements entered into with landowners
Karvy Insights Survey	Brand health study conducted by Karvy Insights Limited as commission by the Company. The study was conducted from April 26, 2018 to May 11, 2018 and was directed at a specific target group comprising recent property buyers and intended property buyers, located in central Mumbai, western Mumbai, Navi Mumbai and western Pune. The study was conducted by way of purposive sampling
Land Reserves	Land reserves comprise land on which any of the Company/subsidiaries of the Company/associates/joint ventures of the Company (as applicable) owns development rights/MoU/ similar documents, but on which the Company/subsidiaries of the Company/associates/joint ventures of the Company (as applicable) have not planned any construction or development as of the date of the Red Herring Prospectus

<b>Term</b>	<b>Description</b>
MHADA	Maharashtra Housing and Area Development Authority
MMR	Mumbai Metropolitan Region
Net worth	Sum of shareholders' equity and other equity i.e., reserves and surplus excluding non-controlling interest
OC	Occupancy certificate
Ongoing Project	Projects in respect of which (i) all title or development rights, or other interest in the land is held either directly or indirectly by the Company/subsidiaries of the Company/associates/joint ventures of the Company (as applicable); (ii) development work is ongoing/ started; and (iii) the requisite approvals for commencement of development have been obtained
Operating profit (EBIT)	Operating profit is the profit before tax, interest excluding other income
Plot Area	Total area of land inside boundary measured in square meters/ square feet/ acres.
PMR	Pune Metropolitan Region
Real Estate Guidance Note	Guidance Note on Accounting for Real Estate Transactions issued by the ICAI
RERA Carpet Area	The net usable floor area of an apartment, excluding the area covered by external walls, areas under services shafts, exclusive balcony or verandah area and exclusive open terrace area, but includes the area covered by the internal partition walls of the apartment
ROCE	Proportion of operating profit (EBIT) as a percentage of capital employed
ROE	Proportion of net income excluding net profit pertaining to non-controlling interest as a percentage of net worth
Saleable RERA Carpet Area	RERA Carpet Area available for sale
TDR	Transferable development rights

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, the SEBI Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder.

## CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

All references to “India” contained in this Draft Red Herring Prospectus are to the Republic of India. All references to the “Government”, “Indian Government”, “GOP”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

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.

### Financial Data

Unless stated or the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from the Restated Consolidated Financial Statements. The Restated Consolidated Financial Statements for the four months period ended July 31, 2021 and July 31, 2020, and for the Fiscals 2021, 2020 and 2019 have been prepared in accordance with Ind AS, Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and have been restated in accordance with Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI. For further information, see “*Financial Information*” on page 219. Certain other financial information pertaining to our Group Companies is derived from their respective financial statements.

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year or fiscal 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. Unless the context requires otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year and references to a Fiscal/Fiscal Year are to the year ended on March 31, of that calendar year.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 26, 132 and 269, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Consolidated Financial Statements of our Company.

Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Ind AS 110 (Consolidated Financial Statements) requires all entities, including partnerships, which are controlled by an entity to be classified as its subsidiaries for the purposes of preparation and presentation of its consolidated financial statements. Accordingly, Annapurna Lifespaces LLP, Sai Pushp Enterprises, Kaushalya Real Estates, Maitrey Builders and Developers\*, Puranik Megatowns, Puraniks Supreme Enterprises, Sai Shiva Infra Developers and Sai Shraddha Developers which were entities established as partnership firms or limited liability partnerships by our Company along with other third parties for the purposes of undertaking business operations including construction and development of residential and commercial establishments, have been treated as subsidiaries of our Company for the purposes of preparation and presentation of the Restated Consolidated Financial Statements.

*\*Maitrey Builders & Developers (“Maitrey”) was dissolved and ceased to exist as a subsidiary w.e.f. December 1, 2020.*

However, these entities have operated as and continue to operate (as applicable) under the joint venture model of development. Accordingly, their business activities (as applicable) are referred to as being under the joint venture model in this Draft Red Herring Prospectus although all such entities are classified as subsidiaries and not joint ventures in the Restated Consolidated Financial Statements.

### Industry and Market Data



Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from publicly available information as well as industry publications and sources.

Information has been included in this Draft Red Herring Prospectus based on (i) the report titled “*Industry Research Report, Mumbai & Pune (Residential & Commercial Real Estate)*” dated September 2021, that we have commissioned from Cushman & Wakefield India Private Limited (“**C&W Report**”); (ii) the Karvy Insights Survey, and the report prepared and issued by Karvy Insights Limited as part of their survey, titled “*Brand Health & Campaign Evaluation Study-Research Report*” dated May, 2018, commissioned by our Company; and (iii) other publicly available documents and information, including, but not restricted to materials issued or published by the Government of India and certain of its ministries, trade, and industry specific publications, and other relevant third-party sources. For details of risks in relation to the C&W Report and the Karvy Insights Survey, see “*Risk Factors – Industry information included in this Draft Red Herring Prospectus has been derived from an industry report commissioned by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate*” on page 51.

Industry publications generally state that the information contained in such publications has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured and accordingly, investment decisions should not be on such information. Although we believe that the industry and market data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by us, the Selling Shareholders, the BRLMs or any of our or their respective affiliates or advisors and none of these parties make any representation as to the accuracy of this information. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable.

The extent to which the market and industry data presented in this Draft Red Herring Prospectus is meaningful depends upon 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 the business of our Company is conducted, and methodologies and assumptions may vary widely among different market and industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 26. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, the section “*Basis for the Issue Price*” on page 100 includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we nor the BRLMs have independently verified such information.

### **Currency and Units of Presentation**

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

In this Draft Red Herring Prospectus, our Company has presented information related to land in various units. The conversion ratio of such units is as follows:

- 1 square metre = 10.764 square feet;
- 1 acre = 4,046.86 square metre = 43,560.00 square feet; and
- 1 hectare = 10,000 square metre = 107,639.10 square feet

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in millions. One million represents ‘0.1 crore’, ‘10 lakhs’ or 1,000,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in their respective sources.

### **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 requirements of the SEBI ICDR Regulations. These conversions should not be construed as a representation that such currency amounts could have been, or can be converted into Indian Rupees, at any particular rate, or at all.

The exchange rates of certain currencies used in this Draft Red Herring Prospectus into Indian Rupees for the periods indicated are provided below:

*(in ₹)*

Currency	Exchange rate as on				
	July 31, 2021 <sup>(1)</sup>	March 31, 2021 <sup>(1)</sup>	July 31, 2020 <sup>(1)</sup>	March 31, 2020 <sup>(1)</sup>	March 31, 2019 <sup>(1)</sup>
1 USD	73.39	73.50	74.77	75.39	69.17

*#Source: www.fbil.org.in.*

*Note:*

*<sup>(1)</sup> In the event that March 31, July 31 of any of the respective years is a public holiday, the previous calendar day not being a public holiday has been considered.*

## FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements include statements which can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “likely to”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “seek to”, “will pursue”, or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans or goals are also forward-looking statements.

These forward-looking statements, whether made by us or a third-party, are based on our current plans, estimates, presumptions and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

This may be due to risks or uncertainties or assumptions associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates 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 our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in the industry and incidence of any natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- Continuing and unpredictable impact of COVID-19;
- Heavy dependence of the performance of, and the conditions affecting, the real estate markets in the MMR and the PMR;
- Ability to anticipate and respond to consumer preference and requirements in the residential real estate market;
- Uncertainty in the title of our real estate assets;
- Ability to complete our projects by the expected completion dates;
- Inability to successfully identify and acquire suitable land parcels;
- Increase in price of land; and
- Availability of real estate financing on acceptable terms or at all.

For a further discussion of factors that could cause our actual results to differ from our expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 26, 132 and 269, 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 future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

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

Forward-looking statements reflect the current views of our Company as on the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management’s belief 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 as well as statements based on them could prove to be inaccurate. Neither our Company, the Selling Shareholders, our Promoters, our Directors, the BRLMs, 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 regulatory requirements, our Company will ensure that investors in India are informed of material developments from the date of filing of this Draft Red Herring Prospectus with the RoC until receipt of final listing and trading approvals by the Stock Exchanges for this Issue. The Selling Shareholders shall ensure that they will keep our Company and the BRLMs informed of all developments pertaining to Offered Shares and themselves, that may be material from the context of the Issue.

## SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of certain disclosures included in this Draft Red Herring Prospectus 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 the sections titled “Risk Factors”, “Our Business”, “Industry Overview”, “Capital Structure”, “The Issue” and “Outstanding Litigation and Other Material Developments” beginning on pages 26, 132, 106, 80, 63 and 302, respectively of this Draft Red Herring Prospectus.

### Summary of Business

We are among the prominent residential real estate developers in Mumbai Metropolitan Region (“MMR”) and Pune Metropolitan Region (“PMR”) based on number of units currently being marketed in these regions. We are also among the leading residential real estate developers in the growing Thane region of MMR based on the projects currently being marketed and corresponding units sold (Source: C&W Report). We have a longstanding presence of over 31 years in the real estate market in India, developing residential projects in the mid-income affordable housing segment in the MMR and the PMR real estate markets.

### Summary of Industry

India’s current population provides a huge base for India’s real estate sector, especially in tier 1 cities such as Mumbai and Pune owing to rapid urbanization.

The affordable and mid-income housing continue to account for the largest share in new unit launches and accounted for 88% of the share in 2020. The increase in share can be attributed to the government’s efforts towards affordable and mid-income (AMI) housing coupled with consistent demand in the segment, especially from the end-users. The AMI segment is the largest segment and is expected to continue to be the largest segment in the coming years.

### Name of Promoters

Our Promoters are Shailesh Puranik, Shrikant Puranik, Yogesh Puranik, Nilesh Puranik, Puranik Business Private Trust and Puranik Family Private Trust. For details, see “Our Promoters and Promoter Group” on page 209.

### Issue Size

Issue of Equity Shares <sup>#</sup>	Up to [●] Equity Shares, aggregating up to ₹[●] million
<i>of which:</i>	
Fresh Issue <sup>(1)</sup>	Up to [●] Equity Shares, aggregating up to ₹5,100.00 million
Offer for Sale <sup>(2)</sup>	Up to 945,000 Equity Shares, aggregating up to ₹[●] million
<i>of which:</i>	
Employee Reservation Portion <sup>(3)</sup>	Up to [●] Equity Shares, aggregating up to ₹[●] million

<sup>#</sup>Our Company may, in consultation with the BRLMs, consider undertaking a private placement of Specified Securities for cash consideration aggregating up to ₹ 1,500 million. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to the Issue size satisfying the minimum issue size requirements under the SCRR.

#### Notes:

- (1) The Issue has been authorised by a resolution passed by our Board of Directors in their meeting held on September 7, 2021. Our Shareholders vide a special resolution passed in their extraordinary general meeting held on September 13, 2021, authorised the Issue.
- (2) Ravindra Puranik and Gopal Puranik, the Selling Shareholders, have consented to participate in the Offer for Sale. Each of the Selling Shareholders have specifically confirmed that their respective portion of the Offered Shares, have been held by each one of them for a period of at least one year prior to the filing of the Draft Red Herring Prospectus and are accordingly eligible for being offered for sale in the Issue as required by the SEBI ICDR Regulations.

- (3) Our Company and the Selling Shareholders, in consultation with the BRLMs, may offer a discount of up to [●]% (equivalent to ₹[●] per Equity Share) on the Issue Price to the Eligible Employees Bidding under the Employee Reservation Portion, respectively. The amount of Employee Discount will be advertised in all newspapers wherein the pre-Issue advertisement will be published. For further details, see “Issue Procedure” on page 335. Unless the Employee Reservation Portion is under-subscribed, the value of allocation to an Eligible Employee shall not exceed ₹200,000. In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for value exceeding ₹200,000 up to ₹500,000 (net of Employee Discount). Any unsubscribed portion remaining in the Employee Reservation Portion shall be added to the Net Issue and be subject to compliance with Regulation 6(1) of the SEBI ICDR Regulations. In case of under-subscription in the Net Issue (other than in the QIB Category), spill over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion subject to compliance with Regulation 6(1) of the SEBI ICDR Regulations and Rule 19(2)(b) of the SCRR.

For further details, please see “Issue Structure” on page 326.

## Objects of the Issue

The Net Proceeds are proposed to be utilised towards the following Objects:

(in ₹ million)

Objects	Amount
Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company on a consolidated basis	3,620.00
General corporate purposes*	[●]

\*To be determined upon finalisation of the Issue 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.

## Pre-Issue shareholding of Promoters, Promoter Group and Selling Shareholders

Sr. No.	Name of shareholder	Pre-Issue	
		Number of Equity Shares	Percentage of paid-up equity share capital (%)
<b>(A) Promoters</b>			
1.	Shailesh Puranik	6,376,270	11.06
2.	Shrikant Puranik	2,941,277	5.10
3.	Yogesh Puranik	2,940,775	5.10
4.	Nilesh Puranik	6,267,356	10.87
5.	Puranik Business Trust <sup>(1)</sup>	18,596,195	32.26
6.	Puranik Family Trust <sup>(2)</sup>	19,340,044	33.55
	<b>Total (A)</b>	<b>56,461,917</b>	<b>97.94</b>
<b>(B) Promoter Group</b>			
1.	Gopal Puranik*	593,880	1.03
2.	Ravindra Puranik*	592,410	1.03
	<b>Total (B)</b>	<b>1,186,290</b>	<b>2.06</b>
	<b>Total (A+B)</b>	<b>57,648,207</b>	<b>100.00</b>

\* Selling Shareholders participating in the Offer for Sale.

(1) 18,596,195 Equity Shares are held by Puranik Business Trust, acting through its trustees, namely Shailesh Puranik, Shrikant Puranik, Yogesh Puranik and Nilesh Puranik.

(2) 19,340,044 Equity Shares are held by Puranik Family Trust, acting through its trustees, namely Shailesh Puranik, Shrikant Puranik, Yogesh Puranik and Nilesh Puranik.

## Summary of Financial Information

(in ₹ million)

Particulars	As at and for the four-month period ended July 31, 2021	As at and for the four-month period ended July 31, 2020	As at and for the Fiscal		
			2021	2020	2019
Share Capital	576.48	576.48	576.48	576.48	576.48
Net Worth	3,529.72	3,032.60	3,367.28	3,029.05	2,588.63
Revenue (Total Income)	1,911.30	423.82	5,135.60	7,302.40	7,212.30
Profit After Tax	175.26	3.94	363.03	512.29	712.70
Earnings per share					

Particulars	As at and for the four-month period ended July 31, 2021	As at and for the four-month period ended July 31, 2020	As at and for the Fiscal		
			2021	2020	2019
- Basic	2.97	0.14	6.08	7.72	10.70
- Diluted	2.97	0.14	6.08	7.72	10.70
Net Asset Value per Equity Share	61.23	52.61	58.41	52.54	44.90
Total Borrowings (as per balance sheet)	13,667.43	13,371.69	13,544.44	12,858.10	12,388.44

### Qualifications of the Auditors

There are no qualifications by the Auditors which have not been given effect to in the Restated Consolidated Financial Statements.

### Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company, the Subsidiaries, the Directors and the Promoters have been set out below:

Sr. No.	Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/Regulatory proceedings	Material civil litigation*	Aggregate amount involved (₹ million)
1.	<b>Company</b>					
	By the Company	2	Nil	Nil	1	1,608.89**
	Against the Company	Nil	12	Nil	4	358.30**
2.	<b>Subsidiaries</b>					
	Against the Subsidiaries	4	20	Nil	8	354.63**
3.	<b>Directors</b>					
	Against the Directors	Nil	6	Nil	1	0.20
4.	<b>Promoters</b>					
	Against the Promoters	Nil	6	Nil	Nil	0.20

\*Outcome of certain material civil cases, wherein our Company or our Subsidiaries are not directly involved, could have a material adverse impact on our Company and our Subsidiaries. For further information, see "Outstanding Litigation and Other Material Developments – Other Material Outstanding Litigations" on page 302.

\*\*To the extent quantifiable.

For further details of the outstanding litigation proceedings, see "Outstanding Litigation and Other Material Developments" beginning on page 302.

### Risk Factors

Please see "Risk Factors" beginning on page 26.

### Summary of Contingent Liabilities of our Company

As of July 31, 2021, our contingent liabilities that have not been provided for were as follows:

Particulars	Amount (₹ million)
Guarantees given by Bank, counter guaranteed by the Company	18.84
Claims under Direct and Indirect Taxes	272.05
Claims not acknowledged as debts represent cases filed by parties in the Consumer forum, Civil Court and High Court and disputed by the Company as advised by our advocates. In the opinion of the management the claims are not sustainable	415.96
<b>Total</b>	<b>706.85</b>

For further information on our contingent liabilities, see "Financial Statements" on page 219.

## Summary of Related Party Transactions

Summary of the related party transactions as per Ind AS 24 - Related Party Disclosures derived from the Restated Consolidated Financial Statements are as follows:

(in ₹ million)

Sr. No.	Particulars	Relationship	As at and for the four-month period ended July 31, 2021	As at and for the four-month period ended July 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
1	<b>Directors &amp; Managerial Remuneration</b>	Shailesh Puranik	2.16	0.77	4.91	9.00	10.80
		Shrikant Puranik	2.16	0.77	4.91	9.00	10.80
		Yogesh Puranik	2.16	0.77	4.91	9.00	10.80
		Nilesh Puranik	2.16	0.77	4.91	9.00	10.80
		Jitendra Mehta	-	1.12	1.91	8.86	10.96
		Amitabh Kumar	-	0.31	0.31	7.54	8.03
		Harshad Hardikar	-	0.88	2.07	8.07	9.27
		Vikram Phatarpekar	0.32	-	0.83	-	-
		Vinaysagar Donakanty	1.23	-	0.98	-	-
		Ritu Baheti	0.40	0.21	0.97	1.15	1.33
2	<b>Hire Charges</b>	Rhujuta Puranik	-	-	-	0.56	-
		Jayshree Hardikar	-	0.01	0.01	0.30	0.30
		MnS Clinics Private Limited	0.64	0.21	1.46	1.90	2.20
		Prakalpan Services	-	-	0.07	0.36	1.15
		Rachna Dhar Services	-	-	-	0.70	0.94
3	<b>Remuneration / Salary</b>	Trupti Puranik	0.13	0.15	0.39	1.45	1.08
		Rhujuta Puranik	-	-	1.65	1.17	0.27
		Namrata Puranik	0.09	-	0.24	0.36	0.36
		Varsha Puranik	-	-	-	0.18	0.18
		Ravindra D. Puranik	-	-	0.09	1.80	1.80
		Gopal D. Puranik	0.34	-	0.81	1.80	1.80
		Deepa Potnis	0.08	0.05	0.25	0.30	0.30
		Nilambari Puranik	0.07	-	0.15	-	0.66
		Sudha Puranik	-	0.03	0.23	0.60	0.60
Akhil Puranik	0.22	0.11	0.49	0.63	0.66		
4	<b>Labour Charges</b>	Elements	2.08	-	0.66	2.27	7.25
		Studio Elements	-	-	0.40	13.46	13.16
5	<b>Professional Fees</b>	Jitendra S Mehta HUF	-	0.42	0.42	5.90	5.90
6	<b>Purchase of Materials</b>	Elements	0.21	0.04	0.75	19.21	9.95
		Urja Solar	3.35	-	0.90	0.79	10.01
7	<b>Loans Taken</b>	Shailesh Puranik	-	-	8.78	12.05	-
		Shrikant Puranik	-	-	4.57	4.17	-
		Yogesh Puranik	-	-	1.74	-	-
		Nilesh Puranik	-	-	2.00	4.17	-
8	<b>Advances given</b>	Studio Elements	-	-	0.30	1.66	-
		Rachana Dhar Services	-	-	0.13	-	-
		Elements	-	0.02	-	-	-
		Urja Solar	-	0.45	2.50	0.84	-
9	<b>Other Current Financial Liabilities</b>	Shailesh Puranik	15.22	10.75	15.47	11.20	1.77
		Shrikant Puranik	15.15	10.85	15.18	10.63	6.87
		Yogesh Puranik	9.24	8.13	9.19	8.22	7.66
		Nilesh Puranik	17.18	16.55	17.46	16.58	9.97
		Ravindra Puranik	1.04	1.16	1.04	1.22	1.22
		Gopal Puranik	0.24	0.28	0.24	0.39	0.40

Sr. No.	Particulars	Relationship	As at and for the four-month period ended July 31, 2021	As at and for the four-month period ended July 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
		Sudha Puranik	10.00	10.00	10.00	10.00	10.00
		Puranik Govind Damodar HUF	6.33	6.33	6.33	6.33	6.33
		The Vivekanand Housing Organisation	10.16	10.16	10.16	10.16	-
		Tristar Exports	2.48	2.48	2.48	2.48	-
		MnS Clinics Private Limited	-	-	-	-	(1.01)
		Puranik Homes Private Limited	-	(0.06)	-	(0.06)	(0.16)
10	<b>Trade Payables / Expenses Payable</b>	Elements	2.19	0.04	0.43	0.14	1.81
		Urja Solar	0.11	(2.33)	(4.38)	(1.88)	-
		Prakalpan Services	0.20	0.14	0.20	0.14	-
		Rachna Dhar Services	0.10	0.23	0.10	0.23	(0.09)
		Raikar Engineer	0.28	0.28	0.28	0.28	0.28
		Madhav Associates	0.26	0.26	0.26	0.26	-
		The Vivekanand Housing Corporation	(0.72)	(0.72)	-	(0.72)	-
		Studio Elements	(8.30)	(8.30)	(8.60)	(8.30)	-
		Nilambari Puranik	0.03	0.01	-	0.01	-
		Rhujuta Puranik	-	-	0.13	0.13	-
		Namrata Puranik	-	-	0.03	0.03	-
		Deepa Potnis	0.00	-	-	0.02	-
		Varsha Puranik	-	-	-	0.02	-
		Sudha Puranik	0.00	0.03	0.03	0.05	-
		Trupti Puranik	0.02	0.14	0.06	0.14	-
		Ravindra D. Puranik	0.09	-	0.09	0.14	-
		MNS Clinic Private Limited	0.01	0.21	0.15	0.00	-
		Shrikant Puranik	-	-	0.33	-	-
		Yogesh Puranik	-	-	0.03	-	-
		Nilesh Puranik	-	-	0.38	-	-
		Gopal D. Puranik	0.05	-	0.16	0.14	-
11	<b>Guarantee Taken</b>	Shailesh Puranik					
		Shrikant Puranik					
		Yogesh Puranik	15,450.00	16,150.00	15,450.00	16,150.00	13,650.00
		Nilesh Puranik					
		Shailesh Puranik					
		Shrikant Puranik					
		Yogesh Puranik	600.00	850.00	600.00	850.00	851.56
		Nilesh Puranik					
		Gopal Puranik					
		Ravindra Puranik					
		Shailesh Puranik	4,250.00	4,260.00	4,250.00	4,260.00	4,260.00
		Shrikant Puranik					
		Shailesh Puranik	-	0.79	-	0.79	0.79
		Yogesh Puranik					
		Shrikant Puranik	120.00	120.00	120.00	120.00	-

For details of the related party transactions and as reported in the Restated Consolidated Financial Statements, see “Financial Statements”, beginning on page 219.



## Financing Arrangements

Our Promoters, members of our Promoter Group, our Directors and their relatives have not financed the purchase by any other person of securities of our Company other than in the normal course of the business by a financing entity during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

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

Our Promoters have not acquired any Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus. The Selling Shareholders have not acquired any Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

## Average Cost of Acquisition

The average cost of acquisition per Equity Share to the Promoters (including the Selling Shareholders) as at the date of this Draft Red Herring Prospectus is:

Name of persons	Number of Equity Shares	Average cost of acquisition per Equity Share (in ₹) #
<b>Promoters</b>		
Shailesh Puranik	6,376,270	17.08
Shrikant Puranik	2,941,277	15.93
Yogesh Puranik	2,940,775	15.93
Nilesh Puranik	6,267,356	17.11
Puranik Business Trust <sup>(1)</sup>	18,596,195	Nil
Puranik Family Trust <sup>(2)</sup>	19,340,044	Nil
<b>Other than Promoters</b>		
Gopal Puranik*	593,880	3.27
Ravindra Puranik*	592,410	3.27

\*Selling Shareholders participating in the Offer for Sale.

# As certified by Sanjay Rane & Associates, Chartered Accountants, the Statutory Auditors of the Company, by way of their certificate dated September 20, 2021 .

### Notes:

- (1) 18,596,195 Equity Shares are held by Puranik Business Trust, acting through its trustees, namely Shailesh Puranik, Shrikant Puranik, Yogesh Puranik and Nilesh Puranik.
- (2) 19,340,044 Equity Shares are held by Puranik Family Trust, acting through its trustees, namely Shailesh Puranik, Shrikant Puranik, Yogesh Puranik and Nilesh Puranik.

## Details of pre-IPO Placement

Size of the Pre-IPO placement and allottees, upon completion of the placement	Our Company may, in consultation with the BRLMs, consider undertaking a private placement of Specified Securities for cash consideration aggregating up to ₹1,500 million. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from Pre-IPO Placement will be reduced from the Fresh Issue, subject to the Issue Size satisfying the minimum issue size requirements under the SCRR. Additionally, in the event the Pre-IPO Placement includes allotment of convertible securities of our Company, the same shall be converted into Equity Shares, prior to the filing of the Red Herring Prospectus.
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## 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 one year preceding the date of this Draft Red Herring Prospectus.

## Split / Consolidation of equity shares of our Company in the last one year

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

## SECTION II - RISK FACTORS

*An investment in equity shares involves a high degree of risk. Investors should carefully consider all the information in the Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, but also to the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 132 and 269, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Issue including the merits and risks involved. Potential investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section.*

*This Draft Red Herring Prospectus also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ 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 information, see “Forward-Looking Statements” on page 19.*

*Unless otherwise indicated, the financial information included herein is based on our Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus. For further information, see “Financial Statements” on page 219. We have, in this Draft Red Herring Prospectus, included various operational and financial performance indicators, some of which may not be derived from our Restated Consolidated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditor. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other real estate companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Consolidated Financial Statements and other information relating to our business and operations included in this Draft Red Herring Prospectus.*

*Unless the context otherwise requires, in this section, references to “we”, “us”, or “our” refers to Puranik Builders Limited on a consolidated basis and references to “the Company” or “our Company” refers to Puranik Builders Limited on a standalone basis.*

*Ind AS 110 (Consolidated Financial Statements) requires all entities, including partnerships, which are controlled by an entity to be classified as its subsidiaries for the purposes of preparation and presentation of its consolidated financial statements. However, these entities have operated as and continue to operate under the joint venture model of development. Accordingly, their business activities are referred to as being under the joint venture model in this section of the Draft Red Herring Prospectus, although all such entities are classified as subsidiaries and not joint ventures in the Restated Financial Statements. See “Certain Conventions, Presentation of Financial, Industry and Market Data” on page 16.*

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular, the report “Industry Research Report, Mumbai & Pune (Residential & Commercial Real Estate)” dated September 2021 (the “C&W Report”) prepared and issued by Cushman & Wakefield India Private Limited commissioned by us. Unless otherwise indicated, all financial, operational, industry and other related information derived from the C&W Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

### **Internal Risk Factors**

#### **Risks relating to our business**

***1. The COVID-19 pandemic adversely affects our business, financial condition, results of operations, cash flows, liquidity and performance, and it may reduce the demand for our projects in future.***

In the first half of 2020, COVID-19 spread to a majority of countries across the world, including India. The COVID-19 pandemic has had, and may continue to have, repercussions across local, national and global economies and financial markets. In particular, a number of governments and organizations have revised GDP growth forecasts for 2020 downward in response to the economic slowdown caused by the spread of COVID-19, and it is possible that the COVID-19 pandemic may cause a prolonged global economic crisis or recession.

The global impact of the COVID-19 pandemic has been rapidly evolving and public health officials and governmental authorities have reacted by taking measures, such as prohibiting people from assembling, instituting quarantines, restricting travel, issuing “stay-at-home” orders and restricting the types of businesses that may continue to operate, among many others. On March 14, 2020, India declared COVID-19 as a “notified disaster” and imposed a nationwide lockdown on all services except for essential services from March 25, 2020 for three weeks, which was subsequently extended to May 31, 2020. Factors related to the COVID-19 pandemic, or a future pandemic, that could have an adverse impact on our financial condition, results of operations and cash flows, include:

- a complete or partial closure of, or other operational issues at, one or more of our construction sites, resulting from government action; while operations at all of our construction sites were suspended due to the government directives, we have been able to resume operations at majority of our construction sites with certain restrictions;
- shortage of workers owing to migration of workers back to their native states during the period when the lockdown was or may be imposed by the government;
- an increase in operational costs as a result of additional measures that we have and will continue to undertake at our construction sites for the health and safety of our workers and employees;
- COVID-19 has caused a material decline in general business activity and demand for real estate developments, and if this persists, it could adversely affect our ability to execute sales of units in developments;
- requests from joint development partners or joint venture partners for a modification or waiver of their obligations under the joint development agreements and joint venture agreements;
- inability of customers to fulfil their obligations and instalments due on units sold to them as part of our Ongoing Projects and Forthcoming Projects; and
- liquidity situation in the real estate sector declined with banks and NBFCs becoming more risk averse and thereby resulting in funding issues for many developers including us;
- our inability to access debt and equity capital on acceptable terms, or at all;
- our inability to comply with the covenants in our financing agreements could result in events of default and the acceleration of indebtedness, which could negatively impact our financial condition, results of operations and our ability to obtain additional borrowings; we have availed moratorium for a period of up to six months i.e. the months of March 2020 to August 2020 from all our lenders to maintain sufficient liquidity, and have also availed an extension on the commencement of commercial operations under certain of our facility arrangements;
- increased vulnerability to cyber-security threats and potential breaches, including phishing attacks, malware and impersonation tactics, resulting from the increase in numbers of individuals working from home;
- our inability to seek protection under our existing insurance coverage for liabilities and expenses that may arise due to the effect of COVID-19 on our business and operations;
- the potential negative effect on the health of our personnel, particularly if a significant number of them are, or if any key managerial employee is, afflicted by COVID-19, could result in a deterioration in our ability

to ensure business continuity during this disruption.

The COVID-19 pandemic has adversely affected our business and results of operations. For further information, see “*Our Business – Impact of COVID-19 on the Business and Operations of the Company*” on page 134.

We are closely monitoring the impact of the COVID-19 pandemic on our developments, trade receivables and other current assets. In preparation of our Restated Financial Statements, we have assessed the impact and future uncertainties resulting from the COVID-19 pandemic and based on our assumptions and current estimates, we expect the carrying amount of our assets as reflected in the balance sheet as at July 31, 2021 to be recovered. The ultimate effect of the COVID-19 pandemic on the business and operations may, however, differ from that assessed by us due to the evolving nature of the pandemic and its response by various government authorities and, therefore, we will continue to monitor developments to identify significant uncertainties in future periods that may have an effect on our business and operations.

Further, as COVID-19 adversely affects our business and results of operations, it may also have the effect of exacerbating many of the other risks described in this “*Risk Factors*” section.

**2. *There are certain outstanding litigation proceedings involving our Company, Subsidiaries, Directors and Promoters, an adverse outcome in which, may have an adverse impact on our reputation, business, financial condition, results of operations and cash flows.***

There are outstanding legal proceedings involving our Company, Subsidiaries, Directors and Promoters, which are pending at varying levels of adjudication at different fora. Such proceedings could divert management time and attention and consume financial resources in their defence or prosecution. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and quantifiable and include amounts claimed jointly and severally from our Company, our Directors and our Subsidiaries. The summary of outstanding matters set out below includes details of outstanding criminal proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving our Company, Subsidiaries, Directors and Promoters.

Sr. No.	Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/Regulatory proceedings	Material civil litigation*	Aggregate amount involved (₹ million)
5.	<b>Company</b>					
	By the Company	2	Nil	Nil	1	1,608.89**
	Against the Company	Nil	12	Nil	4	358.30**
6.	<b>Subsidiaries</b>					
	Against the Subsidiaries	4	20	Nil	8	354.63**
7.	<b>Directors</b>					
	Against the Directors	Nil	6	Nil	1	0.20
8.	<b>Promoters</b>					
	Against the Promoters	Nil	6	Nil	Nil	0.20

\*Outcome of certain material civil cases, wherein our Company or our Subsidiaries are not directly involved, could have a material adverse impact on our Company and our Subsidiaries. For further information, see “*Outstanding Litigation and Other Material Developments – Other Material Outstanding Litigations*” on page 302.

\*\* To the extent quantifiable.

For further information, see “*Outstanding Litigation and Other Material Developments*” on page 302.

Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business, financial condition and results of operations.

**3. *Our indebtedness and the conditions and restrictions imposed by our financing agreements could adversely affect our ability to conduct our business and operations.***

As of July 31, 2021, we had total financial indebtedness of ₹13,841.24 million. For further information, see “*Financial Indebtedness*” on page 300. We may also incur additional indebtedness in the future. Our ability to meet our debt service obligations and repay our outstanding borrowings depends primarily on the revenue generated by our business. We cannot assure you that we will generate sufficient revenues to service existing or proposed borrowings or fund other liquidity needs. Increasing our level of indebtedness could have several

important consequences, including but not limited to the following: a portion of our cash flow may be used towards repayment of our existing debt, which will reduce the availability of our cash flow to fund working capital, acquisitions and other general corporate requirements; our ability to obtain additional financing in the future at reasonable terms may be affected; fluctuations in market interest rates may affect the cost of our borrowings, as some of our indebtedness are at variable interest rates; we may have difficulty satisfying payment and other obligations under our existing financing arrangements and an inability to comply with these requirements could result in an event of default, acceleration of our repayment obligations and enforcement of related security interests over our Land Reserves and/ or other assets; there could be a material adverse effect on our business, financial condition and results of operations if we are unable to service our indebtedness or otherwise comply with financial and other covenants specified in the financing agreements; and we may be more vulnerable to economic downturns.

Additionally, our financing agreements contain certain restrictive covenants and events of default that limit our ability to undertake certain types of transactions, which may adversely affect our business and financial condition. These financing agreements also require us to maintain certain financial ratios. Certain restrictive covenants under our financing agreements which require seeking a prior consent from the respective lenders of our Company's lenders include restrictions on: amending or modifying the constitutional documents of our Company; undertaking any merger, de-merger, consolidation, reorganisation, dissolution, scheme of arrangement or compromise with our Company's creditors or Shareholders; declaring or paying any dividend for any year; effecting any change to our Company's capital structure; changing the accounting method or policies; and buying back any of our Company's share capital or repaying certain borrowings of the Company. Further, under the terms of certain of our financing agreements, in several cases, a charge has been created, in favour of the lenders, over the land owned or being developed by us, in respect of the projects for which financing has been availed along with a charge on the receivables from the respective projects. Such security may be invoked by the lenders in the event of defaults under the respective financing agreements. For further information, see "*Financial Indebtedness*" on page 300.

Failure to meet the conditions listed above or obtain consents from lenders, as may be required, could invoke certain penalty clauses or any other consequence of events of default set out in the respective financing arrangement, which could have significant consequences for our business. Compliance with the various terms of such financing arrangements, however, is subject to interpretation and there can be no assurance that we have requested or received all relevant consents from our lenders as contemplated under our financing arrangements in a timely manner or at all. It may be possible for a lender to assert that we have not complied with all applicable terms under our existing financing documents in a timely manner or at all. Any failure to comply with the requirement to obtain a consent, or other condition or covenant under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may lead to a termination of our credit facilities, acceleration of all amounts due under such facilities and trigger cross default provisions under certain of our other financing agreements, and may materially and adversely affect our ability to conduct our business and operations or implement our business plans.

In relation to certain lenders and their financing agreements, we had obtained consents in 2018, 2019 and 2020 for an initial public offer. Since such financing agreements continue to be in force, we believe we can rely on the earlier consents for this Issue. Accordingly, we have intimated such lenders about our placing reliance on such consents and have not applied for fresh consents. We cannot assure you that these lenders will not insist on us obtaining fresh consents or impose additional compliance requirements on us. Further, certain of the consents received from lenders in relation to the Issue are subject to certain conditions, including requirements in relation to payments to be made to lenders.

We cannot assure you that we will have adequate funds at all times to repay these credit facilities and may also be subject to demands for the payment of penal interest. Moreover, our ability to borrow and the terms of our borrowings depend on our financial condition, the stability of our cash flows and our capacity to service debt in a rising interest rate environment.

**4. *Any negative cash flows in the future would adversely affect our cash flow requirements, which may adversely affect our ability to operate our business and implement our growth plans, thereby affecting our financial condition.***

We have in the past experienced, and may in the future, experience negative operating cash flows. The following table sets forth certain information relating to our cash flows on a consolidated basis for the periods indicated:

(in ₹ million)

Particulars	Four months ended July 31, 2021	Four months ended July 31, 2020	Fiscal		
			2021	2020	2019
Net cash flow from/ (used in) operating activities	579.48	(288.91)	519.97	(433.80)	(1,156.61)

Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected. For further information, see “*Financial Statements*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 219 and 269.

**5. We have certain contingent liabilities, which if they materialize, may adversely affect our business, financial condition and results of operations.**

As of July 31, 2021, our contingent liabilities that have not been provided for were as follows:

Particulars	Amount
	(₹million)
Guarantees given by bank, counter guarantee by the Company	18.84
Claims under direct and indirect taxes	272.05
Claims not acknowledged as debts represent cases filed by parties in the Consumer forum, Civil Court and High Court and disputed by the Company as advised by our advocates. In the opinion of the management the claims are not sustainable	415.96
<b>Total</b>	<b>706.85</b>

For further information on our contingent liabilities, see “*Financial Statements*” on page 219.

If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations.

**6. Certain of our Group Companies have incurred losses in the past, which may have an adverse effect on our reputation and business.**

Certain our Group Companies have incurred losses in the last three Fiscals, as set forth below:

Sr. No.	Name of the Group Company	Profit/(Loss) after tax (₹ million)		
		Fiscal 2021 (IGAAP)	Fiscal 2020 (IGAAP)	Fiscal 2019 (IGAAP)
1.	Puranik Homes Private Limited	0.12	(0.01)	(0.01)
2.	MnS Clinics Private Limited	0.41	2.42	(1.10)

For further information, see “*Our Group Companies*” on page 215. There can be no assurance that our Group Companies will not incur losses in the future which may have an adverse effect on our reputation and business.

**7. Our business is heavily dependent on the performance of, and the conditions affecting, the real estate markets in the Mumbai Metropolitan Region (“MMR”) and Pune Metropolitan Region (“PMR”).**

Our real estate development activities are primarily focused in and around the MMR and PMR. As of July 31, 2021, 53 out of 75 of our total projects comprising our Completed Projects, Ongoing Projects and Forthcoming Projects, and 100% of our Land Reserves were located in the MMR, and 22 projects were located in the PMR. In the four months ended July 31, 2021 and in Fiscal 2021, 2020 and 2019, revenue generated from projects in MMR represented 85.25%, 81.48%, 84.34% and 59.33% of our total revenue in such periods, respectively, and revenue generated from projects in PMR represented 14.75%, 18.52%, 15.66% and 40.67% of our total revenue in such periods, respectively. As of July 31, 2021, we did not have projects in any other areas apart from MMR and PMR. For further information on our projects and Land Reserves, see “*Our Business – Business Operations*” and “*Our Business – Our Land Reserves*” on pages 144 and 156, respectively. As a result, our business, financial condition

and results of operations have been and will continue to be heavily dependent on the performance of, and the prevailing conditions affecting, the real estate markets in the MMR and PMR. The real estate markets in these regions may be affected by various factors outside our control, including prevailing local and economic conditions, changes in the supply and demand for properties comparable to those we develop, changes in the applicable governmental regulations, demographic trends, employment and income levels and interest rates, among other factors. These factors may contribute to fluctuations in real estate prices and the availability of land in the MMR and PMR and may adversely affect our business, financial condition and results of operations. These factors can also negatively affect the demand for and valuation of our Ongoing Projects and Forthcoming Projects. For instance, due to the nation-wide lockdown and inability to conduct site-visits, sales enquiries from prospective customers that typically follow site-visits, were significantly affected. For further information on the impact of COVID-19 on our sales, see “*Our Business – Impact of COVID-19 on the Business and Operations of the Company*” on page 134.

Further, real estate projects take a substantial amount of time to develop. The price at which we acquire land, either through an outright purchase or through acquisition of joint development rights, and the price at which we sell developed projects are determined by factors mentioned above, which are out of our control. In the event we are forced to sell our developed projects at costs lower than estimated, it may adversely affect our results of operations. Further, the real estate market, both for land and developed properties is relatively illiquid, which may limit our ability to respond promptly to changing market events. In the event the market conditions deteriorate and cause a sharp decline in real estate prices in the MMR and PMR, our business, financial condition and results of operations could be materially and adversely affected.

**8. *Our business involves development of residential projects. The success of our business is therefore dependent on our ability to anticipate and respond to consumer preferences and requirements.***

We have in the past and continue to be engaged in the development of residential real estate projects for customers in the mid-income affordable housing segment, predominantly in the micro-market of Thane, and other micro-markets within the MMR and PMR. As part of our growth strategy, we intend to consolidate our position in the mid-income affordable housing segment and enter the low-income affordable housing segment of the real estate markets of the MMR and PMR. As of July 31, 2021, almost all of our Completed Projects, Ongoing Projects and Forthcoming Projects were in the residential real estate space. The growing disposable income of India’s middle class and customers in the mid-income affordable housing segment has led to a change in lifestyle resulting in substantial changes in the nature of their demands. As customers continue to seek better housing amenities as part of their residential needs, we continue to focus on development of residential projects with various amenities, including theme-based residential projects. An inability to provide customers with quality construction or to anticipate and respond to customer preferences and requirements may affect our business and prospects. In addition, as we entirely focus on residential projects, with very limited exposure to commercial and retail projects, any changes in the market for residential real estate, including a change in the home loans market or governmental regulations making home loans less attractive to our customers, may materially and adversely affect our business, growth prospects and financial performance.

**9. *Any uncertainty in our title to our real estate assets could have a material adverse impact on our current and future revenue.***

Our projects include directly acquired land as well as interest in the relevant land through joint venture arrangements or joint development agreements with landowners, as well as through the development management model. While we conduct due diligence and assess such land prior to acquisition of any land or interest in any land, obtaining title guarantees in India is challenging as title records provide only for presumptive rather than guaranteed title of the land. Such land may involve irregularities in title, such as improperly executed or non-executed, unregistered or insufficiently stamped conveyance instruments in the chain of title of the relevant land, unregistered encumbrances in favour of third parties, rights of adverse possessors, ownership claims of family members of prior owners, and other defects which may not be revealed through our diligence and assessment. Further, the original title to such land may be fragmented and the land may have multiple owners and such information may not be publicly available or revealed through our diligence and assessment. As each transfer in a chain of title may be subject to any such or other defects, our title and/ or development right over such land may be subject to such irregularities that we are not aware of, and which our diligence and assessment exercise may not reveal. As a result, title to such land is subject to risks and potential liabilities arising from inaccuracy of such information. Such inaccurate information and any defects or irregularities of title may result in the loss of title or development rights over such land, and/ or the cancellation of our development plan in respect of such land. In addition, certain acquisition of or development right to land may involve deferred payments. If we are unable to

fulfil such payment obligations, our ability to develop such land may be affected, resulting in a failure to realize profit on our initial investment.

Certain of our Ongoing Projects and Forthcoming Projects are being carried out through joint development, joint venture models, as well as through the development management model. In such projects, the title to land may be owned by one or more third parties and there can be no assurance that such parties with whom we enter into joint development or joint venture arrangements have clear title to such lands. Our title or the title of our joint development partners may be defective as a result of a failure on our or our partners' part, or on the part of a prior transferee, to obtain all relevant consent to transfer of title.

While we typically obtain independent title reports for the land relating to our projects, and have obtained such reports with respect to our Land Reserves, we may not be able to assess or identify all the risks and liabilities associated with such land, such as faulty or disputed title, unregistered encumbrances or adverse possession rights. In addition, very few insurance companies in India provide title insurance to guarantee title or development rights in respect of land. In absence of such title insurance, together with the challenges involved in verifying title to land, may increase our exposure to third party claims to such land. As a result, the uncertainty of title to land makes acquisition and real estate development projects more complex and may impede the transfer of title, expose us to legal disputes and adversely affect the valuation of the land involved. In addition, we may also face the risk of illegal encroachments on the land parcels owned by us or over which we have development rights. We may be required to incur additional costs and face delays in our project development schedule in order to clear such encroachments. Disputes relating to land title can take several years and considerable expense to resolve if they become the subject of legal proceedings and their outcome can be uncertain. If we or the owners of the land, with whom we enter into joint venture or joint development agreements with, are unable to resolve such disputes, the title to and/ or interest in, such land may be affected. An inability to obtain good title to any plot of land may adversely affect the development of a project for which such plot of land is critical and this may result in the write-off of expenses incurred in relation to such development. Under the terms of joint development agreements, the underlying interest in land is not transferred to us until the completion of the project. In the event of a joint development project not being completed, any investment made by us in relation to the project could be lost. As a result, our business, financial condition and results of operations could be materially and adversely affected.

***10. An inability to complete our Ongoing Projects and Forthcoming Projects by their respective expected completion dates or at all could have a material adverse effect on our business, results of operations and financial condition.***

Our projects are developed on land either owned by us or land with respect to which we have entered into joint development agreements, joint venture arrangements or development management agreements. As of July 31, 2021, our Ongoing Projects had an aggregate Developable Area of 1,305,632 square meters (14,053,820 square feet), and our Forthcoming Projects had an aggregate estimated Developable Area of 1,263,526 square meters (13,600,595 square feet). Our ability to complete our projects within the estimated time or at all is subject to a number of risks and unforeseen events, including, without limitation, clear title to the relevant plot of land, any changes in applicable regulations, availability of adequate financing arrangements on commercially viable terms, and an inability or delay in securing necessary statutory or regulatory approvals for such projects. For instance, completion of two of our Completed Projects Aldea Annexo (A and B) and Hometown Building G were delayed by approximately four months in 2017, and obtained completion certificates after the estimated completion date set out in the respective agreements for sale. Further, there were delays in construction activities in 2020 and 2021 due to the lockdown imposed in India to control the COVID-19 pandemic. While the applicable regulations also extended project timelines by one year on account of the pandemic, there can be no assurance that we will be able to comply with the extended timelines in the event we are subject to any further delays in our construction activities. In addition, we may not receive the expected benefits of the development rights or the relevant land, and we may not be able to develop the estimated Developable Area resulting from a lack of knowledge of, or any misunderstanding with respect to, existing or proposed regulations and policies.

If any of the foregoing risks materialize, we may not be able to complete our projects or develop the estimated Developable Area in our Ongoing Projects and Forthcoming Projects in the manner we currently contemplate, which could have a material adverse effect on our business, results of operations and financial condition.

In addition, the agreements we enter into with customers for our Ongoing Projects and Forthcoming Projects may require us to pay certain interest in the event of any delay in the completion of the construction and development of such projects within the specified timelines, or in the event of cancellation of any of these projects. Accordingly, any such delay or cancellation resulting in payments by us may have an adverse effect on our business, financial



condition and results of operation.

***11. We may be unable to successfully identify and acquire suitable parcels of land for development, which may impede our growth and could also adversely affect our business prospects, financial conditions and results of operations.***

Our ability to identify suitable parcels of land for development is a vital element of our business and involves certain risks, including acquiring appropriate and contiguous parcels of land. We have an internal assessment process for identification and acquisition of land which includes a due diligence exercise to assess the title of the land and its suitability for development, development potential and marketability. Our internal assessment process is based on information that is available or accessible to us either through publicly available means or our diligence and assessment exercises. There can be no assurance that such information is accurate, complete or updated. Any decision based on inaccurate, incomplete or outdated information may result in certain risks and liabilities associated with the acquisition of such land, which could adversely affect our business, financial condition and results of operations.

In addition, our inability to acquire contiguous parcels of land may affect some of our existing and future development activities, and in particular the larger projects. We acquire parcels of land at various locations, which can be subsequently consolidated to form a contiguous land area, upon which we can undertake development. While in the past we have acquired contiguous parcels of land for our development activities, we may not be able to acquire such parcels of land in the future or may not be able to acquire such parcels of land on terms that are acceptable to us, which may affect our ability to consolidate these parcels of land into a contiguous land area. Failure to acquire such parcels of land may cause a delay or force us to abandon or modify our development of land that we have acquired at a certain location, which may result in a failure to realize profit on our initial investment. Further, due to the increased demand for land in connection with the development of residential properties, we may experience increased competition in our attempt to acquire land in the geographical areas in which we operate. This may result in a shortage of suitable land that can be used for development and can increase the price of land. We may not be able to or may decide not to acquire parcels of land due to various factors, such as the price of land. Additionally, we may be asked to pay premium amounts for acquiring certain large parcels of land. If we experience delay in or are unable to acquire the remaining undivided rights from other co-owners, we may not be able to develop such land. Accordingly, our inability to acquire parcels of land may adversely affect our business prospects, financial condition and results of operations.

***12. We have significant unsold units among our Ongoing Projects.***

As of July 31, 2021, we had 23 Ongoing Projects with a Developable Area of 1,305,632 square meters (14,053,820 square feet). As of July 31, 2021, the 23 Ongoing Projects comprised 20,541 units, of which 13,492 units remain unsold.

The table below sets out details of unsold units within our Ongoing Projects:

Sr. No.	Project name	Location	Developable Area		Total Developed Area		Saleable RERA Carpet Area		Unit Details		
			(square meter)	(square feet)	(square meter)	(square feet)	(square meter)	(square feet)	Total unit for sale	Unsold	% of units unsold
1.	Aldea Annexo - C2	Pune (PMR)	5,811	62,554	1,743	18,766	2,190	23,570	71	0	0.00%
2.	Aldea Annexo - D	Pune (PMR)	5,811	62,554	1,337	14,387	2,190	23,573	71	4	6.00%
3.	Aldea Espanola Phase VI (Building No. E, F)	Pune (PMR)	18,192	195,819	9,824	105,742	8,002	86,138	176	28	16%
4.	Aldea Espanola Phase VII (Building No. G, H)		15,971	171,909	6,867	73,921	7,193	77,425	159	7	4.00%
5.	Aldea Espanola Phase VIII (Building No. K)		6,358	68,442	1,145	12,320	3,886	41,824	87	20	23%
6.	Rumah Bali Phase 3 Type C (wing A & B)	Ghodbunder Road, Thane (W) (MMR)	76,894	827,688	12,303	132,430	31,055	334,278	484	189	39.00%
7.	Puranik City Reserva Phase 1	Ghodbunder Road, Thane (W) (MMR)	116,515	1,254,170	73,405	790,127	51,441	553,714	1,389	303	22.00%
8.	Puranik Home Town - E	Thane (MMR)	9,130	98,273	6,026	64,860	4,307	46,362	116	0	0.00%
9.	Sayama Phase 2	Pune (PMR)	1,235	13,294	926	9,970	1,105	11,891	10	0	0.00%
10.	Sayama Phase 3		1,238	13,326	817	8,795	1,105	11,893	10	3	30.00%
11.	Sayama Phase 4		9,211	99,147	645	6,940	8,268	89,001	67	51	76.00%
12.	Aarambh - C	Thane (MMR)	8,257	88,874	6,192	66,656	4,012	43,183	100	0	0.00%
13.	Tokyo Bay Phase – 1 Building No. 1 (A&B)	Wadavali (MMR)	15,595	167,865	15,439	166,186	8,070	86,870	164	1	1.00%
14.	Tokyo Bay Phase - 2A (Building No.2, 3)	Wadavli (MMR)	35,314	380,116	12,713	136,842	15,563	167,520	378	2	1.00%
15.	Tokyo Bay Phase - 3A (A1 & B)	Ghodbunder Road, Thane, Village Owale, Taluka & District Thane (MMR)	35,525	382,391	0	0	12,471	134,239	578	238	41.00%

Sr. No.	Project name	Location	Developable Area		Total Developed Area		Saleable RERA Carpet Area		Unit Details		
			(square meter)	(square feet)	(square meter)	(square feet)	(square meter)	(square feet)	Total unit for sale	Unsold	% of units unsold
16.	Tresora Grand Central (18)	Thane (MMR)	12,446	133,970	12,322	132,630	5,260	56,616	104	0	0.00%
17.	Elito Grand Central (19,20)	Thane (MMR)	25,050	269,636	10,270	110,551	10,717	115,355	201	14	7.00%
18.	Stella Grand Central (27,28)	Thane (MMR)	21,687	233,437	4,988	53,691	8,883	95,621	167	12	7.19%
19.	Glorio Grand Central (38-39)	Thane (MMR)	46,433	499,807	16,252	174,932	19,789	213,009	271	37	14.00%
20.	Grand Central (24-31)	Thane (MMR)	19,686	211,900	787	8,476	9,319	100,310	190	33	17.00%
21.	Puranik City Neral – Sector 1 Plot 2	Karjat, District Raigad. (MMR)	664,524	7,152,937	152,841	1,645,176	525,372	5,655,105	14,212	12,213	86.00%
	Puranik City Neral- Sector 2 Plot 3										
	Puranik City Neral- Sector 3 Plot 18										
	Puranik City Neral- Sector 4A Plot 20 Part										
	Puranik City Neral- Sector 5										
	Puranik City Neral- Sector 6										
	Puranik City Neral – Balance Sectors										
22.	Abhitante Phase 2A (Building A, B, C and D)	Pune (PMR)	75,219	809,660	6,018	64,773	42,661	459,206	864	206	24.00%
23.	Abhitante Phase 2B (Building E, F and G)	Pune (PMR)	79,529	856,052	1,193	12,841	34,636	372,821	672	131	19.00%
			<b>1,305,632</b>	<b>14,053,820</b>	<b>354,052</b>	<b>3,811,012</b>	<b>817,496</b>	<b>8,799,522</b>	<b>20,541</b>	<b>13,492</b>	<b>66.00 %</b>

There is a lag between the time we acquire land and the time we construct and develop a project and sell our inventories. Given that the market for properties is relatively illiquid, there may be little or insufficient demand for properties at the expected sale price. The risk of owning unsold inventories can be substantial and the market value of the same can fluctuate significantly as a result of changing economic and market conditions. If we are unable to sell our unsold inventory currently held, our business, results of operation and financial condition may be adversely affected.

**13. Significant increases in prices (including for increase in taxes and levies) or shortage of or delay or disruption in supply of, construction materials, contract labour and equipment could adversely affect our estimated construction cost and timelines resulting in cost overruns.**

Our principal construction materials include cement, sand, steel, brick, shuttering material, ready-mix concrete, wood and aluminium. These materials are sourced from third party vendors. The prices and supply of these and other construction materials depends on factors beyond our control, including general economic conditions, competition, production levels, transportation costs, government taxes and levies, and import duties. Our ability to develop and construct projects profitably is dependent on our ability to obtain adequate and timely supply of construction materials within our estimated budget. We do not have long-term agreements with our raw material suppliers and typically procure materials on the basis of purchase orders. If our primary suppliers of construction materials curtail or discontinue their delivery of such materials to us in the quantities we need and at reasonable prices, our ability to meet our material requirements for our projects could be impaired, our construction schedules could be disrupted, and we may not be able to complete our projects as per schedule. Prices of certain building materials are susceptible to increase including for increase in government taxes and levies. During periods of shortage in supply of building materials or due to a delay or disruption in supply of building materials, we may not be able to complete our projects as per schedule or at estimated costs. We may also not be able to pass on any increase in the costs incurred for procuring construction materials to our customers, which could adversely affect our results of operations and impact our financial condition.

We also incur expenses towards project execution that primarily includes employee and contract labour costs, and other subcontractor expenses. The cost and supply of employee and contract labour depend on various factors beyond our control, including general economic conditions, competition and minimum wage rates. For instance, after the sudden announcement of the nation-wide lockdown from March 25, 2020, operations at our construction sites were brought to a complete standstill and due to reduced economic activity, a number of workforce deployed at our construction sites returned to their native cities/ towns/ villages. While we subsequently resumed construction activities at all our sites, any such unanticipated events, increases in raw material and labour costs, may impair our ability to meet construction schedules and our business, financial condition and results of operations may be adversely affected.

**14. We are subject to extensive statutory or governmental regulations, including the Real Estate (Regulation and Development) Act, 2016 (the “RERA”), which may restrict our flexibility in operating our business and any non-compliance may have an adverse effect on our business, financial condition and results of operations.**

The real estate sector in India is heavily regulated by the central, state and local governments including the Real Estate (Regulation and Development) Act, 2016, the Maharashtra Tenancy and Agricultural Lands Act, 1948, the Maharashtra Land Revenue Code, 1966 and rules made thereunder, the Maharashtra Regional and Town Planning Act, 1966 and regulations thereunder, such as the Unified Development Control and Promotion Regulations for Maharashtra State, the Maharashtra Stamp Act, 1958 and the Maharashtra Ownership of Flats (Regulation of the Promotion of Construction, Sale, Management and Transfer) Act, 1963. The RERA was introduced in 2016 to regulate the real estate industry and to ensure, amongst others, imposition of certain responsibilities on real estate developers and accountability towards customers and protection of their interest. The RERA has imposed certain obligations on real estate developers, including us, such as mandatory registration of real estate projects, not issuing any advertisements or accepting advances unless real estate projects are registered under RERA, maintenance of a separate escrow account for amounts realised from each real estate project and restrictions on withdrawal of amounts from such escrow accounts and taking customer approval for major changes in sanction plan. Further, while most state Governments in India have notified rules in relation to RERA including Maharashtra where all our projects are located, other states are in the process of doing so, as of December 31, 2020. In addition, as the RERA regime has been introduced relatively recently, we may face challenges in interpreting and complying with the provisions of the RERA due to limited jurisprudence on them. In the event our interpretation of provisions of the RERA differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. For further information on laws applicable to our business, see “Regulations and Policies” on page 162.

Real estate developers are required to comply with a number of legal requirements, including policies and procedures established and implemented by local authorities in relation to land acquisition, transfer of property, registration and use of land. Certain of these laws vary from state to state. Compliance with such state specific

legislations will require significant management and financial resources, and we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention. For example, the procedure for obtaining a certificate for change of land use varies from state to state. Further, certain States in India have imposed certain statutory restrictions on the maximum land area that may be held by any one legal entity in the said State. In the event that we decide to expand our business operations into such States where these laws are applicable, we will have to comply with these laws. We may also face challenges in interpreting and complying with provisions of newly introduced regulations such as the RERA, due to limited jurisprudence on them. In the event our interpretation of certain provisions differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. Any non-compliance with state specific legislations may result in punishments (including penalties and/ or imprisonment), blacklisting of promoters and revocation of registration of our Ongoing Projects and Forthcoming Projects which may have a material and adverse impact on our business, operations and financial condition. Further, if a court of competent jurisdiction adjudicates that we are in violation of applicable land ceiling laws, our property rights, including those held through our various Subsidiaries may be compulsorily acquired by the State Government concerned, which may have a material adverse effect on our business, financial condition and future plans. In the past, a token penalty of ₹0.20 million has been imposed on our Company under the provisions of the RERA for, *inter-alia*, not disclosing the website address of MAHARERA in violation of Section 11(2) of RERA and publishing a disclaimer in violation of Section 14(2) of the RERA in a newspaper advertisement. Any future violation of the provisions of RERA could result in penalties being imposed on us, which may have an adverse effect on our business, financial condition and results of operations.

Development of real estate projects is also subject to laws that govern zoning, permitted land uses, proportion and use of open spaces, building designs, fire safety standards, height of the buildings, access to water and other utilities and water and waste disposal. In addition, we and our sub-contractors are subject to laws and regulations relating to, among others, environmental approvals in respect of the project, minimum wages, working hours, health and safety of our labourers and requirements of registration of contract labour. Although we believe that our projects materially comply with applicable laws and regulations, regulatory authorities may allege non-compliance and may subject us to regulatory action in the future, including penalties, seizure of land and other civil or criminal proceedings which may affect the development of our projects, and as a result, adversely affect our business, financial condition and results of operations. Further, these laws and regulations may change in the future, requiring the expenditure of resources and changes in development plans, among other things, which would adversely affect our business, financial condition and results of operations. See “*Risk Factors – Changing laws, rules and regulations and legal uncertainties, including the withdrawal of certain benefits or adverse application of tax laws, may adversely affect our business, prospects and results of operations*” on page 42.

In addition, determining the Developable Area of a particular project is subject to municipal planning and land use regulations in effect in the regions in which we operate. These regulations limit the maximum area of completed buildings on plots to specified amounts, calculated based on a ratio of maximum floor space of completed buildings to the surface area of each plot of land. Certain other municipal corporations require developers to reserve portions of their projects for economically weaker sections and any such imposition on us could adversely affect our business and prospects.

Further, our operations are also subject to goods and services tax (“GST”) and to the General Anti-Avoidance Rules (“GAAR”). For further information, see “*Risk Factors*” on page 26.

***15. Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior Shareholders’ approval.***

We propose to utilize the Net Proceeds for repayment or prepayment of certain outstanding borrowings availed by our Company. For further information of the proposed objects of the Issue, see “*Objects of the Issue*” on page 92. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013 and Regulation 59 of the SEBI ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds without obtaining the Shareholders’ approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we 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.

We intend to use approximately ₹3,620.00 million of the Net Proceeds to repay or prepay, in full or part, certain loans availed by us. The details of the loans identified to be repaid using the Net Proceeds have been disclosed in the section “*Objects of the Issue*” on page 92. Such part of the Net Proceeds will not result in creation of any tangible assets as they are proposed to be utilized for prepayment or repayment, in full or part, of certain loans and working capital facilities availed by us.

Further, our Promoters or controlling Shareholders would be required to provide an exit opportunity to the Shareholders who do not agree with our proposal to change the objects of the Issue or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters or controlling Shareholders to provide an exit opportunity to such dissenting Shareholders may deter the Promoters or controlling Shareholders from agreeing to the variation of the proposed utilization of 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 Issue to use any unutilized proceeds of the Fresh Issue, 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 unutilized portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

***16. There may be an increase in the price of land and/ or shortages of land and transferable development rights available for development.***

Our operations are focused in the MMR and PMR. The availability of developable land, particularly in the MMR, is limited and therefore, the acquisition of new land in these parts poses substantial challenges, is highly competitive and costly. Further, due to the increased demand for land in connection with the development of residential, commercial and retail properties, we have experienced and may continue to experience increased competition in our attempt to acquire land/ interest in such land in the geographical areas in which we operate and the areas in which we anticipate operating in the future. This increased competition may result in a shortage of suitable land that can be used for development and can increase the price of land. We may not be able to or may decide not to acquire parcels of land due to various factors including price of land. Further, we may not be able to pass on the cost of acquisition to customers of our real estate projects. Any such increase in the price of land to be used for development could materially and adversely affect our business, prospects, financial condition and results of operations.

Further, we are subject to municipal planning and land use regulations in effect in MMR and in other cities in India, including Pune, which limit the maximum square footage of completed buildings we may construct on plots to specified amounts, calculated based on a ratio of the combined gross floor area of all floors, except areas specifically exempted, to the total area of each plot of land (the floor space index, or “FSI”). TDRs granted by the relevant statutory authority provide a mechanism by which a person, who is unable to use the available FSI of his/ her plot for various reasons, is permitted to use the unused FSI on other properties in accordance with applicable regulations or transfer the unused FSI to a third party. If we are unable to acquire such TDRs or if we are unable to acquire them at the expected price, then this may impact our ability to complete certain projects due to us having insufficient FSI or because of a significant increase in the cost of completing such projects. The price and availability of TDRs may have an adverse effect on our ability to complete our projects and on our financial condition and results of operations.

In addition, the use and development of land is subject to regulations by various local authorities. For example, if a specific parcel of land has been deemed as agricultural land, no commercial or residential development is permitted without the prior approval of the local authorities. Such restrictions could lead to further shortage of developable land.

***17. We have entered into joint development agreements and similar agreements with third parties to acquire land or development rights which may entail certain risks.***

We have entered into and may in the future enter into joint development agreements, joint venture arrangements, development management agreements, and similar arrangements with third parties for the construction and development of some of our projects and we, by virtue of such agreements, acquire development rights to the

land. The development rights in respect of certain of our projects are subject to certain conditions including permission to use our Puraniks brand for marketing and sale of residential units. Parties granting us development rights may have litigation pending with respect to the land they own or may not have clear ownership or title to such land. If such irregularities exist in respect of land over which we have development rights, we may not be able to develop such land or complete the development of such land, which could have an adverse effect on our reputation, brand, financial condition and results of operations. Moreover, development agreements that we enter into or the leases in respect of leasehold lands may impose certain liabilities and obligations on us and the land-owners or may be subject to fulfilment of certain conditions. For instance, in some cases the land-owner is required to obtain the necessary legal and regulatory approvals for the execution of the project.

We may continue to enter into joint ventures and other similar arrangements with third parties for the joint development of our projects in the future. The terms of some of these agreements may require us and our partner to take the responsibility for different aspects of the project. For instance, we may be required to incur certain costs related to development of the project while our joint venture partner may be responsible for obtaining the regulatory approvals for the project. In the event that any of the conditions to which we are subject pursuant to the joint development agreements are not satisfied, the land may not become available to us for development.

The success of projects we develop, and propose to develop going forward, jointly with our partners is significantly dependent on the satisfactory performance by our joint development, joint venture and development management partners. If these entities fail to perform their obligations satisfactorily, we may be required to make additional investments, become liable or responsible for the obligations of these entities in the project or be subject to litigation by such partners, which could result in reduced profits or, in some cases, significant losses and a diversion of our management's attention and time. In addition, if we enter into joint venture arrangements, we may be unable to successfully complete the construction, development, marketing or sale of the intended project on schedule, at the intended cost or at all. Further, the inability of a development management, joint development or joint venture partner to continue with a project due to financial or legal difficulties could mean that we would bear increased, or possibly sole, responsibility for the development of the relevant project. This may have a material adverse effect on our business, financial condition and results of operations.

***18. The failure of a joint venture partner to perform its obligations could impose additional financial and performance obligations resulting in reduced profits or, in some cases, significant losses from the joint venture.***

We presently enter and may continue to enter into various joint ventures and other arrangements with third parties and/or landowners for the joint development of projects in the future. The terms of some of these agreements may require us and our joint venture partners to take responsibility for different aspects of the project. For example, we may be required to obtain the regulatory approvals for the project while our joint venture partner may be required to incur certain costs related to development of the project. The success of these joint ventures depends on the satisfactory performance by our joint venture partners and fulfilment of their obligations. If these joint venture partners fail to perform their obligations satisfactorily, the joint venture may be unable to perform adequately or deliver its contracted services. In this case, we may be required to make additional investments and/or provide additional services or become liable or responsible for the obligations of these entities in the project, which could result in reduced profits or, in some cases, significant losses and a diversion of our management's attention. Such events may have an adverse effect on our business, results of operations and financial condition.

***19. Work stoppages, shortage of labour and other labour problems could adversely affect our business. Further, our operations are dependent on contract labour and an inability to access adequate contract labour at reasonable costs at our project sites may adversely affect our business prospects and results of operations.***

We operate in a labour intensive industry and hire contract labour in relation to specific projects. If our relationships with our employees or workmen deteriorate, or the relationships of the independent contractors and their personnel or unions deteriorate, we may experience labour unrest, strikes or other labour action and work stoppages. Although none of our employees are currently represented by a collective bargaining agreement, we cannot assure you that our employees will not unionize, or attempt to unionize in the future, that they will not otherwise seek higher wages and enhanced employee benefits. The unionization of our employees could result in an increase in wage expenses and our cost of employee benefits, limit our ability to provide certain services to our customers, and result in increased expenditures in connection with the collective bargaining process, any of which could have a material adverse effect on our business, financial condition and results of operations. If we are unable

to negotiate with the workmen or the contractors, it could also result in increased operating costs as a result of higher than anticipated wages or benefits. Any upward revision of the prescribed minimum wage or other benefits required to be paid to our workers (including in the event of injuries or death sustained in course of employment, dismissal or retrenchment) will result in the increase in cost of labour which we may be unable to pass on to our customers. This may compel us to absorb the additional cost, which will have a material adverse impact on our profitability. In addition, disputes with employees and workmen could also adversely affect our reputation with our customers. Any initiatives we undertake to prevent unrest from our employees, or contract labourers, may be ineffective, and there can be no assurance that we will not experience any labour unrest, strikes, or other labour action and work stoppages from our workforce in the future.

In addition, the number of contract labourers employed by us varies from time to time based on the nature and number of the projects that are under development. Our dependence on such contract labour may result in significant 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. For instance, after the sudden announcement of the nation-wide lockdown from March 25, 2020, operations at our construction sites were brought to a complete standstill, and due to reduced economic activity, a number of workforce deployed at our construction sites returned to their native cities/ towns/ villages. While we subsequently resumed construction activities at all our sites, there can be no assurance that we will continue to 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.

Further, we also depend on third party contractors for the provision of various services associated with our business. Such third party contractors and their employees/ workmen may also be subject to similar labour legislations. Although we do not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such third party contractors to pay the labourers' wage payments. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition. In addition, under the Contract Labour (Regulation and Abolition) Act, 1970, notified and enforced by the Central Government and adopted with such modifications as may be deemed necessary by respective State Governments, we may be required to absorb a number of such contract labourers as permanent employees. In the event of any non-compliance by contractors with statutory requirements, legal proceedings may also be initiated against us. These factors could adversely affect our business, financial position, results of operations and cash flows.

**20. *We may be subject to third-party indemnification, liability claims or invocation of guarantees, which may adversely affect our business, cash flows, results of operations and reputation.***

Some of the agreements that we have entered into with third parties place indemnity obligations on us that require us to compensate such third parties for loss or damage suffered by them on account of a default or breach by us. In the event that such third parties successfully invoke these indemnity clauses under their respective agreements, we may be liable to compensate them for loss or damage suffered in respect of such agreements, which may adversely affect our financial condition. We may be subject to claims resulting from defects in our developments, including claims brought under the RERA and the Maharashtra Ownership of Flats (Regulation of the Promotion of Construction, Sale, Management and Transfer) Act, 1963 (the "**Ownership of Flats Act**"). See "*Regulations and Policies*" beginning on page 162. For details concerning litigation involving claims from defaults involving our developments, see "*Outstanding Litigation and Material Development*" beginning on page 302. We may also be exposed to third-party liability claims for injury or damage sustained on our properties. These liabilities and costs could have an adverse effect on our business, cash flows, results of operations and reputation. In the past, we have sold inventory in our projects through bulk sale transactions.

**21. *Our business is capital intensive and requires significant expenditure for land acquisition and development, and is therefore heavily dependent on the availability of real estate financing, which may not be available on terms acceptable to us in a timely manner or at all.***

Development of real estate projects involves significant expenses, a large part of which we fund through real estate financing from banks and other financial institutions. As of July 31, 2021, we had total financial indebtedness of ₹13,841.24 million. For further information on our secured borrowings, see "*Financial Indebtedness*" on page 300. As we intend to pursue a strategy of continued investment in our development activities, we will incur additional expenditure in the current and future fiscal periods. We propose to fund such expenditure through a combination of debt, equity and internal accruals. Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows and our capacity to service



debt in a rising interest rate environment.

The actual amount and timing of our future capital requirements may also differ from estimates as a result of, among other things, unforeseen delays or cost overruns in developing our projects, change in business plans due to prevailing economic conditions, unanticipated expenses, regulatory changes and engineering design changes. To the extent our planned expenditure requirements exceed our available resources, we will be required to seek additional debt or equity financing. We may also have difficulty accessing capital markets, which may make it more difficult or expensive to obtain financing in the future.

Moreover, certain of our loan documents contain provisions that may limit our ability to incur future debt, make certain payments or take certain actions. In addition, the availability of borrowed funds for our business may be greatly reduced, and lenders may require us to invest increased amounts of funds in a certain project or require increased security coverage in connection with both new loans and the extension of facilities under existing loans. We may not be successful in obtaining these additional funds in a timely manner, or on favourable terms or at all. Without sufficient liquidity, we may not be able to acquire additional land or develop additional projects, which would adversely affect our results of operations. If we do not have access to additional capital, we may be required to delay, postpone or abandon some or all of our projects or reduce capital expenditures and the size of our operations, any of which may adversely affect our business, financial conditions and results of operations.

Our ability to make payments on our indebtedness will depend on our future performance and our ability to generate cash, which, to a certain extent, is subject to general economic, financial, competitive, legislative, legal, regulatory and other factors, many of which are beyond our control. If our future cash flows from operations and other capital resources are insufficient to pay our debt obligations, our contractual obligations, or to fund our other liquidity needs, we may be forced to sell our assets or attempt to restructure or refinance our existing indebtedness. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments may restrict us from adopting some of these alternatives. In addition, any failure to make payments of interest and principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our creditworthiness and/ or credit rating, which could harm our ability to incur additional indebtedness on acceptable terms.

***22. Some of our projects are in the preliminary stages of planning and require approvals and renewals of certain approvals for our projects and we are required to fulfil certain conditions precedent in respect of some of them, which may require us to reschedule our Ongoing Projects and Forthcoming Projects.***

As of July 31, 2021, we had 23 Ongoing Projects and 17 Forthcoming Projects. Our development plans in relation to some of these projects are yet to be finalized and approved. To successfully execute each of these projects, we are required to obtain statutory and regulatory approvals and permits for which applications need to be made to the concerned authority at appropriate stages of the projects. For example, we are required to obtain the approval of building plans, layout plans, environmental consents and fire safety clearances for each of our projects. Further, we may be required to renew certain of our existing approvals. Further, some of our key approvals which are in the nature of operational licenses will expire in the next two years in the ordinary course of business and our Company or our Subsidiaries, as the case may be, will seek renewal in line with our past practices. While we will make the applications for renewal of these approvals at the appropriate time, we cannot assure you that we will be granted such approvals in a timely manner. Any inability to renew these approvals may have an adverse effect on our operations. For details regarding the pending material approvals of our Company, on a consolidated basis, see “*Government and Other Approvals*” on page 311.

Any delay or failure to obtain the required approvals or renewals in accordance with our plans may adversely affect our ability to implement our Ongoing Projects and Forthcoming Projects which may adversely affect our business and prospects. Further, some approvals or renewals of permits for projects under joint development or development management model may be applied for by our joint development/ development management partners or owners of the land. We cannot assure you that our partners or the owners of the land will obtain such approvals or renewals, in a timely manner, or at all. Moreover, we may encounter material difficulties in fulfilling any conditions precedent to the approvals or renewals such as failure to obtain a certificate of change of land use in respect of lands designated for purposes other than real estate development. Further, we may not be able to adapt to new laws, regulations or policies that may come into effect from time to time with respect to the real estate industry in general or the particular processes with respect to the granting of approvals or renewals, which may cause a delay in the implementation of our projects. For instance, if there is a change in the approved land use in

urban master plan areas, we may be required to obtain new consents for the use of our land and any failure on our part to obtain such consents may adversely affect our business and results of operation. For details regarding the pending material approvals of our Company, on a consolidated basis, see “*Government and Other Approvals*” on page 311.

In addition, certain land parcels partly fall under eco-sensitive zones, green zones and forest zones, for which we are required to obtain special permission to develop the said property, apart from the non-agriculture land order. We cannot assure you that such permissions will be obtained in a timely manner or at all. We cannot assure you that we will be able to obtain approvals or renewals in relation to our new projects, at such times or in such form as we may require, or at all. The laws and regulations, under which we and our subcontractors operate, may result in delays or stoppage in construction and development, causing us to incur substantial compliance costs and other increased costs, and prohibit or severely restrict our real estate and construction businesses. If we are unable to continue to acquire, construct and develop land as a result of these restrictions or if our compliance costs increase substantially, our business, financial condition and results of operations may be adversely affected.

**23. *Changing laws, rules and regulations and legal uncertainties, including the withdrawal of certain benefits or adverse application of tax laws, may adversely affect our business, prospects and results of operations.***

In India, our business is governed by various laws and regulations including the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013, the RERA and the rules made thereunder, including state specific rules, the Maharashtra Tenancy and Agricultural Lands Act, 1948, the Maharashtra Land Revenue Code, 1966 and rules made thereunder, the Indian Stamp Act, 1899, the Maharashtra Regional and Town Planning Act, 1966, the Maharashtra Stamp Act, 1958, the Indian Registration Act, 1908, the Maharashtra Ownership of Flats (Regulation of the Promotion of Construction, Sale, Management and Transfer) Act, 1963, the Environment (Protection) Act, 1986 and the Consumer Protection Act, 1986.

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. The Government has introduced several incentives to promote the construction and development of affordable housing. A large portion of our portfolio qualifies for tax benefits such as lower GST on affordable housing under the Government’s affordable housing initiative. For further information, see “*Statement of Tax Benefits*” on page 103. There are also various tax benefits under the Income Tax Act which are available to us and the purchasers of residential premises who avail loans from banks or other financial institutions. We or our customers may not be able to realize these benefits if there is a change in law or in interpretation of law resulting in the discontinuation or withdrawal of these tax benefits. There can also be no assurance that the Central Government or the State Governments may not implement new regulations and policies which will require us to obtain additional approvals and licenses from the governments and other regulatory bodies or impose onerous requirements and conditions on our operations. Any new regulations and policies and the related uncertainties with respect to the implementation of such new regulations may have a material adverse effect on all our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations.

The real estate sector may also be affected by regulatory changes of a general nature. For example, on November 8, 2016, Indian currency notes of denominations 500 and 1,000 ceased to be legal tender (barring specific exemptions for a limited time period). With effect from November 9, 2016, persons holding these currency notes were required to deposit them with bank branches and post offices or use them for only specified purposes. While new Indian currency notes of denominations 500 and 2,000 were subsequently introduced, the immediate impact of these measures was a decrease in cash liquidity in India which in turn negatively affected consumer spending. This demonetization had a negative effect on the secondary market for residential properties, which in turn dampened demand in the primary market. Any future measures taken by the Government in response to diseases such as COVID-19, which may include lockdowns, may affect the availability of labour and our ability to function normally and may consequently have an adverse effect on our projects, business and results of operations.

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 and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, prospects and results of operations. 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 our business, prospects and results of operations.

***24. Some or all of our outstanding receivables against the bookings may not be received in the future which may adversely affect our business prospects, financial conditions and results of operations.***

At the time of the booking of units in our various projects, our customers pay us a booking amount, which is usually a small portion of the entire consideration. Upon the receipt of such booking amount, we book the unit in favour of the customer, and the customer remains obligated to make instalment payments to satisfy payment of the entire consideration. Sometimes customers default in making timely instalment payments. However, we retain the right to forfeit the booking amount and cancel the registration of such a defaulting customer. Therefore, the outstanding receivables against the booked units may or may not be received in future and we may not be able to make a fresh sale of such units which may adversely affect our business prospects, financial conditions and result of operations.

***25. Our business and growth plan could be adversely affected by the incidence and change in the rate of property taxes and stamp duties.***

As a real estate development company, we are subject to the property tax regime in the MMR and PMR. We are also subject to stamp duty for the agreement entered into in respect of the properties we buy and sell. These taxes could increase in the future, and new types of property taxes and stamp duties may be introduced which will increase our overall costs. If these property taxes and stamp duties increase, the cost of buying, selling and owning properties may rise. Additionally, if stamp duties were to be levied on instruments evidencing transactions which we believe are currently not subject to such duties, our acquisition costs and sale values may be affected, resulting in a reduction of our profitability. Any such changes in the incidence or rates of property taxes or stamp duties could have an adverse effect on our financial condition and results of operations.

***26. We may experience difficulties in expanding our business into additional geographical markets including other micro markets within the MMR and the PMR.***

While the micro markets within MMR and the PMR real estate markets remain and are expected to remain our primary strategic focus, we also evaluate attractive growth opportunities in various other micro markets on a case by case basis. We may not be able to leverage our experience in existing micro markets to expand our operations in other micro markets in the MMR and the PMR or into other cities, should we decide to further expand our operations. Factors such as competition, culture, regulatory regimes, business practices and customs, customer tastes, behaviour and preferences in these cities where we may plan to expand our operations may differ from those in the micro markets where we are currently present, and our experience in such micro markets may not be applicable to other regions. In addition, as we enter new micro markets, we are likely to compete not only with national developers, but also local developers who have an established local presence, are more familiar with local regulations, business practices and customs, have stronger relationships with local contractors, suppliers, relevant government authorities, and who have access to existing land reserves or are in a stronger financial position than us, all of which may give them a competitive advantage over us.

If we plan to expand our geographical footprint, our business will be exposed to various additional challenges, including adjusting our construction methods to different terrains; obtaining necessary governmental approvals and building permits under unfamiliar regulatory regimes; identifying and collaborating with local business partners, construction contractors and suppliers with whom we may have no previous working relationship; successfully gauging market conditions in local real estate markets with which we have no previous familiarity; attracting potential customers in a market in which we do not have significant experience or visibility or brand recognition; being susceptible to local taxation in additional geographical areas of India; and adapting our marketing strategy and operations to different regions of India in which other languages are spoken. Our inability to expand into other areas may adversely affect our business prospects, financial conditions and results of operations.

***27. Certain information included in this Draft Red Herring Prospectus, including the measurements with respect to the estimated Developable Area of our projects and the expected launch and completion dates of our projects, is based on certain assumptions and estimates which may change for various reasons.***

Some of the information contained in this Draft Red Herring Prospectus with respect to our Completed Projects, Ongoing Projects and Forthcoming Projects such as the amount of land or development rights owned by us,

location and type of development, estimated Developable Area, description of amenities, our funding requirements and intended use of Net Proceeds of the Issue by the Company are based on certain assumptions and estimates and have not been independently appraised or verified. Further, the expected launch date of a project is the date by which we anticipate making the first booking, sales, leases or development, and the expected date of completion is the date by which we expect to receive the occupation certificate.

Developable Area of our Completed Projects and Ongoing Projects, estimated Developable Area of our Forthcoming Projects, and plot area of our Land Reserves have been calculated based on the current rules and regulations which govern the construction area of the respective projects. Our Land Reserves comprise land on which no development activity has commenced and no plan for development has been initiated but which we intend to develop in future, subject to various factors including marketability, receipt of regulatory clearances and development of adequate infrastructure. As of July 31, 2021, we had Land Reserves of 70.09 acres. The total area of a project that is ultimately developed and the actual Developable Area may differ from the descriptions of the project presented herein and a particular project may not be completely booked, sold, leased or developed until a date subsequent to the expected completion date. We may also have to revise our assumptions, estimates, development plans (including the type of proposed development) and the estimated construction commencement and completion dates of our projects depending on future contingencies and events, including, among others, changes in our business plans due to prevailing economic and market conditions, and changes in laws and regulations. Further, the information we have provided in relation to our Completed Projects, Ongoing Projects and Forthcoming Projects are not representative of our future results.

We may also change our management plans and timelines for strategic, marketing, internal planning and other reasons. Therefore, management's estimates and plans with respect to our projects are subject to uncertainty. Also see "*Risk Factors – An inability to complete our Ongoing Projects and Forthcoming Projects by their respective expected completion dates or at all could have a material adverse effect on our business, results of operations and financial condition*" on page 32.

**28. *We are subject to penalty clauses under the agreements entered into with our customers, joint development partners and land owners, for any delay in the completion or defects in construction of the projects.***

The agreements that we enter into with certain of our customers require us to complete construction on time and may provide for penalty clauses wherein we are liable to pay penalty to the customers for any delay in the completion of project as well as any defects in the construction of the projects. We cannot assure you that we will always finish the construction or development of our projects in accordance with the timelines specified in such agreements or that the construction of our projects will be free from any and all defects. Any inability of ours to complete these constructions in a timely manner or at all, could result in cancellation by customers of any commitment to purchase in our real estate projects and/ or refund of any advance deposited with us by any customer as a guarantee for purchase in our real estate projects, and all these factors could adversely affect our business, financial condition and results of operations. Further, any delays in completing our projects as scheduled could result in dissatisfaction among our customers, resulting in negative publicity, consumer litigation and lack of confidence among future buyers for our projects. Additionally, we may not achieve the economic benefits expected of such projects. In the event there are any delays in the completion of such projects, our relevant approvals and leases may expire or be terminated. We have in the past experienced delays in the completion and handover of our projects. Moreover, customers may object to any change that we may propose in the project layout, specifications and amenities. Non-fulfilment of any such conditions or other conditions as stipulated in the agreements may expose us to the risk of liquidated damages or termination of the agreement by the land owners, joint development partners or other third parties with whom we enter into such agreements. In addition, delays in the completion of the construction of our projects may also adversely affect our reputation, and we may be subject to penalties which may have an adverse effect on our business, financial condition and results of operations.

**29. *We are subject to risks in relation to sales made prior to completion of our projects, and an inability to pre-sell may adversely affect recovery of our capital outlay.***

We finance our residential projects through pre-sales prior to completion, in line with industry practice, and also finance our developments through progressive payment plans based on the proportion of construction completed. Proceeds from the pre-sale of our projects are an important source of financing for development of our projects. In the event of a failure, or delay beyond the contractually specified period, in the delivery of our pre-sold projects to purchasers, we would be required to refund all proceeds received in connection with pre-sales of or progressive payment plan for such project and we may be liable for potential losses that purchasers may suffer as a result. Our financial resources may be limited in making the requisite refunds in time if at all. Any restriction on our ability

to pre-sell our projects would extend the time period required for the recovery of our capital outlay and would result in the need to seek alternative means to finance the various stages of the development of our projects. There is no assurance that we will not experience significant delays in completion or delivery of a project. This, in turn, could adversely affect our business, prospects, financial condition and results of operations.

**30. *If the launch of new projects in the low-income affordable housing segment is unsuccessful, it may impact our growth plans and may adversely impact our business, financial condition and results of operations.***

As part of our strategy, we plan to strengthen our presence in the low-income affordable housing segment by developing such projects in the Indian market. Each of these projects carries significant risks, as well as the possibility of unexpected consequences, including (i) acceptance by and sales of such projects to our customers may not be as high as we anticipate; (ii) our marketing strategies for these projects may be less effective than planned and may fail to effectively reach the targeted consumer base or garner the desired demand; (iii) we may incur costs exceeding our expectations as a result of the continued development and launch of such projects; (iv) we may experience a decrease in sales of certain of our existing projects as a result of these new projects in the same vicinity; and (v) any delays or other difficulties impacting our ability, or the ability of our third party contractors and developers, to develop and construct projects in a timely manner in connection with launching the new project initiatives. Such consequences may adversely impact our business, financial condition and results of operations.

**31. *Sales of our projects may be adversely affected by the ability of our prospective customers to purchase property which is dependent on availability of financing to potential customers.***

Lower interest rates on housing finance from Indian banks and housing finance companies, particularly for residential real estate, combined with the favourable tax treatment of loans facilitate growth of the Indian real estate market. Any changes in the tax treatment with respect to the repayment of principal on housing loans and interest paid on housing loans is likely to affect demand for residential real estate. There are various tax benefits under the Income Tax Act which are available to purchasers of residential premises who utilize loans from banks or financial institutions. This could adversely affect the ability or willingness of our potential customers to purchase residential apartments. Further, adverse changes in interest rates affect the ability and willingness of prospective real estate customers, particularly customers of residential properties, to obtain financing for the purchase of our projects. A decision by the Reserve Bank of India to increase the repo rate could impose an inflation risk as the interest rates charged by banks on home loans from our prospective customers have in the past, and may continue to, be increased. Interest rates at which our customers may borrow funds for the purchase of our properties affects the affordability of our real estate projects. Any changes in the home loans market, making home loans less attractive to our customers may adversely affect our business, future growth and results of operations.

**32. *The industry in which we operate is competitive and highly fragmented resulting in increased competition that may adversely affect our results.***

The industry in which we operate is highly competitive and fragmented. Less or low fixed capital requirements have led to a large number of players in the industry. Moreover, due to the lesser requirements of technical expertise in the residential real estate sector as opposed to the industrial/ infrastructure construction sector, the residential real estate sector has a larger number of new entrants and existing players from whom we face competition. These new and existing players undertake projects in the same regional markets in which our projects are located. Given the fragmented nature of the real estate development industry, we often do not have adequate information about the property our competitors are developing and accordingly, run the risk of underestimating supply in the market. Our inability to compete successfully in our industry with the new entrants or the existing players may materially affect our business prospects and financial condition. Further, the State or Central Government may undertake real estate projects similar to ours in the same regional markets in which our projects are located, and offer various incentives which will increase supply of real estate projects in the market, increase competition and adversely affect our business.

Further, we compete for land, sale of projects, manpower resources and skilled personnel with other private developers. Some of our competitors may have greater resources (including financial, land resources, and other types of infrastructure) to take advantage of efficiencies created by size, and access to capital at lower costs, have a better brand recall, and established relationships with homeowners. For instance, we face competition from developers including Macrotech Developers Limited, Dosti Realty, and Godrej Properties Limited that have residential projects on Ghodbunder Road and other parts of Thane, and Paranjape Schemes, Kolte-Patil and Pride

Realty that have their real estate projects in Pune (Source: C&W Report). Our success in the future will depend significantly on our ability to maintain and increase market share in the face of such competition. Our inability to compete successfully with the existing players in the industry, may affect our business prospects and financial condition.

**33. *We face significant risks with respect to the length of time needed to complete each project. If we are unable to complete our projects in a timely manner or at all, it would adversely affect our business prospects, financial conditions and results of operations.***

It may take several years following the acquisition of land or development rights before income or positive cash flows can be generated through the sale of a completed real estate development project. Generally, the time required to complete any real estate construction and development project is significant. The risk of owning undeveloped land, developed land and inventories can be substantial as the market value of land and inventories can change significantly as a result of changing economic and market conditions. There is a time gap between our acquisition of land or development rights to the land and the development and sale of our projects, during which, deviations if any, could have a material adverse effect due to, among other things, changes to the national, state and local business climate and regulatory environment, local real estate market conditions, perceptions of prospective customers with respect to the convenience and attractiveness of our properties, and changes with respect to competition from other property developments. Since our real estate investments are relatively illiquid, our ability to mitigate the risk of any market fluctuations is limited. We could be adversely affected if the market conditions deteriorate or if we purchase land or inventories at higher prices during stronger economic periods and the value of the land or the inventories subsequently declines during weaker economic periods. We cannot assure you that real estate market cyclicality will not continue to affect the Indian real estate market in the future. As a result, we may experience fluctuations in property values over time which in turn may adversely affect our business, financial condition and results of operations.

**34. *We have reversed some of the revenue recognised in prior periods as a result of cancelled bookings for certain of our projects and may be required to do so in the future.***

We and our customers have cancelled bookings for certain of our projects in recent years. For example, we have cancelled bookings where our customers have failed to make instalment payments. In addition, where projects are delayed beyond the scheduled completion date, our customers may have a right to cancel their bookings. For some of these projects, we had recognised all or a portion of the income from these bookings as revenue. We have consequently been required to reverse the revenue recognised from these bookings. If an increasing number of bookings are cancelled in respect of projects where we have recognised revenue, this could lead to a decline in our business prospects, financial position and results of operations.

**35. *Failure to successfully implement our business strategies and our development plans may materially and adversely affect our business prospects, financial conditions and results of operations.***

We are embarking on a growth strategy which involves an expansion of our current business. We are currently focused on developing residential real estate projects in the certain micro-markets within the MMR and PMR for the mid-income affordable housing segment. While we intend to continue to focus on this segment, we propose to expand our operations into other micro-markets within the MMR and PMR. We also intend to increase our focus on pursuing an asset-light business model by entering into more development management arrangements. Further, we intend to leverage our experience in the real estate industry to capitalize on emerging industry opportunities, including entering the low-income affordable housing segment. Pursuing these strategies may place significant demands on our management as well as our financial resources and accounting and operating systems. Even if we have successfully executed our business strategies in the past, we cannot assure you that we will be able to execute our strategies on time and within the estimated budget, or that we will meet the expectations of targeted customers. Our failure to execute our growth strategy may result in our inability to maintain prior rates of growth.

Further, as we expand our operations, we may be unable to manage our business efficiently, which could result in delays, increased costs and affect the quality of our projects, and may adversely affect our reputation. Such expansion also increases the challenges involved in preserving a uniform culture, set of values and work environment across our business operations, developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, internal control and other internal systems, recruiting, training and retaining management, technical and marketing personnel, maintaining high levels of customer satisfaction, and adhering to health, safety, and environmental standards. Our failure to manage our growth could

have an adverse effect on our business and financial condition.

Each of the elements of new project initiatives that we develop to grow our business carries significant risks, as well as the possibility of unexpected consequences, including acceptance by and sales of the new project initiatives to our customers may not be as high as we anticipate; our marketing strategies for the new projects may be less effective than planned and may fail to effectively reach the targeted consumer base or engender the desired consumption; we may incur costs exceeding our expectations as a result of the continued development and launch of the new projects; we may experience a decrease in sales of certain of our existing projects as a result of the introduction of new projects nearby; and any delays or other difficulties impacting our ability, or the ability of our third party contractors and developers, to develop and construct projects in a timely manner in connection with launching the new project initiatives.

In the event of failure on our part to successfully implement our business strategies and our development plans for any of the foregoing reasons, our business and financial condition could be adversely affected.

***36. Our business is subject to seasonality, which may contribute to fluctuations in our results of operations and financial condition.***

We experience seasonality in our business. Our operations may be adversely affected by difficult working conditions during monsoons that restrict our ability to carry on construction activities to some extent and fully utilize our resources. Our sales may also increase during the last quarter of every Fiscal. Accordingly, our results of operations in one quarter may not accurately reflect the trends for the entire financial year and may not be comparable with our results of operations for other quarters.

***37. We rely on various contractors or third parties in developing our projects, and factors affecting the performance of their obligations could adversely affect our projects.***

Most of our projects require the services of contractors and various other parties including architects, engineers, consultants and suppliers of labour and materials for our projects. The timing and quality of construction of the projects that we develop depends on the availability and skill of these parties, as well as contingencies affecting them, including labour and construction material shortages and industrial action such as strikes and lockouts. We may not be able to identify appropriately experienced third parties and cannot assure you that skilled third parties will continue to be available at reasonable rates and in the areas in which we undertake our projects, or at all. As a result, we may be required to make additional investments or provide additional services to ensure the adequate performance and delivery of contracted services and any delay in project execution could adversely affect our profitability. Additionally, we rely on suppliers and do not have direct control over the quality of the products they supply, which may adversely affect the construction quality of our developments. In addition, if such contractors or third parties do not complete our orders in a timely manner or match our requirements on quality, our reputation and financial condition could be adversely affected. Further, any defects in construction of our projects may expose us to the risk of claims for damages.

***38. We may suffer uninsured losses or experience losses exceeding our insurance limits, which may have a material adverse effect on our business, financial condition and results of operations.***

We maintain insurance coverage that we believe is in accordance with industry standard. Our insurance cover as of July 31, 2021 for project insurance as part of the standard fire and special perils insurance policy, and contractor all risk insurance policy was ₹7,533.42 million and work-in-progress net of land cost including inventory was ₹11,820.43 million as of July 31, 2021. Our insurance cover for vehicle insurance was ₹11.56 and the written-down value of vehicles was ₹7.06 million, as of July 31, 2021. Our insurance cover for building, office equipment and furniture as part of the standard fire and special perils insurance policy was ₹47.70 million, and written-down value of equipment and furniture was ₹4.97 million as of July 31, 2021. Consequently, as of July 31, 2021, our project insurance cover as a percentage of work-in-progress net of land cost including inventory was 63.73%, vehicle insurance cover as a percentage of written-down value of vehicles was 163.74%, and office equipment and furniture insurance cover as a percentage of written-down value of corporate office and equipment and furniture was 959.76%. Our real estate projects could suffer physical damage from fire or other causes, resulting in losses which may not be fully covered by our insurance policies. In addition, there are certain types of losses, such as those due to earthquakes, floods, other natural disasters, terrorism or acts of war, which may not be insurable at a reasonable premium. We may also be subject to claims resulting from defects in our projects. The proceeds of any insurance claim with respect to insurance that either we or our contractors have taken may be insufficient to cover any expenses faced by us including higher rebuilding costs as a result of inflation, changes

in building regulations, environmental issues as well as other factors. Should an uninsured loss or a loss in excess of insured limits occur, we may lose the capital invested in and the anticipated revenue from the affected property. We could also remain liable for any debt or other financial obligation related to that property. We cannot assure you that losses in excess of insurance proceeds will not occur in the future. In addition, any payments we make to cover any uninsured loss may have a material adverse effect on our business, financial condition and results of operations. If we suffer any losses, damages and liabilities in the course of our operations and real estate development, we may not have sufficient insurance or funds to cover any such losses. In addition, any payment we make to cover any uninsured losses, damages or liabilities could have a material adverse effect on our business, financial condition and results of operations.

**39. *The Promoter Group does not include Sourabh Naphade, brother in law of Yogesh Puranik, or any entity in which he may have an interest.***

The Promoter Group does not include Sourabh Naphade, brother in law of Yogesh Puranik, or any entity in which he may be interested, in accordance with the requirements of the applicable provisions of the SEBI ICDR Regulations. We have not been able to obtain any information or undertakings from Sourabh Naphade, or any entity in which he may have an interest, as the case may be, as is customarily obtained in offerings in the nature of the Issue, for the purposes of disclosure in this Draft Red Herring Prospectus. As such, this Draft Red Herring Prospectus does not contain any information or undertakings in relation to Sourabh Naphade, or an entity in which he may have an interest.

**40. *Non-compliance with, and changes in, safety, health and environmental laws could adversely affect our projects.***

We are subject to a broad range of safety, health and environmental laws in the jurisdictions in which we operate in the ordinary course of our business, including on controls on noise emissions, air and water discharges, on the storage, handling, discharge and disposal of chemicals, employee exposure to hazardous substances and other aspects of our operations. Compliance with these laws may require a current or previous owner of a property to investigate and clean-up hazardous or toxic substances at a property. Under these laws, owners and operators of property may be liable for the costs of removal or remediation of certain hazardous substances or other regulated materials on or in such property. Such laws often impose such liability without regard to whether the owner or operator knew of, or was responsible for, any environmental damage or pollution and the presence of such substances or materials. The cost of investigation, remediation or removal of these substances may be substantial. Environmental laws may also impose compliance obligations on owners and operators of real property with respect to the management of hazardous materials and other regulated substances. Failure to comply with these laws can result in penalties or other sanctions.

In addition, we are required to conduct an environmental assessment of some of our projects before receiving regulatory approval for these projects. These environmental assessments may reveal material environmental problems, which could result in our not obtaining the required approvals. If environmental problems are discovered during or after the development of a property, we may incur substantial liabilities relating to clean up and other remedial measures and the value of the relevant projects could be adversely affected. Environmental reports that we may request a third party to prepare with respect to any of our properties may not reveal (i) all environmental liabilities, (ii) that any prior owner or operator of our properties did not create any material environmental condition not known to us, or (iii) that a material environmental condition does not otherwise exist as to any one or more of our properties. There also exists the risk that material environmental conditions, liabilities or compliance concerns may have arisen after the review was completed or may arise in the future. Finally, future laws, ordinances or regulations and future interpretations of existing laws, ordinances or regulations may impose additional material environmental liability.

While we believe we are in compliance in all material respects with all applicable safety, health and environmental laws and regulations, the discharge of raw materials that are chemical in nature or of other hazardous substances or other pollutants into the air, soil or water may nevertheless cause us to be liable to the Government of India or to third parties. In addition, we may be required to incur costs to remedy the damage caused by such discharges, pay fines or other penalties for non-compliance, which may adversely affect our financial condition and results of operations. Accordingly, compliance with, and changes in, safety, health and environmental laws may increase our compliance costs and as a result adversely affect our financial condition and results of operations.



**41. *Certain unsecured loans have been availed by our Company which may be recalled by lenders at any time.***

The unsecured loans taken by our Company may be recalled by the respective lenders at any time. Any failure to service such indebtedness, or otherwise perform any obligations under such financing agreements may lead to a termination of one or more of our credit facilities or incur penalties and acceleration of payments under such credit facilities, which may adversely affect our Company. For further information with respect to the unsecured loans availed by our Company, see “*Financial Indebtedness*” and “*Management Discussion and Analysis of Financial Condition and Result of Operations – Financial Indebtedness*” on page 300 and 269, respectively

**42. *In the event that we are unable to acquire lands for which we have entered into agreements for purchase or similar arrangements, or such agreements are held to be invalid or expire, we may not be able to acquire the land and may also lose advances paid towards acquisition of such lands.***

As part of our land acquisition process, we enter into agreements for purchase or similar arrangements with third parties prior to the transfer or conveyance of title to parcels of land to ensure that the sellers of the land satisfy certain conditions within the stipulated time frame specified under these agreements. For instance, the owners of the land may be required to provide to us all of the original deeds and documents in relation to the land. Upon entering into such arrangements, we are required to pay these landowners certain advances towards the purchase of the lands. These arrangements also provide that the lands must be conveyed in our favour within a prescribed period of time. In the event that we are not able to acquire the lands covered by these arrangements, we may not be able to recover all, or part of the advance monies related to these lands. Further, in the event that these arrangements are either invalid or have expired, we may lose the right to acquire these lands and also may not be able to recover the advances made in relation to the land. Also, any indecisiveness or delay on our part to perform our obligations under these arrangements may jeopardize our ability to acquire these lands before these agreements expire. Additionally, any failure to renew any of these arrangements on similar terms or recover the advanced monies from the relevant counterparties following the expiration of the initial term of such agreement could adversely affect our business, financial condition and results of operations.

We cannot assure you that such lands will be conveyed to us, that we will be successful in acquiring them or that we will be successful in registering them in our name or the name of one of our Subsidiaries.

**43. *We rely on our information technology systems for our operations and its reliability and functionality is critical to the success of our business.***

We rely on our information technology systems for our operations and its reliability and functionality is critical to our business success. Our growing dependence on the IT infrastructure, applications, and data has caused us to have a vested interest in its reliability and functionality, which can be affected by a number of factors, including, the increasing complexity of the IT systems, frequent change and short life span due to technological advancements and data security. If our IT systems malfunction or experience extended periods of down time, we may not be able to run our operations safely or efficiently. We may suffer losses in revenue, reputation and volume of business and our financial condition and results of operation may be materially and adversely affected. So far, we have not experienced any material widespread disruptions of service to our clients, but there can be no assurance that we may not encounter disruptions in the future.

Our information technology systems may be vulnerable to computer viruses, privacy, hacking or similar disruptive problems. Computer viruses or problems caused by third parties could lead to disruptions in our ability to maintain a track record and analyse the work in progress, cause loss of data and disruption in operations, including an ability to assess the progress of the projects, process financial information or manage creditors/debtors or engage in normal business activities. Moreover, we may not operate an adequate disaster recovery system. Fixing such problems caused by computer viruses or security breaches may require interruptions or delays, which could adversely affect our operations. Breaches of our information technology systems may result in unauthorized access to confidential information. Such breaches of our information technology systems may require us to incur further expenditure to put in place advanced security systems to prevent any unauthorized access to our networks.

**44. *Changes in technology may affect our business by making our construction and development capabilities less competitive or obsolete.***

Our future success will depend in part on our ability to respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis. The development and implementation of such technology entails technical and business risks. While we have invested in, and are involved with, a number of

technology and development initiatives, several technical aspects of these initiatives are still unproven and the eventual commercial outcomes cannot be assessed with any certainty. Even if we are successful with these initiatives, we may not be able to deploy them in a timely fashion. Accordingly, the costs and benefits from our investments in new technologies and the consequent effects on our financial results may vary from present expectations. We cannot assure you that we will be able to successfully implement new technologies or adapt our systems to emerging industry standards. Changes in technology may require us to make additional capital expenditures to upgrade our capabilities. If we are unable, for technical, financial or other reasons, to adapt in a timely manner to changing market conditions, customer requirements or technological changes, our business and results of operations could be adversely affected.

**45. Any downgrade in our credit rating could adversely affect our business.**

We have in the past been awarded with financial ratings for our debt instruments. We cannot assure you that our rating will not be downgraded in the future. Any downgrade of our credit rating in future may adversely affect our reputation and our business.

**46. We own and have applied for registrations of certain intellectual property rights and any failure to enforce our rights could have an adverse effect on our business prospects.**

Our trademarks are significant to our business and operations. We own a number of trademarks, including but not



limited to “PURANiKS Ideas that stay with you” and the logo appearing on the cover page of this Draft Red Herring Prospectus. For further information, see “Government and Other Approvals” on page 311. Our ability to enforce our trademarks and other intellectual property is subject to general litigation risks and an action for passing-off may not sufficiently protect our trademarks or trade names. Further, we may not have adequate mechanisms in place to protect our confidential information. While we do take precautions to protect confidential information against breach of trust by employees, consultants, customers and suppliers, it is possible that unauthorized disclosure of confidential information may occur.

In addition, we may become subject to claims by third parties if we use slogans, names, designs, software or other such subjects in breach of any intellectual property rights registered by such third party. Any legal proceedings pursuant to such claims, or settlements thereunder, may divert management attention and require us to pay financial compensation to such third parties, as well as compel us to change our marketing strategies or brand names of our products and services, which could adversely affect our business, prospects, results of operation and financial condition.

**47. A portion of our projects is held through our Subsidiaries and we pledge our shareholding to secure financing for such Subsidiaries. In the event of a default in our financing agreements, pledge may be invoked and our shareholding in our Subsidiaries may be diluted.**

We hold a part of our Ongoing Projects and Forthcoming Projects, and Land Reserves through our Subsidiaries. We regularly enter into financing arrangements to enable purchase of land including for the projects developed by the Subsidiaries. Some of the debt financing taken by Subsidiaries requires us to pledge shares held by our Company in our relevant Subsidiary in favour of the relevant lender. Any default in such loans by the relevant Subsidiary can result in the concerned lender exercising the rights in respect of such pledge and acquiring the shareholding of the Company in the relevant Subsidiary. In such circumstances, our ownership in the relevant Subsidiary may be diluted. Such an event may have an adverse impact on the business and financial position of the Company and/or our Subsidiaries concerned.

**48. We have high working capital requirements. If we experience insufficient cash flows to meet required payments on our debt and working capital requirements, our business and results of operations could be adversely affected.**

Our business requires a significant amount of working capital for activities including the performance of engineering, construction and other works on projects before we receive payment from our clients. We typically meet our working capital requirements from presales, i.e., sales carried out prior to completion of the project. We may need to incur additional indebtedness in the future to satisfy our working capital needs. Our working capital requirements may increase if, under certain contracts, payment terms include reduced advance payments or

payment schedules that specify payment towards the end of a project or that are less favourable to us. A significant source of financing our working capital requirements is from the sales realization of under construction projects. If we are unable to sell our inventory of units, or there are cancellation of presales or regulatory changes restricting the use of revenue generated from presales, our working capital requirements are likely to increase significantly and may thereby adversely impact our operations. See also “ – *We have reversed some of the revenue recognised in prior periods as a result of cancelled bookings for certain of our projects and may be required to do so in the future.*” All of these factors may result in increases in the amount of our receivables and short-term borrowings. Continued increases in working capital requirements may have an adverse effect on our financial condition and results of operations.

**49. *Industry information included in this Draft Red Herring Prospectus has been derived from an industry report commissioned by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.***

We have availed the services of an independent third party research agency, Cushman & Wakefield India, to prepare an industry report titled “Market Research Report – Mumbai & Pune (Residential and Commercial Real Estate)” dated September 2021, (“**C&W Report**”) for purposes of inclusion of such information in this Red Herring Prospectus. The C&W Report is subject to various limitations and based upon certain assumptions that are subjective in nature including that the C&W Report is not based on comprehensive market research of the overall market for all possible situations, and that changes in socio-economic and political conditions could result in a substantially different situation than those presented. We have also referred to the Karvy Insights Survey and the report prepared and issued by Karvy Insights as part of their survey, titled “Brand Health & Campaign Evaluation Study-Research Report” dated May 2018. We have not independently verified data from these industry reports. Although we believe that the data may be considered to be reliable, the accuracy, completeness and underlying assumptions are not guaranteed and dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, or the BRLMs or any of our or their respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Red Herring Prospectus.

**50. *Our operations and the work force, customers and/ or third parties on property sites are exposed to various hazards, which could adversely affect our business, financial condition and results of operations.***

We conduct various site studies to identify potential risks prior to the acquisition of any parcel of land or development rights for a parcel of land and its construction and development. However, there are certain unanticipated or unforeseen risks that may arise due to adverse weather and geological conditions such as outbreaks of storms, hurricanes, lightning, floods, landslides, rockslides and earthquakes and other reasons. Additionally, our operations are subject to hazards inherent in providing such services, such as risk of equipment failure, impact from falling objects, collision, 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. Accidents and, in particular, fatalities may have an adverse impact on our reputation and may result in fines and/or investigations by public authorities as well as litigation from injured workers or their dependents.

If any one of these hazards or other hazards were to occur involving our workforce, customers and/or third parties on property sites, our business, financial condition and results of operations may be adversely affected. Further, we may incur additional costs for reconstruction of our projects which are damaged by hazards which may not be covered adequately or at all by the insurance coverage we maintain, and this may adversely affect our business, reputation and financial condition.

**51. *We utilize independent construction contractors, whom we do not control, to construct projects and any failure on their part to perform their obligations could adversely affect our business, results of operations and cash flows.***

As part of our operations, we may contract with independent construction contractors for the construction of our projects. If a contractor fails to perform its obligations satisfactorily or within the prescribed time periods with

regard to a project or terminates its arrangements with us, we may be unable to develop the project within the intended timeframe, at the intended cost, or at all. If this occurs, we may be required to incur additional cost or time to develop the property to appropriate quality standards in a manner consistent with our development objective, which could result in reduced profits or in some cases, significant penalties and losses. We cannot assure you that the services rendered by such independent construction contractors will always be satisfactory or match our requirements for quality. In addition, we may be subject to claims in relation to defaults and late payments to our contractors, which may adversely affect our business, results of operations, and cash flows.

**52. *Fraud or improper conduct may delay the development of a project and adversely affect our business and results of operations.***

The real estate development and construction market in India is not immune to the risks of fraud or improper practices. Large construction projects provide opportunities for corruption, fraud or improper conduct, including bribery, deliberate poor workmanship, theft or embezzlement by employees, contractors or customers or the deliberate supply of low quality materials. If we or any other persons involved in any of the projects are the victim of or involved in any such practices, our reputation or our ability to complete the relevant projects as contemplated may be disrupted, thereby adversely affecting our business and results of operations.

**53. *We are dependent on a number of key personnel, and the loss of or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.***

We are highly dependent on our Key Managerial Personnel for setting our strategic business direction and managing our business. Our Managing Director and certain other Key Managerial Personnel have extensive experience in the real estate development sector. For further information, see “*Our Management – Key Management Personnel*” on page 206. Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled professionals. Due to the current limited pool of skilled personnel in our industry, competition for senior management is intense. The loss of the services of our Key Managerial Personnel or our inability to recruit or train a sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects.

**54. *Certain of our Promoters, Directors and Key Management Personnel hold Equity Shares in our Company and are therefore interested in the Company’s performance in addition to their normal remuneration and reimbursement of expenses.***

Certain of our Promoters, Directors and KMPs are interested in our Company, in addition to normal remuneration or benefits and reimbursement of expenses, to the extent of their shareholding or their relatives’ holding in our Company. Further, other than as disclosed in “*Related Party Transactions*” on page 217, there are no other transactions entered into by our Company with our Promoters, Directors or Key Management Personnel. While we believe that all such transactions have been conducted on an arm’s length basis, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties. For further information on the interest of our Directors, Promoters and Key Management Personnel, other than reimbursement of expenses incurred or normal remuneration or benefits, see “*Our Management – Interest of Directors*”, “*Our Promoters and Promoter Group - Interest of our Promoters*” and “*Our Management-Interest of our Key Management Personnel*” on pages 196, 212 and 207, respectively.

**55. *We have, in the past, entered into certain transactions with related parties and may continue to do so in the future. Any related party transactions that are not on an arm’s length basis may adversely affect our business, results of operation and financial condition.***

We have, in the past, entered into certain transactions with related parties, including our Promoters and Promoter Group and may continue to do so in the future. For further information, see “*Financial Statements*” on page 219. While we believe that all such transactions have been conducted on an arms-length basis, there can be no assurance that we would not have achieved more favourable commercial terms had such transactions not been entered into with related parties. Further, we may enter into related party transactions in the future, and such transactions may potentially involve conflicts of interest.

In the four months ended July 31, 2021 and July 31, 2020, and in Fiscal 2021, 2020 and 2019, the aggregate amount of such related party transactions was ₹17.78 million, ₹7.07 million, ₹55.68 million, ₹138.24 million and ₹131.34 million, respectively. The percentage of the aggregate value such related party transactions to our revenue

from operations in the Fiscal 2021, 2020 and 2019 was 0.93%, 1.69%, 1.11%, 1.92% and 1.84%, respectively. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority Shareholders and it will not have an adverse effect on our business, results of operations, cash flows and financial condition.

**56. *Our Company's ability to pay dividends in the future will depend on our Company's earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our Company's financing arrangements.***

As on date of this Draft Red Herring Prospectus, our Company has not adopted any formal dividend policy. In the past, we have made dividend payments to the Shareholders of our Company. For further information, see "Dividend Policy" on page 218. Our Company's ability to pay dividends in the future will depend on a number of factors, including but not limited to our earnings, capital requirements, contractual obligations, results of operations, financial condition, cash requirements, business prospects and any other financing arrangements, applicable legal restrictions and overall financial position of our Company. The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. Our Board may also, from time to time, declare interim dividends from the profits of the Financial Year in which such interim dividend is sought to be declared. We may retain all future earnings, if any, for use in the operations and expansion of the business. Our Company has in the past, paid dividends to the holders of the Preference Shares of our Company and may continue to pay such dividends to the Preference Shares holders. In accordance with the Companies Act, the holders of Preference Shares shall have preferential rights with respect to the payment of dividends over the holders of the Equity Shares. We cannot assure you that we will be able to pay dividends in the future. Accordingly, realization of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

**57. *Some of our corporate records are not traceable.***

We have been unable to locate the copies of certain of our secretarial records, namely the prescribed forms filed by us with the RoC, including, among others, in respect of the allotment of equity shares and alteration of capital. Further, we have also been unable to locate the secretarial records in relation to appointment of certain of our Directors. Despite having conducted a search of our records, and a search in the records of the RoC, we have not been able to retrieve the aforementioned documents. Accordingly, for such matters, we have relied on other documents, including minutes of meetings of the Board and Shareholders and statutory registers of members for such matters. We cannot assure you that these form filings and secretarial records will be available in the future or that we will not be subject to any penalty imposed by the competent regulatory authority in this respect or that we will not incur additional expenses arising from our inability to furnish correct particulars in respect of the RoC filings or other secretarial records, or for misrepresentation of facts which may occur due to non-availability of documents.

**58. *We will continue to be controlled by our Promoters and certain members of the Promoter Group after the completion of the Issue.***

As of the date of this Draft Red Herring Prospectus, our Promoters and certain members of the Promoter Group hold the entire issued, subscribed and paid-up Equity Share capital of our Company. Upon completion of the Issue, our Promoters and certain members of the Promoter Group together will hold [●]% of our equity share capital, which will allow them to continue to control the outcome of matters submitted to our Board or Shareholders for approval. After this Issue, our Promoters will continue to exercise significant control or exert significant influence over our business and major policy decisions, including but not limited to control the composition of our Board, delay, defer or cause a change of our control or a change in our capital structure, delay, defer or cause a merger, consolidation, takeover or other business combination involving us.

The interests of our Promoters and certain members of the Promoter Group may conflict with your interests and the interests of our other shareholders, and our Promoters and certain members of the Promoter Group could make decisions that may adversely affect our business operations, and hence the value of your investment in the Equity Shares.

**59. *Our Promoters, certain members of the Promoter Group and Directors and related entities have interests in a number of ventures, which are in businesses similar to ours and this may result in potential conflicts of interest with us.***

A conflict of interest may occur between our business and the business of such ventures in which our Promoters, certain members of the Promoter Group, our Directors and related entities are involved with, which could have an adverse effect on our operations. Conflicts of interest may also arise out of common business objectives shared by us, our Promoters, certain members of our Promoter Group Directors and related entities. Our Promoters, members of the Promoter Group, our Directors and related entities may compete with us and have no obligation to direct any opportunities to us. For example, certain of our Group Companies and Subsidiaries are engaged in businesses similar to ours. We cannot assure you that these or other conflicts of interest will be resolved in an impartial manner.

## **External Risk Factors**

### ***Risks relating to investment in India***

#### ***60. 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 respective 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;
- other significant regulatory or economic developments in or affecting India or its infrastructure sector; and
- international business practices that may conflict with other customs or legal requirements to which we are subject to, including anti-bribery and anti-corruption laws; being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

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. Demonetization of INR 500 & INR 1,000 currency notes was announced in November 2016. The immediate impact of the announcement led to people depositing their cash in banks and the Indian economy was drained out of liquid cash for a brief period. While majority of the low- and mid-income home buyers make their purchases with home loans, they went into a wait and watch mode owing to uncertainties. Developers also refrained from launching new projects during this period as there were no buyers. (Source: C&W Report).

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.

**61. *All our revenue is derived from business in India and a decline in economic growth or political instability or changes in the Government in India could adversely affect our business.***

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

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

**62. *Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors' assessment of our financial condition.***

The Restated Financial Statements for the four months ended July 31, 2021 and 2020, and for Fiscal 2021, 2020 and 2019 included in this Draft Red Herring Prospectus have been prepared under Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 read with the Companies Act, 2013. For further details, see the section "*Financial Statements*" on page 219.

Except as otherwise provided in the "Financial Statements" with respect to Ind AS, no attempt has been made to reconcile any of the information given in this Draft Red Herring Prospectus to any other principles or to base the information on any other standards. Ind AS differs from other accounting principles with which prospective investors may be familiar, such as IFRS and U.S. GAAP. Accordingly, the degree to which the financial statements, which are restated in accordance with the SEBI ICDR Regulations, included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS.

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.

In addition, our Restated Financial Statements may be subject to change if new or amended Ind AS accounting standards are issued in the future or if we revise our elections or selected exemptions in respect of the relevant regulations for the implementation of Ind AS.

**63. *If there is any change in laws or regulations, including taxation laws, or their interpretation, such changes may significantly affect our financial statements.***

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Act, 2019, a new tax legislation issued by India's Ministry of Finance effective as of September 20, 2019, prescribes certain changes to the income tax rate applicable to companies in India. According to this new ordinance, companies can henceforth voluntarily opt in favor of a concessional tax regime (subject to no

other special benefits/exemptions being claimed), which reduces the rate of income tax payable to 22%, subject to compliance with conditions prescribed, from the erstwhile 25% or 30%, depending upon the total turnover or gross receipt in the relevant period. While we have not opted for the concessional regime and continue to be subject to other benefits and exemptions, any such future amendments may affect our other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

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

Further, a draft of the Personal Data Protection Bill, 2019 (“**Data Protection Bill**”) has been introduced before the Lok Sabha on December 11, 2019, which is currently being referred to a joint parliamentary committee by the Parliament. The Data Protection Bill seeks to create a framework for implementing organizational and technical measures in processing personal data and to ensure the accountability of entities processing personal data. The Data Protection Bill also provides remedies for unauthorised and harmful processing and proposes to establish a Data Protection Authority of India for overseeing data processing activities. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant 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 impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

In addition, we are subject to tax related inquiries and claims. We may be particularly affected by claims from tax authorities on account of income tax assessment, service tax and GST that combines taxes and levies by the central and state governments into one unified rate of interest with effect from July 1, 2017.

For instance, the Finance Act, 2019 stipulates any sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act, 2019 has also clarified that the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. As such, there is no certainty on the impact that the Finance Act, 2019 may have on our Company’s business and operations.

Further, the Government of India has announced the union budget for Fiscal 2021, pursuant to which the Finance Act, effective from July 1, 2020, has introduced various amendments. As such, there is no certainty on the impact that the Finance Act, 2020 may have on our business and operations or on the industry in which we operate. 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.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have an adverse effect on our business.



**64. *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 in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, raw materials and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our clients, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase the price of our products to pass the increase in costs on to our clients, entirely or in part. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the Government of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

**65. *Financial instability, economic developments and volatility in securities markets in other countries may also cause the price of the Equity Shares to decline.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Following the United Kingdom's exit from the European Union ("Brexit"), there remains uncertainty around the impact of Brexit on the general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets. For example, Brexit could give rise to increased volatility in foreign exchange rate movements and the value of equity and debt investments.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operation. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

**66. *Investors may not be able to enforce a judgment of a foreign court against us or our management.***

We are incorporated under the laws of India and all of our Promoters, Directors, Key Management Personnel and senior management personnel reside in India. Majority of our assets, and the assets of certain of our Promoters, Directors, key management personnel and other senior management, are also located in India. In addition, the regulatory regime of our various international territories may have similar restrictions on enforcement of foreign judgments. Where investors wish to enforce foreign judgments in India, they may face difficulties in enforcing such judgments. India is not a party to any international treaty in relation to the recognition or enforcement of

foreign judgments. India exercises reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions which includes the United Kingdom, Singapore and Hong Kong. In order to be enforceable, a judgment obtained in a jurisdiction which India recognises as a reciprocating territory must meet certain requirements of the Code of Civil Procedures, 1908 (the “**Civil Code**”). Further, the Civil Code only permits enforcement of monetary decrees not being in the nature of any amounts payable in respect of taxes or, other charges of a like nature or in respect of a fine or other penalty and does not provide for the enforcement of arbitration awards. Judgments or decrees from jurisdictions not recognised as a reciprocating territory by India cannot be enforced or executed in India. Even if a party were to obtain a judgment in such a jurisdiction, it would be required to institute a fresh suit upon the judgment and would not be able to enforce such judgment by proceedings in execution. Further, the party which has obtained such judgment must institute the new proceedings within three years of obtaining the judgment.

As a result, you may be unable to: (i) effect service of process outside of India upon us and such other persons or entities; or (ii) enforce in courts outside of India judgments obtained in such courts against us and such other persons or entities. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI to repatriate any amount recovered pursuant to the execution of such foreign judgment, and any such amount may be subject to income tax in accordance with applicable laws.

**67. *Rights of shareholders under Indian law may be more limited than under the laws of other jurisdictions.***

Our Articles and Indian law govern our corporate affairs. Legal principles relating to these matters and the validity of corporate procedures, directors’ fiduciary duties and liabilities, and shareholders’ rights may differ from those that would apply to a corporate entity in another jurisdiction. Shareholders’ rights 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 one of our Shareholders than as a shareholder of a corporate entity in another jurisdiction.

**68. *Land is subject to compulsory acquisition by the government and compensation in lieu of such acquisition may be inadequate. Any such acquisition of land or properties by the government for compensation which may not be adequate may adversely affect our business, financial condition and results of operations.***

The right to own property in India is subject to restrictions that may be imposed by the government. In particular, the Government under the provisions of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 and (the “**Land Acquisition Act**”) has the right to compulsorily acquire any land if such acquisition is for a “public purpose”, after providing compensation to such owner of the land. However, the compensation paid pursuant to such acquisition may not be adequate to compensate the owner for the loss of such property. The likelihood of such acquisitions may increase as central and state governments seek to acquire land for the development of infrastructure projects such as roads, railways, airports and townships. Additionally, we may face difficulties in interpreting and complying with the provisions of the Land Acquisition Act, due to limited jurisprudence on them in the event our interpretation differs from or contradicts with any judicial pronouncements or clarifications issued by the Government. In the future, we may face regulatory actions or we may be required to undertake remedial steps. Any such action in respect of any of the projects in which we are investing or may invest in the future may adversely affect our business, financial condition or results of operations.

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

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19, acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could

have an adverse effect on our business and the price of the Equity Shares. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and the COVID-19 virus. A worsening of the COVID-19 pandemic or future outbreaks of similar contagious diseases, such as the ongoing outbreak of H5N1 strain of influenza in birds in India could adversely affect the Indian economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

**70. *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 by international rating agencies may adversely affect our ability to raise additional overseas financing due to increased interest rates and stringent 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.

**Risks Relating to the Equity Shares**

**71. *The trading volume and market price of the Equity Shares may be volatile following the Issue.***

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our earnings and results of operation, as well as those of our competitors;
- failure of securities analysts to cover the Equity Shares after the Issue;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations or estimates as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- activities of our suppliers;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

**72. *The Equity Shares have never been publicly traded, and, after the Issue, 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 Issue Price, or at all.***

Prior to the Issue, 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 Issue. 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 Issue 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.

**73. *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.

**74. *You will not be able to sell, immediately on the Stock Exchanges, any of the Equity Shares you purchase in the Issue.***

The Equity Shares will be listed on the Stock Exchanges. Pursuant to the applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately six Working Days from the Bid Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within six Working Days of the Bid Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

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

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see "*Restriction on Foreign Ownership of Indian Securities*" on page 353.

While the Government has permitted FDI of up to 100% without prior regulatory approval in the construction-development projects including development of townships, construction of residential or commercial premises, roads or bridges, hotels, resorts, hospitals, educational institutions, recreational facilities, city and regional level infrastructure, and townships, it has issued imposed certain conditions, such as a three year lock-in on repatriation of investments by persons resident outside India prior to completion of the project.

In terms of Press Note 3 of 2020, dated April 17, 2020 issued by the Department for Promotion of Industry and Internal Trade, the foreign direct investment policy has been recently 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 owners of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of

the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEM Rules. While the term “beneficial owner” is defined under the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 and the General Financial Rules, 2017, neither the foreign direct investment policy nor the FEM Rules provide a definition of the term “beneficial owner”. The interpretation of “beneficial owner” and enforcement of this regulatory change involves certain uncertainties, which may have an adverse effect on our ability to raise foreign capital. Further, there is uncertainty regarding the timeline within which the said approval from the Government may be obtained, if at all.

However, the FEM Rules permit participation in the Issue by the following categories of non-residents, without application of the conditions imposed on FDI investments: (i) FPIs under Schedule II of the FEM Rules, in accordance with applicable law, in the Issue subject to the limit of an FPI holding below 10% of the post-Issue paid-up capital of our Company, on a fully diluted basis and the aggregate limit for FPI investment currently not exceeding 100% (sectoral limit); and (ii) Eligible NRIs only on non-repatriation basis under Schedule IV of the FEM Rules, in accordance with applicable law. Further, other non-residents such as FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government, OCBs cannot participate in this Issue. For more information on bids by FPIs and Eligible NRIs, see “*Issue Procedure*” on page 335.

**76. *You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realised on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of Securities Transaction Tax (“STT”), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any capital gains realised on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

Similarly, any business income realised from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller. Additionally, in terms of the Finance Act, 2018, which has been notified on March 29, 2018 with effect from April 1, 2018, the tax payable by an assessee on the capital gains arising from transfer of long term capital asset (introduced as section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 10%, where the long-term capital gains exceed ₹100,000, subject to certain exceptions in case of a resident individuals and HUF.

Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of Equity Shares.

**77. *The Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.***

The Issue Price of the Equity Shares will be determined by our Company and the Selling Shareholders in consultation with the BRLMs through the Book Building Process. This price will be based on numerous factors, as described under “*Basis for Issue Price*” on page 100, and may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Issue Price.

**78. *The market value of the Equity Shares may fluctuate due to the volatility of the Indian securities markets.***

Indian securities markets may be more volatile than and not comparable to, the securities markets in certain countries with more developed economies and capital markets than India. Indian stock exchanges have, in the past, experienced substantial fluctuations in the prices of listed securities. Indian stock exchanges (including the BSE and the NSE) have experienced problems which, if such or similar problems were to continue or recur, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares. These problems have included temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of Indian stock exchanges have, from time to time, imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Further, from time to time, disputes have occurred between listed companies, stock exchanges and other regulatory bodies, which in some cases may have a negative effect on market sentiment.

**79. *Any future issuance of Equity Shares may dilute your shareholding and sales of the Equity Shares by our Promoters or other major Shareholders may adversely affect the trading price of the Equity Shares.***

We may be required to finance our growth through future equity offerings. Any future equity issuances by our Company, including a primary offering, may lead to the dilution of investors' shareholdings in our Company. Any future issuances of Equity Shares (including under ESOP 2018) or the disposal of Equity Shares by our Promoters or any of our Company's other principal Shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. There can be no assurance that we will not issue further Equity Shares or that the Shareholders will not dispose of, pledge or otherwise encumber the Equity Shares. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares.

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

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by the company. However, if the laws of the jurisdiction the investors are located in does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If our Company elects not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

## SECTION III – INTRODUCTION

### THE ISSUE

The following table summarises the details of the Issue:

Issue of Equity Shares <sup>#</sup>	Up to [●] Equity Shares, aggregating up to ₹[●] million
<i>of which:</i>	
Fresh Issue <sup>(1)</sup>	Up to [●] Equity Shares, aggregating up to ₹5,100.00 million
Offer for Sale <sup>(2)</sup>	Up to 945,000 Equity Shares, aggregating up to ₹[●] million
<i>of which:</i>	
Employee Reservation Portion <sup>(3)</sup>	Up to [●] Equity Shares, aggregating up to ₹[●] million
The Net Issue comprises of:	
A) QIB Portion <sup>(4)(5)</sup>	Not more than [●] Equity Shares
<i>of which:</i>	
(i) Anchor Investor Portion	Up to [●] Equity Shares
(ii) Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
<i>of which:</i>	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion) <sup>(6)</sup>	Up to [●] Equity Shares
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Up to [●] Equity Shares
B) Non-Institutional Portion <sup>(5)</sup>	Not less than [●] Equity Shares
C) Retail Portion <sup>(5)</sup>	Not less than [●] Equity Shares
<b>Pre and post Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	57,648,207 Equity Shares
Equity Shares outstanding after the Issue	[●] Equity Shares
<b>Utilisation of Net Proceeds</b>	See “ <i>Objects of the Issue</i> ” on page 92 for information about the use of proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale

<sup>#</sup> Our Company may, in consultation with the BRLMs, consider undertaking a private placement of Specified Securities for cash consideration aggregating up to ₹1,500 million. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to the Issue size satisfying the minimum issue size requirements under the SCRR.

Notes:

- (1) The Issue has been authorised by a resolution passed by our Board of Directors in their meeting held on September 7, 2021. Our Shareholders vide a special resolution passed in their extraordinary general meeting held on September 13, 2021 authorised the Issue.
- (2) Ravindra Puranik and Gopal Puranik, the Selling Shareholders, have consented to participate in the Offer for Sale. The details of their respective Offered Shares are as follows:

Sr. No.	Name of the Selling Shareholder	Number of Equity Shares offered in the Offer for Sale	Date of the consent letter to participate in the Offer for Sale
1.	Ravindra Puranik	Up to 472,500	September 18, 2021
2.	Gopal Puranik	Up to 472,500	September 18, 2021

Each of the Selling Shareholders have specifically confirmed that their respective portion of the Offered Shares, have been held by each one of them for a period of at least one year prior to the filing of the Draft Red Herring Prospectus, and are accordingly eligible for being offered for sale in the Issue as required by the SEBI ICDR Regulations.

- (3) *Our Company and the Selling Shareholders, in consultation with the BRLMs, may offer a discount of up to [●]% (equivalent to ₹[●] per Equity Share) on the Issue Price to the Eligible Employees Bidding under the Employee Reservation Portion, respectively. The amount of Employee Discount will be advertised in all newspapers wherein the pre-Issue advertisement will be published. For further details, see “Issue Procedure” on page 335. Unless the Employee Reservation Portion is under-subscribed, the value of allocation to an Eligible Employee shall not exceed ₹200,000. In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for value exceeding ₹200,000 up to ₹500,000 (net of Employee Discount). Any unsubscribed portion remaining in the Employee Reservation Portion shall be added to the Net Issue and be subject to compliance with Regulation 6(1) of the SEBI ICDR Regulations. In case of under-subscription in the Net Issue (other than in the QIB Category), spill over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion subject to compliance with Regulation 6(1) of the SEBI ICDR Regulations and Rule 19(2)(b) of the SCRR.*
- (4) *Our Company and the Selling Shareholders, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis at the Anchor Investor Allocation price 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. Post-allocation to Anchor Investors, the QIB Portion will be reduced by such number of Equity Shares. [●] Equity Shares (representing 5% of the Net QIB Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion, including any unsubscribed portion of the reservation for Mutual Funds, if any, 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 Issue Price. However, if the aggregate demand from the Mutual Funds is less than [●] Equity Shares, 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 the Anchor Investors) in proportion to their Bids. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. For further details, see “Issue Procedure” beginning on page 335.*
- (5) *Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories, as applicable, at the discretion of our Company and the Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable law. In the event of an undersubscription in the Issue, Equity Shares offered pursuant to the Fresh Issue shall be allocated in the Fresh Issue, prior to the Offered Shares. However, after receipt of minimum subscription of 90% of the Fresh Issue, the Offered Shares, shall be allocated prior to the Equity Shares offered pursuant to the Fresh Issue. For further details, see “Issue Procedure” on page 335.*
- (6) *Subject to valid Bids being received at, or above, the Issue Price.*

Allocation to all categories, except the Anchor Investor Portion and the Retail Portion, if any, shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be Allocated on a proportionate basis. For further details, see “Issue Procedure” on page 335. Further, for details in relation to the terms of the Issue, see “Terms of the Issue” on page 329. For details, including in relation to grounds for rejection of Bids, refer to “Issue Structure” and “Issue Procedure” on pages 326 and 335, respectively.



## SUMMARY FINANCIAL INFORMATION

The summary financial information presented below should be read in conjunction with the Restated Consolidated Financial Statements, the notes thereto and “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 219 and 269, respectively.

### RESTATED CONSOLIDATED IND AS SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(₹ in million)

Particulars	As at July 31, 2021	As at July 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>Non-Current Assets</b>					
Property, Plant and Equipment	44.98	55.19	47.16	59.13	74.97
Capital Work in Progress	12.74	10.57	12.74	10.57	7.53
Goodwill on Consolidation	13.12	13.12	13.12	13.12	13.12
Other Intangible Assets	1.99	1.97	1.61	2.15	0.96
Financial Assets					
Investments	0.52	0.52	0.52	0.52	0.52
Loans	12.98	12.98	12.98	12.98	9.90
Other Financial Assets	229.85	260.64	181.76	235.78	313.73
Deferred Tax Assets (Net)	20.45	20.89	21.20	19.86	16.27
Tax Assets (Net)	-	-	-	-	-
Other assets	0.91	0.91	0.91	0.91	0.91
<b>Total Non-Current Assets</b>	<b>337.54</b>	<b>376.79</b>	<b>292.00</b>	<b>355.02</b>	<b>437.91</b>
<b>Current Assets</b>					
Inventories	16,471.88	15,971.10	15,984.34	15,251.79	14,069.93
Financial Assets					
Current Investments	34.31	7.76	49.56	35.35	56.50
Trade Receivables	2,200.36	1,991.71	2,470.01	1,999.02	2,632.65
Cash and Cash Equivalents	50.28	67.45	53.03	47.69	331.85
Bank Balances other than above	108.70	151.85	144.62	150.21	66.86
Loans	65.22	153.83	158.55	156.09	154.93
Others	65.23	71.02	67.78	72.37	64.52
Current Tax Assets (Net)	10.64	6.62	10.57	6.17	16.49
Other Current Assets	1,742.87	1,982.24	1,697.57	2,009.49	1,817.86
<b>Total Current Assets</b>	<b>20,749.48</b>	<b>20,403.58</b>	<b>20,636.03</b>	<b>19,728.18</b>	<b>19,211.60</b>
<b>Total Assets</b>	<b>21,087.02</b>	<b>20,780.37</b>	<b>20,928.03</b>	<b>20,083.20</b>	<b>19,649.51</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Equity Share Capital	576.48	576.48	576.48	576.48	576.48
Other Equity	2,953.24	2,456.12	2,790.80	2,452.57	2,012.15
<b>Equity attributable to Owners of the Company</b>	<b>3,529.72</b>	<b>3,032.60</b>	<b>3,367.28</b>	<b>3,029.05</b>	<b>2,588.63</b>
Non-Controlling Interests	703.86	798.95	702.81	774.98	642.29
<b>Total Equity</b>	<b>4,233.58</b>	<b>3,831.55</b>	<b>4,070.09</b>	<b>3,804.03</b>	<b>3,230.92</b>
<b>Non-Current Liabilities</b>					
Financial Liabilities					-
Long Term Borrowings	12,532.31	12,462.78	12,816.38	12,066.57	10,754.36
Other Financial Liabilities (other than those specified under Long Term Provisions)	220.59	209.46	216.53	206.68	184.97
Long Term Provisions	37.92	46.09	40.63	50.19	34.19
Deferred Tax Liabilities (Net)	-	-	-	-	-
<b>Total Non-Current Liabilities</b>	<b>12,790.82</b>	<b>12,718.33</b>	<b>13,073.54</b>	<b>12,323.44</b>	<b>10,973.52</b>
<b>Current Liabilities</b>					
Financial Liabilities					
Short Term Borrowings	189.14	294.41	202.82	299.30	508.24
Trade and other payables	933.67	1,138.27	1,078.46	1,113.81	1,091.79

<b>Particulars</b>	<b>As at July 31, 2021</b>	<b>As at July 31, 2020</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
Other financial liabilities (other than those specified under Short Term Provisions)	1,292.92	938.98	895.36	824.71	1,723.04
<b>Other Current Liabilities</b>	<b>1,421.19</b>	<b>1,593.69</b>	<b>1,413.23</b>	<b>1,454.94</b>	<b>1,941.95</b>
Short Term Provisions	1.74	3.87	4.19	4.33	4.47
Liabilities for Current Tax (Net)	223.96	261.27	190.34	258.64	175.58
<b>Total Current Liabilities</b>	<b>4,062.62</b>	<b>4,230.49</b>	<b>3,784.40</b>	<b>3,955.73</b>	<b>5,445.07</b>
<b>Total Equity and Liabilities</b>	<b>21,087.02</b>	<b>20,780.37</b>	<b>20,928.03</b>	<b>20,083.20</b>	<b>19,649.51</b>

**RESTATED CONSOLIDATED IND AS SUMMARY STATEMENT OF PROFITS AND LOSS**

*(₹ in million)*

Particulars		For the four-month period ended July 31, 2021	For the four-month period ended July 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>I</b>	<b>INCOME</b>					
	Revenue from Operations	1,906.06	417.22	5,022.66	7,206.14	7,151.90
	Other Income	5.24	6.60	112.94	96.26	60.40
	<b>Total Income (I)</b>	<b>1,911.30</b>	<b>423.82</b>	<b>5,135.60</b>	<b>7,302.40</b>	<b>7,212.30</b>
<b>II</b>	<b>EXPENSES</b>					
	Operating Cost	1,370.70	314.63	3,304.98	4,966.83	4,655.37
	Employee Benefits Expense	13.10	12.83	37.75	261.93	344.12
	Finance Costs (Net)	299.68	79.92	1,294.86	1,279.74	1,149.72
	Depreciation, Amortisation and Impairment Expense	2.36	3.98	11.72	19.84	21.16
	Other Expenses	9.20	4.11	37.26	54.51	59.82
	<b>Total Expenses (II)</b>	<b>1,695.04</b>	<b>415.47</b>	<b>4,686.57</b>	<b>6,582.85</b>	<b>6,230.19</b>
<b>III</b>	<b>Restated Profit Before Exceptional Item and Tax (I-II)</b>	216.26	8.35	449.03	719.55	982.11
	Exceptional Items	-	-	-	-	-
<b>IV</b>	<b>Restated Profit Before Tax</b>	216.26	8.35	449.03	719.55	982.11
<b>V</b>	<b>Tax Expense:</b>					
	Current Tax	39.53	3.90	83.88	208.90	275.68
	Deferred Tax	1.47	0.51	2.12	(1.64)	(6.27)
<b>VI</b>	<b>Restated Profit for the Period / Year</b>	175.26	3.94	363.03	512.29	712.70
<b>VII</b>	<b>Other Comprehensive Income (OCI)</b>					
	(i) <b>Items that will not be reclassified to profit or loss</b>					
	Remeasurements of Defined Benefit Plans	(9.95)	(6.82)	(17.12)	(6.35)	2.55
	Less: Income Tax relating to Items that will not be reclassified to Profit or Loss	0.73	1.53	3.45	1.96	(0.43)
	<b>Total Other Comprehensive Income</b>	<b>(9.22)</b>	<b>(5.29)</b>	<b>(13.67)</b>	<b>(4.39)</b>	<b>2.12</b>
<b>VIII</b>	<b>Restated Total Comprehensive Income for the period / year (VI+VII)</b>	166.04	(1.35)	349.36	507.90	714.82
	<b>Restated Profit for the period / year attributable to:</b>					
	(i) Owners of the Company	171.06	8.28	350.59	444.90	616.83
	(ii) Non-Controlling Interest	4.20	(4.34)	12.44	67.39	95.87
		175.26	3.94	363.03	512.29	712.70
	<b>Other Comprehensive Income for the period attributable to -</b>					
	(i) Owners of the Company	(8.62)	(4.73)	(12.36)	(4.48)	2.14
	(ii) Non-Controlling Interest	(0.60)	(0.56)	(1.31)	0.09	(0.02)
		(9.22)	(5.29)	(13.67)	(4.39)	2.12
	<b>Total Comprehensive Income for the period attributable to-</b>					
	(i) Owners of the Company	162.44	3.55	338.23	440.42	618.97

Particulars		For the four-month period ended July 31, 2021	For the four-month period ended July 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
	(ii) Non-Controlling Interest	3.60	(4.90)	11.13	67.48	95.85
		166.04	(1.35)	349.36	507.90	714.82
	<b>Earnings Per Equity Share:</b>					
	(Face Value of ₹10 per Equity Share)					
	Basic	2.97	0.14	6.08	7.72	10.70
	Diluted	2.97	0.14	6.08	7.72	10.70

**RESTATED CONSOLIDATED IND AS SUMMARY STATEMENT OF CASH FLOWS**

*(₹ in million)*

Particulars	For the four-month period ended July 31, 2021	For the four-month period ended July 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>(A) Operating Activities</b>					
<b>Restated Profit before tax</b>	<b>216.26</b>	<b>8.35</b>	<b>449.03</b>	<b>719.55</b>	<b>982.11</b>
Finance Cost	341.40	121.65	1,336.59	1,279.74	1,191.45
Depreciation	2.35	3.98	11.72	19.84	21.16
Fair Value Gains / (Losses)	1.54	1.61	3.58	(5.46)	(6.50)
Dividend Income on Investment	-	-	-	-	(40.11)
Interest Received	(2.59)	(3.35)	(103.17)	(19.02)	(22.29)
Increase in Retained Earnings on Account of Ind AS	-	-	-	-	(111.36)
Other Comprehensive Income	(9.22)	(5.29)	(13.67)	(4.39)	2.12
Adjustment to Retained Earning on Account of Subsidiary	-	-	-	-	9.46
<b>Operating profit before change in operating assets and liabilities</b>	<b>549.75</b>	<b>126.95</b>	<b>1,684.08</b>	<b>1,990.25</b>	<b>2,026.04</b>
Add / (Less):					
(Increase)/Decrease in Inventory	(487.53)	(719.31)	(732.55)	(1,181.86)	(2,474.59)
(Increase)/Decrease in Trade Receivables	269.65	7.31	(470.99)	633.64	(357.49)
(Increase)/Decrease in current financial loan given	53.73	2.26	(2.46)	(0.06)	(9.32)
(Increase)/Decrease in other current financial assets	2.55	1.35	4.59	(50.43)	(103.03)
(Increase)/Decrease in other Short Term Borrowings	(13.68)	(4.89)	(96.47)	(208.95)	-
(Increase)/Decrease in other current assets	(45.30)	27.25	311.92	(148.69)	(122.33)
Increase/(Decrease) in Trade payables	(144.79)	24.46	(35.35)	22.03	279.44
Increase/(Decrease) in other current financial liabilities	321.90	188.93	158.34	(839.96)	(283.72)
Increase/(Decrease) in other current liabilities	83.62	64.08	(129.41)	(546.54)	138.49
Increase/(Decrease) in Long term provisions	(2.71)	(4.10)	(9.56)	16.00	-
Increase/(Decrease) in Short term provisions	(2.45)	(0.47)	(0.14)	(0.13)	(9.42)
<b>Cash Generated from / (used in) Operating Activities</b>	<b>584.72</b>	<b>(286.17)</b>	<b>682.00</b>	<b>(314.70)</b>	<b>(915.93)</b>
Add/ (Less): Income Tax Paid	(5.24)	(2.74)	(162.03)	(119.10)	(240.68)
<b>Net Cash Flows from / (used in) Operating Activities</b>	<b>579.48</b>	<b>(288.91)</b>	<b>519.97</b>	<b>(433.80)</b>	<b>(1,156.61)</b>
<b>(B) Cash Flow from Investing Activities</b>					
(Purchase)/Proceeds from Sale of Investments (Net)	13.71	25.98	(17.79)	26.61	159.25
(Increase)/Decrease in Non-current financial loan given	-	-	-	(3.10)	(1.12)
(Increase)/Decrease in other Non-current financial assets	(8.48)	(24.87)	54.01	77.66	(22.19)
(Increase)/Decrease in other Non-current assets	-	-	-	-	0.61
(Purchase)/ Proceeds from Sale of Property Plant and Equipments / intangible assets/ addition to capital work in progress (Net)	(0.56)	0.14	(1.38)	(8.23)	(46.92)
Interest received	2.59	3.35	103.17	19.02	22.29
Dividend on Current Investments Received	-	-	-	-	40.11
<b>Net Cash Flows from / (used in) Investing Activities</b>	<b>7.27</b>	<b>4.60</b>	<b>138.01</b>	<b>111.96</b>	<b>152.03</b>

Particulars		For the four-month period ended July 31, 2021	For the four-month period ended July 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>(C)</b>	<b>Net Cash used in Financing Activities</b>					
	Proceeds from /(Repayment of) Long term borrowings (Net)	(284.07)	396.21	749.81	1,312.21	2,145.02
	Increase/(Decrease) in Capital	170.54	(5.00)	326.00	786.39	965.32
	Other Non-current financial liabilities	(212.21)	(5.57)	(439.17)	(697.84)	(933.90)
	Finance Cost	(299.68)	(79.92)	(1,294.86)	(1,279.74)	(1,149.72)
	<b>Net Cash Flows from / (used in) Financing Activities</b>	<b>(625.41)</b>	<b>305.72</b>	<b>(658.22)</b>	<b>121.01</b>	<b>1,026.72</b>
<b>(D)</b>	<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C):</b>	<b>(38.67)</b>	<b>21.40</b>	<b>(0.25)</b>	<b>(200.81)</b>	<b>22.14</b>
	<b>Cash and Cash Equivalents at the beginning of the period / year</b>	197.65	197.90	197.90	398.71	376.57
	<b>Cash and Cash Equivalents at period / year end</b>	<b>158.98</b>	<b>219.30</b>	<b>197.65</b>	<b>197.90</b>	<b>398.71</b>

## GENERAL INFORMATION

Our Company was incorporated as 'Puranik Builders Private Limited', a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated May 8, 1990 issued by the RoC. Thereafter, our Company was converted into a public limited company pursuant to a special resolution passed in the extraordinary general meeting of the Shareholders held on April 27, 2018 and the name of our Company was changed to its present name 'Puranik Builders Limited', pursuant to a fresh certificate of incorporation issued by the RoC on May 10, 2018. For further details regarding changes in the name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 171.

### Registered and Corporate Office of our Company

The address and certain other details of our registered office are as follows:

#### Puranik Builders Limited

PURANIK ONE

Near Kanchanpushpa Complex

Opposite Suraj Water Park

Kavesar, Ghodbunder Road

Thane (West)-400 615

Telephone: +91 22 2598 8888

E-mail: cs@puraniks.in

Website: www.puranikbuilders.com

### Company Registration Number and Corporate Identity Number

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

(a) Registration number: 056451

(b) Corporate identity number: U99999MH1990PLC056451

### Address of the RoC

Our Company is registered with the RoC, situated at:

Registrar of Companies

100, Everest, Marine Drive

Mumbai - 400 002

Maharashtra, India

### Board of Directors

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

Name	Designation	DIN	Address
Shailesh Puranik	Chairman and Managing Director	00097987	2/172, Tarangan-II, Adjoining Cadbury Compound, Pokharan, Thane - 400 602
Shrikant Puranik	Whole Time Director	00098024	2/142, Tarangan, Near Cadbury Compound, Pokharan, Thane - 400 606
Yogesh Puranik	Whole Time Director	00098063	2/141, Tarangan II, Adjoining Cadbury Compound, Pokharan, Thane - 400 606
Nilesh Puranik	Whole Time Director	00098105	2/72-82, Tarangan II, Adjoining Cadbury Compound, Pokharan, Thane - 400 606
Amol Shimpi	Independent Director	00644431	132, Sharmishtha, Tarangan Towers, NR Korum Mall, Shahid Mangal Pandey Road, Thane-400 606
Satyendra J Sonar	Independent Director	01268881	C-604, 6 <sup>th</sup> Floor, Kanti Apartments, Mount Mary Road, Bandra (West), Mumbai-400 050
Sneha Khandekar	Independent Director	06729350	A-8, Aparna Apartment, 78 S.V. Road, Irla Bridge, Andheri (West), Mumbai-400 058

Name	Designation	DIN	Address
Manikandan Ramasamy	Independent Director	08124188	98, Prestige Oasis, Adde Vishwanathapura Road Rajanakunte, Behind Angasana Resort, Raj Anukunte, Bengaluru-560 064

For further details of our Board of Directors, see “*Our Management*” on page 189.

### **Company Secretary and Compliance Officer**

Ritu Baheti is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

#### **Ritu Baheti**

PURANIK ONE

Near Kanchanpushpa Complex

Opposite Suraj Water Park

Kavesar, Ghodbunder Road

Thane (West) - 400 615

Telephone: +91 22 2598 8888

E-mail: cs@puraniks.in

### **Investor Grievances**

Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, 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 Issue related queries and for redressal of complaints, Bidders may also write to the BRLMs, in the manner provided below.

All Issue related grievances, other than by Anchor Investors, may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, with whom the ASBA Form was submitted, quoting the full name of the sole or first Bidder, ASBA Form number, Bidders’ DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, date of ASBA Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number (for Bidders other than RIIs bidding through UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of RIIs bidding through the UPI Mechanism. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or first Bidder, Bid cum Application Form number, Bidders’ DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, name and address of the relevant Designated Intermediary, unique transaction reference number, the name of the relevant bank, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLM where the Bid cum Application Form was submitted by the Anchor Investor.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Issue. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.



## Book Running Lead Managers

### Elara Capital (India) Private Limited

One International Centre  
Tower 3, 21st Floor, Senapati Bapat Marg  
Elphinstone Road West, Mumbai – 400 013

**Telephone:** +91 22 6164 8599

**Email:** puranik.ipo@elaracapital.com

**Investor grievance e-mail:** mb.investorgrievances@elaracapital.com

**Website:** www.elaracapital.com

**Contact person:** Kunal Safari/ Namrata Ravasia

### YES Securities (India) Limited

2nd Floor, YES Bank House  
Off Western Express Highway, Santacruz  
East

Mumbai 400 055

**Telephone:** +91 22 6507 8131

**Email:** puranik.ipo@ysil.in

**Investor grievance e-mail:** igc@ysil.in

**Website:** www.yesinvest.in

**Contact Person:** Sachin Kapoor/ Lalit Phatak

## Syndicate Member

[•]

### Bankers to the Issue

#### Public Issue Account Bank and Sponsor Bank

[•]

#### Escrow Bank and Refund Bank

[•]

## Statement of inter-se allocation of responsibilities among the Book Running Lead Managers

The following table sets forth the inter-se allocation of responsibilities for various activities among the BRLMs for the Issue:

Sr.No	Activity	Responsibility	Co-ordinator
1	Pre-offer due diligence of our Company's operations/ management/ business plans/ legal. Drafting and designing of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing of the same and drafting and approval of all statutory advertisements	All BRLMs	Elara Capital
2	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments.	All BRLMs	Elara Capital
3	Appointment of intermediaries" viz., Registrar to the Offer, Banker(s) to the Issue, Advertising agency, printers, monitoring agency (including coordinating all agreements to be entered with such parties).	All BRLMs	Elara Capital
4	Drafting and approval of all publicity material other than statutory advertisement, as mentioned in (1) above, including corporate advertising, brochure, etc. Finalisation and filing of media compliance report with SEBI.	All BRLMs	YES Securities
5	International Institutional marketing, finalising the list and division of international investors for one-to-one meetings and finalising international roadshows investors meeting schedule and pricing presentation	All BRLMs	Elara Capital
6	Domestic institutional marketing of the Offer, which will cover, among others: <ul style="list-style-type: none"><li>• institutional marketing strategy;</li></ul>	All BRLMs	YES Securities

Sr.No	Activity	Responsibility	Co-ordinator
	<ul style="list-style-type: none"> <li>finalising the list and division of domestic investors for one-to-one meetings;</li> <li>finalising domestic roadshows and investor meeting schedule and</li> <li>Preparation of the roadshow presentation &amp; FAQs</li> </ul>		
7	Non-institutional and retail marketing of the Offer, which will cover, among others: <ul style="list-style-type: none"> <li>finalising media, marketing, and public relations strategy;</li> <li>finalising centres for holding conferences for brokers, etc;</li> <li>follow-up on the distribution of publicity and Offer material including forms, Prospectus and deciding on the quantum of the Offer material; and</li> <li>finalising Syndicate ASBA collection centers.</li> </ul>	All BRLMs	YES Securities
8	Managing the book and finalisation of Offer Price, in consultation with the Selling Shareholder and the Company	All BRLMs	Elara Capital
9	Co-ordination with Stock Exchanges for book building software, anchor investor portion, bidding terminals, mock trading and payment of 1% security deposit.	All BRLMs	Elara Capital
10	Post- Offer activities, which shall involve essential follow-up with bankers to the Offer and SCSBs to get quick estimates of collection and advising our Company about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds, payment of STT on behalf of the Selling Shareholders and coordination with various agencies connected with the post- Offer activity such as Registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. Coordinating with Stock Exchanges and SEBI for release of 1% security deposit post closure of the Offer.	All BRLMs	YES Securities

#### Legal Counsel to the Issue as to Indian Law

##### M/s. Crawford Bayley & Co.

State Bank Buildings

N.G.N. Vaidya Marg, Fort

Mumbai 400 023

**Telephone:** +91 22 2266 3353

**E-mail:** sanjay.asher@crawfordbayley.com

#### Registrar to the Issue

##### KFin Technologies Private Limited

Selenium, Tower B,

Plot No- 31 and 32, Financial District

Nanakramguda, Serilingampally

Hyderabad 500 032, India

**Telephone:** +91 40 6716 2222

**Email:** puranik.ipo@kfintech.com

**Investor grievance e-mail:** einward.ris@kfintech.com

**Website:** www.kfintech.com

**Contact Person:** M. Murali Krishna

## **Designated Intermediaries**

### ***Self-Certified Syndicate Banks***

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> or such other website as may be updated from time to time. For a list of branches of SCSBs named by the respective SCSBs to receive ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link or any such other website as may be prescribed by SEBI from time to time. Further, in relation to RIIs using the UPI Mechanism, a list of SCSBs eligible as 'Issuer Banks' for UPI is available on the website of SEBI at <https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> or such other website as updated from time to time. Applications through UPI in the Issue can be made only through the SCSBs and mobile applications whose name appears on the SEBI website at <https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. 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 said list shall be updated on SEBI website from time to time.

### ***Syndicate SCSB Branches***

In relation to Bids (other than Bids by Anchor Investors) submitted under the ASBA process 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 the ASBA Forms from the members of the Syndicate is available on the website of SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> 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 at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> or any such other website as may be prescribed by SEBI from time to time.

### ***Registered Brokers***

The list of the Registered Brokers, 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?](http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?) and [www.nseindia.com/products/content/equities/ipos/ipo\\_mem\\_terminal.htm](http://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 the 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 <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> and [https://www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](https://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 name and contact details, is provided on the websites of BSE at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?> and on the website of NSE at [http://www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), as updated from time to time.

## **Auditors to our Company**

### **Sanjay Rane & Associates**

C-403, Marathon Next Gen Innova  
Opposite Peninsula Corporate Park  
Off. Ganpatrao Kadam Marg  
Lower Parel (West), Mumbai-400 013

**Telephone:** +91 22 4919 8585

**E-mail:** sarikap@ssrane.net

**Firm registration number:** 121089W  
**Peer review number:** 010896

### **Changes in Auditors**

There has been no change in the auditors of our Company during the three years preceding the date of this Draft Red Herring Prospectus.

### **Bankers to our Company**

#### **Andhra Bank\***

G-2, Tiffany, Hiranandani Estate  
Ghodbunder Road  
Thane (West) - 4000 607  
**Telephone:** +91 22 2586 1653/2056  
**Facsimile:** +91 22 2586 1653  
**Contact Person:** CH Nagarjuna

*\*with effect from April 1, 2020, Andhra Bank has been amalgamated with Union Bank of India.*

#### **HDFC Bank Limited**

HDFC Bank House,  
Senapati Bapat Marg  
Lower Parel  
Mumbai - 400 013  
**Telephone:** +91 22 3075 2060/2059  
**Facsimile:** +91 22 3078 8581  
**E-mail:** nimit.ajaln@hdfcbank.com/sonia.dutta@hdfcbank.com/farahnaaz.khan@hdfc.com/  
harsh.sharma1@hdfcbank.com  
**Contact Person:** Nimit Jalan/Sonia Dutta/Farahnaaz Khan/Harsh Sharma  
**Website:** www.hdfcbank.com

#### **State Bank of India**

Wagle Industrial Estate Branch  
B-35, Road No 22, Wagle  
Thane - 400 604  
**Telephone:** +91 22 2582 2677/1635/3658  
**Facsimile:** +91 22 2580 5651/5667  
**E-mail:** sbi.01053@sbi.co.in  
**Contact Person:** Vikas Kulkarni  
**Website:** www.sbi.co.in

### **Monitoring Agency**

Our Company will appoint a monitoring agency to monitor utilization of the Net Proceeds, in accordance with Regulation 41 of the SEBI ICDR Regulations, prior to the filing of the Red Herring Prospectus. For further details in relation to the proposed utilisation of the Net Proceeds, see “*Objects of the Issue*” on page 92.

### **IPO Grading**

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

### **Appraising Entity**

No appraising entity has been appointed in relation to the Issue.

### **Credit Rating**

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

## **Debenture Trustee**

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

## **Green Shoe Option**

No green shoe option is contemplated under the Issue.

## **Experts**

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

1. Consent dated September 20, 2021, from the Statutory Auditors namely, Sanjay Rane & Associates, to include its name in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013, in respect of the examination report of the Statutory Auditors on the Restated Consolidated Financial Statements dated September 7, 2021 and consent dated September 20, 2021 to include the statement of tax benefits dated September 20, 2021, included in this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act. The consent of the Statutory Auditors has not been withdrawn as on the date of this Draft Red Herring Prospectus.
2. Consent dated September 15, 2021, from the independent architect, namely Shashikant V. Deshmukh (registration number: CA/76/3262), to include his name 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 an architect, in relation to his certificate regarding Completed Projects, Ongoing Projects, Forthcoming Projects and Land Reserves. The consent of the independent architect has not been withdrawn as on the date of this Draft Red Herring Prospectus.
3. Consent dated September 14, 2021 from Lex Consultus, Advocates & Solicitors (registration number: MAH/242/1996), to include their name 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 their capacity as a lawyer in relation to a master title certificate dated September 14, 2021 issued by them regarding the land vested with our Company and Subsidiaries. The consent of Lex Consultus, Advocates & Solicitors (registration number: MAH/242/1996) has not been withdrawn as on the date of this Draft Red Herring Prospectus.

## **Filing**

A copy of this Draft Red Herring Prospectus has been filed through the SEBI Intermediary Portal at <https://siportal.sebi.gov.in>, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 and has been emailed to SEBI at [cfddil@sebi.gov.in](mailto: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.”

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

## **Book Building Process**

Book building, in the context of the Issue, refers to the process of collection of Bids from investors on the basis of this Draft Red Herring Prospectus and the Bid cum Application Forms. The Price Band and the Minimum Bid Lot size will be decided by our Company and the Selling Shareholders, in consultation with the BRLMS, and will be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a Hindi national daily newspaper) and the Mumbai edition of [●] (a widely circulated Marathi newspaper, Marathi being the regional language of Maharashtra where our Registered Office is located), at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. The Issue Price will be decided by our Company and the Selling Shareholders, in consultation with the BRLMS, after the Bid/Issue Closing Date.

**All Bidders (except Anchor Investors) can participate in this Issue only through the ASBA process. Anchor Investors are not permitted to participate in the Issue through the ASBA process. Further, Retail Individual Investors may also participate in the Issue using the UPI Mechanism.**

**In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors 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 Investors and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bid(s) during the Bid/Issue Period and withdraw their Bid(s) until Bid/Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. Except Allocation to Retail Individual Investors and the Anchor Investors, Allocation in the Issue will be on a proportionate basis. Allocation to the Anchor Investors will be on a discretionary basis.**

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

For further details on method and process of Bidding, see “*Issue Structure*” and “*Issue Procedure*” on pages 326 and 335, respectively.

Bidders should note the Issue is also subject to obtaining (i) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the final approval of the RoC after the Prospectus is filed with the RoC.

### **Underwriting Agreement**

After the determination of the Issue Price and allocation of Equity Shares but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. 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:

*(This portion has been intentionally left blank and will be filled in before filing the Prospectus with the RoC)*

*(₹ in million)*

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

*The abovementioned amounts are provided for indicative purposes only and would be finalised after the determination of the Issue Price and finalisation of the Basis of Allotment, subject to the provisions of the SEBI ICDR Regulations.*

In the opinion of our Board of Directors (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 the Stock Exchanges. 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 among 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 Bidders procured by them in accordance with the Underwriting Agreement.

The extent of underwriting obligations, and the Bids to be underwritten in the Issue shall be as per the Underwriting Agreement.

In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscriptions for/subscribe to Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

## CAPITAL STRUCTURE

The following table sets forth details of the share capital of our Company as on the date of this Draft Red Herring Prospectus:

Particulars	Aggregate nominal value (in ₹)	Aggregate value at Issue Price (in ₹)*
<b>A</b>	<b>AUTHORISED SHARE CAPITAL</b> <sup>(3)</sup>	
	106,000,000 Equity Shares of face value of ₹10 each	1,060,000,000
	9,000,000 Preference Shares <sup>#</sup> of face value of ₹10 each	90,000,000
	<b>Total</b>	<b>1,150,000,000</b>
<b>B</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE</b>	
	57,648,207 Equity Shares of face value of ₹10 each	576,482,070
	9,000,000 Preference Shares <sup>#</sup> of face value of ₹10 each	90,000,000
	<b>Total</b>	<b>666,482,070</b>
<b>C</b>	<b>PRESENT ISSUE</b> <sup>(4)</sup>	
	Up to [●] Equity Shares of face value of ₹10 each	[●]
	<i>which includes</i>	
	Fresh Issue of up to [●] Equity Shares of face value of ₹10 each, aggregating up to ₹5,100 million <sup>(2)</sup>	[●]
	Offer for Sale <sup>(5)</sup> of up to 945,000 Equity Shares of face value of ₹10 each by the Selling Shareholders, aggregating up to ₹[●] million	[●]
	<i>which includes</i>	
	Up to 472,500 Equity Shares of face value of ₹10 each by Ravindra Puranik	[●]
	Up to 472,500 Equity Shares of face value of ₹10 each by Gopal Puranik	[●]
	<i>of which:</i>	
	Employee Reservation Portion <sup>(1)</sup>	
	Up to [●] Equity Shares of face value of ₹10 each, aggregating up to ₹[●] million	[●]
<b>E</b>	<b>ISSUED, SUBSCRIBED AND PAID UP CAPITAL AFTER THE ISSUE</b>	
	[●] Equity Shares of face value of ₹10 each	[●]
	9,000,000 Preference Shares <sup>#</sup> of face value of ₹10 each	90,000,000
	<b>Total</b>	[●]
<b>F</b>	<b>SHARE PREMIUM ACCOUNT</b>	
	Before the Issue	NIL
	After the Issue	[●]

\* To be updated upon finalisation of the Issue Price.

<sup>#</sup> The Preference Shares of our Company are 5% redeemable non-convertible preference shares of face value of ₹10 each.

Note:

- (1) The Issue includes an Employee Reservation Portion of up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹[●] million. Our Company and the Selling Shareholders in consultation with the BRLMs, may offer an Employee Discount of up to [●]% to the Issue Price (equivalent of ₹[●] per Equity Share), which shall be announced at least two Working Days prior to the Bid/Issue Opening Date.
- (2) Our Company may, in consultation with the BRLMs, consider undertaking a private placement of Specified Securities for cash consideration aggregating up to ₹1,500 million. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. The details of such Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to the Issue size satisfying the minimum issue size requirements under the SCRR.
- (3) For details of the changes in the authorised share capital of our Company, see "History and Certain Corporate Matters - Amendments to the Memorandum of Association" on page 172.
- (4) The Issue has been authorised by our Board of Directors pursuant to a resolution passed at its meeting held on September 7, 2021 and by a resolution of our Shareholders passed in their extraordinary general meeting held on September 13, 2021.



- (5) *The Selling Shareholders, i.e., Ravindra Puranik and Gopal Puranik have specifically confirmed their participation in the Offer for Sale by way of their consent letters, each dated September 18, 2021. For details, see “Other Regulatory and Statutory Disclosures” on page 314.*

## Notes to Capital Structure

### 1. Share capital history of our Company

(a) The history of the equity share capital of our Company is provided in the following table:

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Form of consideration	Reason/Nature of allotment
May 8, 1990	20	100	100	Cash	Subscription to MoA <sup>(1)</sup>
April 1, 1994	980	100	100	Cash	Preferential allotment <sup>(2)</sup>
March 27, 1998	1,000	100	-	Bonus	Bonus issue in the ratio of 1:1 <sup>(3)</sup>
September 1, 2004	12	100	100	Cash	Preferential allotment <sup>(4)</sup>
April 24, 2008	96,576	100	100	Cash	Rights issue <sup>(5)</sup>
February 10, 2015	1,540,000	100	100	Cash	Rights issue <sup>(6)</sup>
<i>Pursuant to a resolution of our Board passed in their meeting held on June 6, 2015 and a resolution of our Shareholders passed in their extraordinary general meeting held on June 29, 2015, each fully paid up equity share of our Company of face value ₹100 was split into 10 Equity Shares of ₹10 each, and accordingly, 1,638,588 equity shares of our Company of ₹100 each were split into 16,385,880 Equity Shares of ₹10 each.</i>					
July 10, 2015	2,830,189	10	53	Cash	Preferential allotment <sup>(7)</sup>
March 31, 2017	38,432,138	10	-	Bonus	Bonus issue in the ratio of 2:1 <sup>(8)</sup>

- (1) 10 equity shares of face value of ₹100 each allotted to Ravindra Puranik and Gopal Puranik, each.
- (2) 190 equity shares of face value of ₹100 each allotted to Gopal Puranik, 190 equity shares of face value of ₹100 each allotted to Ravindra Puranik, 150 equity shares of face value of ₹100 each allotted to Shailesh Puranik, 150 equity shares of face value of ₹100 each allotted to Shrikant Puranik, 150 equity shares of face value of ₹100 each allotted to Yogesh Puranik and 150 equity shares of face value of ₹100 each allotted to Nilesh Puranik.
- (3) 200 equity shares of face value of ₹100 each allotted to Gopal Puranik, 200 equity shares of face value of ₹100 each allotted to Ravindra Puranik, 150 equity shares of face value of ₹100 each allotted to Shailesh Puranik, 150 equity shares of face value of ₹100 each allotted to Shrikant Puranik, 150 equity shares of face value of ₹100 each allotted to Yogesh Puranik and 150 equity shares of face value of ₹100 each allotted to Nilesh Puranik.
- (4) 1 equity share of face value of ₹100 each allotted to Shwetambari Puranik, 1 equity share of face value of ₹100 each allotted to Varsha Puranik, 1 equity share of face value of ₹100 each allotted to Trupti Puranik, 1 equity share of face value of ₹100 each allotted to Sulbha Puranik, 1 equity share of face value of ₹100 each allotted to Shilpa Puranik, 1 equity share of face value of ₹100 each allotted to Gopal Puranik (HUF), 1 equity share of face value of ₹100 each allotted to Ravindra Puranik (HUF), 1 equity share of face value of ₹100 each allotted to Govind Puranik (HUF), 1 equity share of face value of ₹100 each allotted to Sunanda Puranik, 1 equity share of face value of ₹100 each allotted to Sudha Puranik, 1 equity share of face value of ₹100 each allotted to Sheetal Puranik and 1 equity share of face value of ₹100 each allotted to Namrata Puranik.
- (5) 19,200 equity shares of face value of ₹100 each allotted to Gopal Puranik, 19,200 equity shares of face value of ₹100 each allotted to Ravindra Puranik, 14,400 equity shares of face value of ₹100 each allotted to Shailesh Puranik, 14,400 equity shares of face value of ₹100 each allotted to Shrikant Puranik, 14,400 equity shares of face value of ₹100 each allotted to Yogesh Puranik, 14,400 equity shares of face value of ₹100 each allotted to Nilesh Puranik, 48 equity shares of face value of ₹100 each allotted to Shwetambari Puranik, 48 equity shares of face value of ₹100 each allotted to Varsha Puranik, 48 equity shares of face value of ₹100 each allotted to Trupti Puranik, 48 equity shares of face value of ₹100 each allotted to Sulbha Puranik, 48 equity shares of face value of ₹100 each allotted to Shilpa Puranik, 48 equity shares of face value of ₹100 each allotted to Gopal Puranik (HUF), 48 equity shares of face value of ₹100 each allotted to Ravindra Puranik (HUF), 48 equity shares of face value of ₹100 each allotted to Govind Puranik (HUF), 48 equity shares of face value of ₹100 each allotted to Sunanda Puranik, 48 equity shares of face value of ₹100 each allotted to Sudha Puranik, 48 equity shares of face value of ₹100 each allotted to Sheetal Puranik and 48 equity shares of face value of ₹100 each allotted to Namrata Puranik, in proportion to their existing shareholding in our Company as on April 3, 2008.
- (6) 544,967 equity shares of face value of ₹100 each allotted to Shailesh Puranik, 229,623 equity shares of face value of ₹100 each allotted to Shrikant Puranik, 229,623 equity shares of face value of ₹100 each allotted to Yogesh Puranik and 535,787 equity shares of face value of ₹100 each allotted to Nilesh Puranik, in proportion to their existing shareholding in our Company as on January 9, 2015.

- (7) 999,680 Equity Shares allotted to Shailesh Puranik, 423,073 Equity Shares allotted to Shrikant Puranik, 423,073 Equity Shares allotted to Yogesh Puranik and 984,363 Equity Shares allotted to Nilesh Puranik.
- (8) 395,920 Equity Shares allotted to Gopal Puranik, 394,940 Equity Shares allotted to Ravindra Puranik, 13,193,680 Equity Shares allotted to Shailesh Puranik, 5,734,566 Equity Shares allotted to Shrikant Puranik, 5,733,586 Equity Shares allotted to Yogesh Puranik and 12,979,446 Equity Shares allotted to Nilesh Puranik.

(b) Our Company allotted 900,000 5% redeemable non-convertible preference shares of face value of ₹100 each on March 31, 2014 for cash at a price of ₹100 each to Puranik Constructions Private Limited. Pursuant to a resolution of our Board passed in its meeting held on June 6, 2015 and a resolution of our Shareholders passed in their extraordinary general meeting held on June 29, 2015, each fully paid up 5% redeemable non-convertible preference shares of face value ₹100 of our Company was split into 10 Preference Shares of ₹10 each, and accordingly, 900,000 5% redeemable non-convertible preference shares of face value ₹100 of our Company were split into 9,000,000 Preference Shares of ₹10 each.

## 2. Equity Shares issued for consideration other than cash

Except as set forth below, our Company has not issued any Equity Shares for consideration other than cash:

Date of allotment	Name of allottees	Number of equity shares	Face value (₹)	Reason for allotment	Benefits accrued to our Company
March 27, 1998	Gopal Puranik	200	100	Bonus issue in the ratio of 1:1	-
	Ravindra Puranik	200			
	Shailesh Puranik	150			
	Shrikant Puranik	150			
	Yogesh Puranik	150			
	Nilesh Puranik	150			
<b>Total</b>		<b>1,000</b>			
March 31, 2017	Gopal Puranik	395,920	10	Bonus issue in the ratio of 2:1	-
	Ravindra Puranik	394,940			
	Shailesh Puranik	13,193,680			
	Shrikant Puranik	5,734,566			
	Yogesh Puranik	5,733,586			
	Nilesh Puranik	12,979,446			
<b>Total</b>		<b>38,432,138</b>	-		

## 3. Build-up of Promoters' shareholding, Minimum Promoters' Contribution and lock-in

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 56,461,917 Equity Shares, i.e., 97.94% of the total issued, subscribed and paid-up Equity Share capital of our Company. The details regarding our Promoters' shareholding is set out below:

### (a) Build-up of Equity Shares held by our Promoters

The details of build-up our Promoters' shareholding in our Company is as follows:

#### 1. Shailesh Puranik

Sr. No.	Date of allotment/transfer	Nature of allotment/Details of transfer	Number of equity shares	Face value (₹)	Issue/transfer price per equity share (₹)	Nature of consideration	Date when the equity shares were made fully paid-up	Percentage of pre-Issue paid-up capital (%)	Percentage of post-Issue paid-up capital (%)	Number of pledged shares	Percentage of pledged shares (%)
1.	April 1, 1994	Preferential allotment	150	100	100	Cash	On allotment				
2.	March 27, 1998	Bonus issue	150	100	-	Bonus	-				
3.	April 24, 2008	Rights issue	14,400	100	100	Cash	On allotment				
4.	February 10, 2015	Rights issue	544,967	100	100	Cash	On allotment				
<i>With effect from June 29, 2015, the equity shares of face value of ₹100 each was split into 10 Equity Shares of ₹10 each</i>											
5.	July 10, 2015	Preferential allotment	999,680	10	53	Cash	On allotment				

Sr. No.	Date of allotment/ transfer	Nature of allotment/ Details of transfer	Number of equity shares	Face value (₹)	Issue/ transfer price per equity share (₹)	Nature of consideration	Date when the equity shares were made fully paid-up	Percentage of pre-Issue paid-up capital (%)	Percentage of post-Issue paid-up capital (%)	Number of pledged shares	Percentage of pledged shares (%)
6.	March 20, 2017	Gift from Trupti Puranik	490	10	-	Other than cash	-				
7.	March 31, 2017	Bonus issue	13,193,680	10	-	Bonus	-				
8.	March 30, 2018	Gift to Gopal Puranik	(13,414,250)	10	-	Other than cash	-				
<b>Total</b>			<b>6,376,270</b>	-	-	-	-	<b>11.06</b>	[●]	Nil	Nil

## 2. Shrikant Puranik

Sr. No.	Date of allotment/ transfer	Nature of allotment/ Details of transfer	Number of equity shares	Face value (₹)	Issue/transf er price per equity share (₹)	Nature of consideration	Date when the equity shares were made fully paid-up	Percentage of pre-Issue paid-up capital (%)	Percentage of post-Issue paid-up capital (%)	Number of pledged shares	Percentage of pledged shares (%)
1.	April 1, 1994	Preferential allotment	150	100	100	Cash	On allotment				
2.	March 27, 1998	Bonus issue	150	100	-	Bonus	-				
3.	April 24, 2008	Rights issue	14,400	100	100	Cash	On allotment				
4.	February 10, 2015	Rights issue	229,623	100	100	Cash	On allotment				
<i>With effect from June 29, 2015, the equity shares of face value of ₹100 each was split into 10 Equity Shares of ₹10 each</i>											
5.	July 10, 2015	Preferential allotment	423,073	10	53	Cash	On allotment				
6.	March 20, 2017	Gift from Varsha Puranik	490	10	-	Other than cash	-				
7.	March 20, 2017	Gift from Sudha Puranik	490	10	-	Other than cash	-				
8.	March 31, 2017	Bonus issue	5,734,566	10	-	Bonus	-				
9.	March 30, 2018	Gift to Govind Puranik	(5,660,572)	10	-	Other than cash	-				
<b>Total</b>			<b>2,941,277</b>	-	-	-	-	<b>5.10</b>	[●]	Nil	Nil

## 3. Yogesh Puranik

Sr. No.	Date of allotment/ transfer	Nature of allotment/ Details of transfer	Number of equity shares	Face value (₹)	Issue/transf er price per equity share (₹)	Nature of consideration	Date when the equity shares were made fully paid-up	Percentage of pre-Issue paid-up capital (%)	Percentage of post-Issue paid-up capital (%)	Number of pledged shares	Percentage of pledged shares (%)
1.	April 1, 1994	Preferential allotment	150	100	100	Cash	On allotment				
2.	March 27, 1998	Bonus issue	150	100	-	Bonus	-				
3.	April 24, 2008	Rights issue	14,400	100	100	Cash	On allotment				
4.	February 10, 2015	Rights issue	229,623	100	100	Cash	On allotment				
<i>With effect from June 29, 2015, the equity shares of face value of ₹100 each was split into 10 Equity Shares of ₹10 each</i>											

Sr. No.	Date of allotment/transfer	Nature of allotment/Details of transfer	Number of equity shares	Face value (₹)	Issue/transfer price per equity share (₹)	Nature of consideration	Date when the equity shares were made fully paid-up	Percentage of pre-Issue paid-up capital (%)	Percentage of post-Issue paid-up capital (%)	Number of pledged shares	Percentage of pledged shares (%)
5.	July 10, 2015	Preferential allotment	423,073	10	53	Cash	On allotment				
6.	March 20, 2017	Gift from Govind Puranik HUF	490	10	-	Other than cash	-				
7.	March 31, 2017	Bonus issue	5,733,586	10	-	Bonus	-				
8.	March 30, 2018	Gift to Govind Puranik	(5,659,604)	10	-	Other than cash	-				
<b>Total</b>			<b>2,940,775</b>	-	-	-	-	<b>5.10</b>	[●]	<b>Nil</b>	<b>Nil</b>

#### 4. Nilesh Puranik

Sr. No.	Date of allotment/transfer	Nature of allotment/Details of transfer	Number of equity shares	Face value (₹)	Issue/transfer price per equity share (₹)	Nature of consideration	Date when the equity shares were made fully paid-up	Percentage of pre-Issue paid-up capital (%)	Percentage of post-Issue paid-up capital (%)	Number of pledged shares	Percentage of pledged shares (%)
1.	April 1, 1994	Preferential allotment	150	100	100	Cash	On allotment				
2.	March 27, 1998	Bonus issue	150	100	-	Bonus	-				
3.	April 24, 2008	Rights issue	14,400	100	100	Cash	On allotment				
4.	February 10, 2015	Rights issue	535,787	100	100	Cash	On allotment				
<i>With effect from June 29, 2015, the equity shares of face value of ₹100 each was split into 10 Equity Shares of ₹10 each</i>											
5.	July 10, 2015	Preferential allotment	984,363	10	53	Cash	On allotment				
6.	March 20, 2017	Gift from Namrata Puranik	490	10	-	Other than cash	-				
7.	March 31, 2017	Bonus issue	12,979,446	10	-	Bonus	-				
8.	March 31, 2018	Gift to Ravindra Puranik	(13,201,813)	10	-	Other than cash	-				
<b>Total</b>			<b>6,267,356</b>	-	-	-	-	<b>10.87</b>	[●]	<b>Nil</b>	<b>Nil</b>

#### 5. Puranik Business Trust

Sr. No.	Date of allotment/transfer	Nature of allotment/Details of transfer	Number of equity shares	Face value (₹)	Issue/transfer price per equity share (₹)	Nature of consideration	Date when the equity shares were made fully paid-up	Percentage of pre-Issue paid-up capital (%)	Percentage of post-Issue paid-up capital (%)	Number of pledged shares	Percentage of pledged shares (%)
1.	June 5, 2018	Gift from Ravindra Puranik	6,600,900	10	-	Other than cash	-				
2.	June 5, 2018	Gift from Govind Puranik	5,288,295	10	-	Other than cash	-				
3.	June 5, 2018	Gift from Gopal Puranik	6,707,000	10	-	Other than cash	-				

Sr. No.	Date of allotment/ transfer	Nature of allotment/ Details of transfer	Number of equity shares	Face value (₹)	Issue/ transfer price per equity share (₹)	Nature of consideration	Date when the equity shares were made fully paid-up	Percentage of pre-Issue paid-up capital (%)	Percentage of post-Issue paid-up capital (%)	Number of pledged shares	Percentage of pledged shares (%)
<b>Total</b>			<b>18,596,195<sup>(1)</sup></b>	-	-	-	-	<b>32.26</b>	[●]	<b>Nil</b>	<b>Nil</b>

(1) 18,596,195 Equity Shares are held by Puranik Business Trust, acting through its trustees, namely Shailesh Puranik, Shrikant Puranik, Yogesh Puranik and Nilesh Puranik

#### 6. Puranik Family Trust

Sr. No.	Date of allotment/ transfer	Nature of allotment/ Details of transfer	Number of equity shares	Face value (₹)	Issue/ transfer price per equity share (₹)	Nature of consideration	Date when the equity shares were made fully paid-up	Percentage of pre-Issue paid-up capital (%)	Percentage of post-Issue paid-up capital (%)	Number of pledged shares	Percentage of pledged shares (%)
1.	June 5, 2018	Gift from Ravindra Puranik	6,600,913	10	-	Other than cash	-				
2.	June 5, 2018	Gift from Govind Puranik	6,031,881	10	-	Other than cash	-				
3.	June 5, 2018	Gift from Gopal Puranik	6,707,250	10	-	Other than cash	-				
<b>Total</b>			<b>19,340,044<sup>(1)</sup></b>	-	-	-	-	<b>33.55</b>	[●]	<b>Nil</b>	<b>Nil</b>

(1) 19,340,044 Equity Shares are held by Puranik Family Trust, acting through its trustees, namely Shailesh Puranik, Shrikant Puranik, Yogesh Puranik and Nilesh Puranik.

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. None of the Equity Shares held by our Promoters are pledged or otherwise encumbered.

#### (b) Equity shareholding of our Promoters and Promoter Group

Set forth below is the equity shareholding of our Promoters and Promoter Group in our Company as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of shareholder	Pre-Issue		Post-Issue	
		Number of Equity Shares	Percentage of equity share capital (%)	Number of Equity Shares	Percentage of equity share capital (%)
<b>(A) Promoters</b>					
1.	Shailesh Puranik	6,376,270	11.06	[●]	[●]
2.	Shrikant Puranik	2,941,277	5.10	[●]	[●]
3.	Yogesh Puranik	2,940,775	5.10	[●]	[●]
4.	Nilesh Puranik	6,267,356	10.87	[●]	[●]
5.	Puranik Business Trust <sup>(1)</sup>	18,596,195	32.26	[●]	[●]
6.	Puranik Family Trust <sup>(2)</sup>	19,340,044	33.55	[●]	[●]
	<b>Total (A)</b>	<b>56,461,917</b>	<b>97.94</b>	<b>[●]</b>	<b>[●]</b>
<b>(B) Promoter Group</b>					
1.	Gopal Puranik	593,880	1.03	[●]	[●]
2.	Ravindra Puranik	592,410	1.03	[●]	[●]
	<b>Total (B)</b>	<b>1,186,290</b>	<b>2.06</b>	<b>[●]</b>	<b>[●]</b>
	<b>Total (A+B)</b>	<b>57,648,207</b>	<b>100.00</b>	<b>[●]</b>	<b>[●]</b>

(1) 18,596,195 Equity Shares are held by Puranik Business Trust, acting through its trustees, namely Shailesh Puranik, Shrikant Puranik, Yogesh Puranik and Nilesh Puranik.

(2) 19,340,044 Equity Shares are held by Puranik Family Trust, acting through its trustees, namely Shailesh Puranik, Shrikant Puranik, Yogesh Puranik and Nilesh Puranik.

**(c) Details of Minimum Promoters' Contribution locked-in for Eighteen Months**

Pursuant to Regulations 14 and 16 (1) of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue paid-up Equity Share capital of our Company held by our Promoters shall be provided towards minimum promoters' contribution and locked-in for a period of eighteen months from the date of Allotment ("Minimum Promoters' Contribution") and our Promoters' shareholding in excess of 20% shall be locked in for a period of six months from the Allotment. The Equity Shares forming a part of the Minimum Promoters' Contribution are eligible in terms of Regulation 15 of the SEBI ICDR Regulations.

Our Promoters, i.e., Shailesh Puranik, Shrikant Puranik, Yogesh Puranik, Nilesh Puranik, Puranik Business Private Trust (acting through its trustees) and Puranik Family Private Trust (acting through its trustees) have *vide* their letters, each dated [●], consented to the inclusion of such number of Equity Shares held by them, in aggregate, as may constitute 20% of the post-Issue Equity Share capital of our Company as Minimum Promoters' Contribution and have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Minimum Promoters' Contribution from the date of filing of this Draft Red Herring Prospectus until the expiry of the lock-in period specified above, or for such other time as required under the SEBI ICDR Regulations.

The details of the Equity Shares held by our Promoters, which shall be locked-in as Minimum Promoters' Contribution for a period of eighteen months from the date of Allotment are set out in the following table:

Name of the Promoter	No. of Equity Shares held pre-Issue	No. of Equity Shares to be locked-in <sup>#</sup>	Date of allotment of Equity Shares	Date of acquisition and when made fully paid-up	Acquisition price per Equity Share	Nature of transaction	Face value per Equity Share (₹)	% of pre-Issue paid-up equity share capital	% of the fully diluted post-Issue equity paid-up capital
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total</b>	[●]	[●]						[●]	[●]

Note: To be updated at the Prospectus stage.

# For a period of eighteen months from the date of Allotment.

For details on the build-up of the equity share capital held by our Promoters, see "- Build-up of Equity Shares held by our Promoters" on page 82.

All the Equity Shares held by our Promoters were fully paid-up on the respective date of acquisition of such Equity Shares.

The Minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons identified as 'Promoter' under the SEBI ICDR Regulations.

Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Minimum Promoters' Contribution under Regulation 15 of the SEBI ICDR Regulations. In this regard, our Company confirms the following:

- (i) the Equity Shares offered as part of the Minimum Promoters' Contribution do not comprise Equity Shares acquired during the three years preceding the date of this Draft Red Herring Prospectus for consideration other than cash and where revaluation of assets or capitalisation of intangible assets was involved or bonus issue out of revaluations reserves or unrealised profits or against Equity Shares that are otherwise ineligible for computation of Minimum Promoters' Contribution;
- (ii) the Minimum Promoters' Contribution does not include Equity Shares acquired during the one year preceding the date of this Draft Red Herring Prospectus at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- (iii) the Equity Shares held by our Promoters that are offered as part of the Minimum Promoters' Contribution are not subject to any pledge or any other encumbrance; and

(iv) our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm.

***(d) Details of pre-Issue Equity Share capital locked-in for six months***

In terms of Regulation 17 of the SEBI ICDR Regulations, the entire pre-Issue Equity Share capital of our Company shall be locked-in for a period of six months from the date of Allotment, except (a) the Minimum Promoters' Contribution which shall be locked for a period of eighteen months as detailed above; (b) Offered Shares which are successfully transferred as part of the Offer for Sale; and (c) Equity Shares held by the employees of our Company (who continue to be employees of our Company as on the date of Allotment) which may be allotted to them under the ESOP 2018.

The aforesaid lock-in arrangement shall be subject to any subsequent amendments to the lock-in requirements under applicable provisions of the SEBI ICDR Regulations. Any unsubscribed portion of the Offered Shares would also be locked in as required under the SEBI ICDR Regulations.

***(e) Lock in of Equity Shares Allotted to Anchor Investors***

Any 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.

***(f) Recording on non-transferability of Equity Shares locked-in***

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

***(g) Other requirements in respect of lock-in***

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoters which are locked-in for a period of six months from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions or NBFC-SI or a housing finance company as collateral security for loans granted by such banks or public financial institutions, provided that the pledge of such Equity Shares is one of the terms of the sanction of such loans. Equity Shares locked-in as Minimum Promoters' Contribution for eighteen months can be pledged only if in addition to fulfilling the aforementioned requirements, such loans have been granted by scheduled commercial banks or public financial institutions or NBFC-SI or a housing finance company for the purpose of financing one or more objects of the Issue.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters may be transferred to a member of the Promoter Group or a new promoter or persons in control of our Company, subject to continuation of lock-in applicable to the transferee for the remaining period and compliance with provisions of the Takeover Regulations as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired.

Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoters prior to the Issue and locked-in for a period of six months, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuance of the lock-in at the hands of the transferee and compliance with the provisions of the Takeover Regulations.

#### **4. Employee Stock Option Plan**

Pursuant to a special resolution passed by our Shareholders in their extraordinary general meeting held on May 14, 2018, our Shareholders approved the 'Puranik Builders Limited-Employee Stock Options Scheme 2018' ("**ESOP 2018**"), which provides for granting options to employees of our Company, its holding Company and our subsidiaries, who meet the eligibility criteria prescribed under the ESOP 2018. ESOP 2018 came into force

upon approval of our Shareholders and shall continue to remain in force unless terminated by the Nomination and Remuneration Committee of our Company.

The purpose of the ESOP 2018 is to provide the eligible employees an additional incentive and is aimed at motivating and retaining the employees and thereby increasing the profitability of our Company. The maximum number of options that can be granted pursuant to ESOP 2018 shall be a maximum number of 1,500,000 Equity Shares our Company as per the letter of grant given to them, in accordance with the terms and conditions of such grant. ESOP 2018 will be administered by the Nomination and Remuneration Committee.

The vesting period shall be minimum of one (1) year and the options granted under the ESOP 2018 shall vest in one or more tranches as determined by the Nomination and Remuneration Committee.

The ESOP 2018 is in compliance with SEBI ESOP Regulations 2014. Our Company undertakes to modify the ESOP 2018 to comply with the SEBI SBEB Regulations 2021, as applicable, prior to filing of the Red Herring Prospectus with RoC.

As on the date of this Draft Red Herring Prospectus, no options under the ESOP 2018 have been granted by our Company. However, our Company may also grant options under the ESOP 2018 during the period commencing from filing of this Draft Red Herring Prospectus, until the Equity Shares have been listed on the Stock Exchanges pursuant to this Issue.



## 5. Shareholding pattern of our Company

Set forth below is the 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)	No. of fully paid up Equity Shares held (IV)	No. of partly paid-up Equity Shares held (V)	No. of shares underlying depository receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of voting rights held in each class of securities (IX)			No. of 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 dematerialised form (XIV)
								No of voting rights					No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class - Equity	Total	Total as a % of (A+B+C)							
(A)	Promoter and Promoter Group	8	57,648,207	Nil	Nil	57,648,207	100.0	57,648,207	57,648,207	100.00	Nil	Nil	Nil	Nil	Nil	57,648,207	
(B)	Public	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
(C)	Non-Promoter Non-Public	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
(C) (1)	Shares underlying DRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
(C) (2)	Shares held by Employee Trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
	<b>Total (A)+(B)+(C)</b>	<b>8</b>	<b>57,648,207</b>	<b>Nil</b>	<b>Nil</b>	<b>57,648,207</b>	<b>100.00</b>	<b>57,648,207</b>	<b>57,648,207</b>	<b>100.00</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>57,648,207</b>	

## 6. Other details of shareholding of our Company

- (a) 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, (i) as on the date of filing of this Draft Red Herring Prospectus, (ii) as of 10 days prior to the date of filing of this Draft Red Herring Prospectus, (iii) as of the date one year prior to the date of filing of this Draft Red Herring Prospectus and (iv) as of the date two years prior to the date of filing of this Draft Red Herring Prospectus.

Sr. No.	Name of the shareholder	No. of Equity Shares	Percentage of the pre-Issue equity share capital (%)
1.	Puranik Family Trust <sup>(1)</sup>	19,340,044	33.55
2.	Puranik Business Trust <sup>(2)</sup>	18,596,195	32.26
3.	Shailesh Puranik	6,376,270	11.06
4.	Nilesh Puranik	6,267,356	10.87
5.	Shrikant Puranik	2,941,277	5.10
6.	Yogesh Puranik	2,940,775	5.10
7.	Gopal Puranik	593,880	1.03
8.	Ravindra Puranik	592,410	1.03
<b>Total</b>		<b>57,648,207</b>	<b>100.00</b>

(1) 19,340,044 Equity Shares are held by Puranik Family Trust, acting through its trustees, namely Shailesh Puranik, Shrikant Puranik, Yogesh Puranik and Nilesh Puranik.

(2) 18,596,195 Equity Shares are held by Puranik Business Trust, acting through its trustees, namely Shailesh Puranik, Shrikant Puranik, Yogesh Puranik and Nilesh Puranik.

7. All Equity Shares of our Company are in dematerialised form.
8. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 232 of the Companies Act, 2013.
9. As on the date of this Draft Red Herring Prospectus, except for Shailesh Puranik, Shrikant Puranik, Yogesh Puranik and Nilesh Puranik, none of our other Directors or Key Management Personnel hold any Equity Shares of our Company.
10. As on the date of this Draft Red Herring Prospectus, our Company has eight Shareholders.
11. Except for any Equity Shares resulting out of exercise of any stock option that may be granted under ESOP 2018 and or Equity Shares allotted under the Pre-IPO Placement, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares or 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 bonus issue of Equity Shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise.
12. Our Company, our Directors and/or the BRLMs have not entered into any buy-back and/or standby arrangements for purchase of Specified Securities.
13. The BRLMs and their respective associates (as defined under the SEBI (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares as on the date of this Draft Red Herring Prospectus. The BRLMs 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.
14. All Equity Shares allotted pursuant to the Issue will be fully paid up at the time of Allotment and no partly paid up Equity Shares exist as on the date of this Draft Red Herring Prospectus.
15. Our Company shall ensure that any transaction in the Equity Shares by the Promoters and the Promoter Group during the period between the date of filing this Draft Red Herring Prospectus and the date of closure of the Issue shall be reported to the Stock Exchanges within 24 hours of such transaction.
16. No person connected with the Issue, including but not limited to, the BRLMs, the members of the Syndicate, our Company, the Selling Shareholders, our Subsidiaries, our Directors, our Promoters or the members of the

Promoter Group and our Group Companies, shall 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 Issue, except for fees or commission for services rendered in relation to the Issue.

17. Our Company will not make any allotment in excess of the Equity Shares offered through the Issue 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 1% of the net-Issue to public may be made for the purpose of making allotment in minimum lots.
18. Other than the Pre-IPO Placement and ESOP 2018, our Company shall not make any further issue of Equity Shares and/or any securities convertible into or exchangeable for 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 RoC, until the Equity Shares being offered under the Issue, have been listed on the Stock Exchanges pursuant to this Issue or all application monies have been refunded, as the case may be.

## OBJECTS OF THE ISSUE

The Issue comprises the Fresh Issue and the Offer for Sale.

### Offer for Sale

Each of the Selling Shareholders will be entitled to the respective portion of the proceeds of the Offer for Sale, after deducting their portion of the Issue related expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale. All expenses in relation to the Issue other than the listing fees (which shall be borne by our Company) shall be shared among our Company and the Selling Shareholders on a *pro rata* basis, in proportion to the Equity Shares Allotted by our Company in the Fresh Issue and the respective portion of the Offered Shares sold by each Selling Shareholder in the Offer for Sale, upon successful completion of the Issue, in accordance with applicable law. Upon commencement of listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Issue, other than the listing fees, each Selling Shareholder shall jointly and severally reimburse our Company for any expenses in relation to the Issue paid by our Company on behalf of the respective Selling Shareholder, on a *pro rata* basis in proportion to their respective portion of the Offered Shares. However, in the event that the Issue is withdrawn or not completed for any reason whatsoever, all Issue related expenses will be borne by our Company.

### Fresh Issue

The net proceeds of the Fresh Issue (“**Net Proceeds**”) are proposed to be utilised in the following manner:

1. prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company on a consolidated basis; and
2. general corporate purposes.

(collectively, referred to herein as “**Objects**”)

In addition to the aforementioned Objects, our Company intends to receive the benefits of listing of its Equity Shares on the Stock Exchanges.

The main objects and the objects incidental and ancillary to the main objects of our MoA enables our Company (i) to undertake our existing business activities; (ii) to undertake activities for which funds are being raised by us through the Fresh Issue; and (iii) activities undertaken for which loans were raised and which are proposed to be prepaid or repaid from the Net Proceeds and the funds earmarked towards general corporate purposes shall be used.

### Net Proceeds

The details of the proceeds of the Fresh Issue are summarised in the table below:

Particulars	<i>(in ₹ million)</i> Amount*
Gross Proceeds***	up to 5,100.00
Less: Issue expenses (only those apportioned to our Company)**	[●]
<b>Net Proceeds*</b>	<b>[●]</b>

\* Other than the listing fees which will be paid by our Company, all costs, fees and expenses with respect to the Issue will be shared amongst our Company and the Selling Shareholders, on a *pro rata* basis, in proportion to the number of Equity Shares, Allotted by our Company in the Fresh Issue and sold by each Selling Shareholder in the Offer for Sale, upon the successful completion of the Issue, in accordance with applicable law.

\*\*To be determined upon finalisation of the Issue Price and updated in the Prospectus prior to filing with the RoC.

\*\*\*Includes the proceeds, if any, received by our Company, pursuant to the Pre-IPO Placement. If the Pre-IPO placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to the Issue Size satisfying the minimum issue size requirements under the SCRR.

### Utilisation of Net Proceeds

The Net Proceeds are proposed to be utilised towards the following Objects:

Objects	<i>(in ₹ million)</i> Amount
Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company on a consolidated basis	3,620.00

Objects	Amount
General corporate purposes*	[●]

\*To be determined upon finalisation of the Issue 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.

### Proposed schedule of implementation and deployment of Net Proceeds

Our Company proposes to deploy the Net Proceeds for the aforesaid purpose in accordance with the schedule of deployment of funds set forth in the table below. As on the date of this Draft Red Herring Prospectus, our Company has not deployed any funds towards the Objects.

(in ₹ million)

Particulars	Total estimated amount/expenditure	Amount to be deployed from the Net Proceeds in Fiscal 2022
Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company on a consolidated basis	3,620.00	3,620.00
General corporate purposes	[●]	[●]*
<b>Total Net Proceeds</b>	[●]	[●]

\*To be determined upon finalisation of the Issue 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.

### Details of the Objects

#### 1. *Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company on a consolidated basis*

Our Company and our Subsidiaries have entered into various financing arrangements with banks and other lenders. The borrowing arrangements entered into by our Company and our Subsidiaries include, *inter alia*, term loans for the purpose of financing project expenditure and NCDs issued by our Company (on a consolidated basis). As on July 31, 2021, the total indebtedness under the various financing arrangements of our Company (on a consolidated basis) aggregated to ₹13,841.24 million. Our Company proposes to utilise an estimated amount of ₹3,620.00 million from the Net Proceeds towards full or partial prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company on a consolidated basis. For details of our indebtedness, see “*Financial Indebtedness*” on page 300.

The selection of borrowings proposed to be repaid or prepaid or redeemed (earlier or scheduled) out of the borrowings provided below, will be based on various factors, including (i) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of, such conditions, (ii) receipt of consents or waivers for prepayment from respective lenders, the terms and conditions of such consents and waivers, and the levy of any prepayment penalties and the quantum thereof, (iii) provisions of any laws, rules and regulations governing such borrowings and presence of other onerous conditions, and (iv) other commercial considerations including, among others, the interest rate on the outstanding borrowing, the amount of the outstanding borrowing and the remaining tenor of the borrowing.

Given the nature of these borrowings and terms of repayment/prepayment/redemption, the aggregate outstanding amount may vary from time to time. Further, the amounts outstanding under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. In the event, the aggregate outstanding amount under the specified term loans and NCDs, as mentioned below, were to be repaid/redeemed in part or full or were or be refinanced or were to increase prior to filing this Draft Red Herring Prospectus with the RoC, we may revise our utilisation of the Net Proceeds towards repayment of amounts under the term loans and redemption of the NCDs, subject to compliance with the SEBI ICDR Regulations, the Companies Act, and other applicable laws. We may repay or refinance some of the existing borrowings set forth below, prior to Allotment by availing financing from banks/financial institutions. Accordingly, we may utilise the Net Proceeds for repayment or prepayment or redemption of any such additional borrowings. However, it is clarified that the Net Proceeds will not be utilised by our Company to repay or prepay any existing borrowings provided by our Company to any of its Subsidiaries.

The prepayment, repayment or redemption (earlier or as scheduled) will reduce our outstanding indebtedness, assist us in maintaining a favourable debt-equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion. In addition, we believe that since the debt-equity ratio of our Company will improve significantly, it will enable us to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

The following table sets forth details of certain borrowings availed by our Company and our Subsidiaries, on a consolidated basis, out of which our Company may prepay, repay or redeem (earlier or scheduled), all or a portion of any or all of the borrowings:

Name of the lender/trustee	Name of borrower	Nature of borrowing	Amount sanctioned (in ₹ million)	Principal amount outstanding as on July 31, 2021 (in ₹ million)*	Rate of interest (% p.a.)	Purpose	Pre-payment penalty
Piramal Trusteeship Services Private Limited (Trustees of Piramal Capital & Housing Finance Limited)	Puranik Builders Limited	Term loan	2,800.00	2,031.33	14.25%	For takeover of loan outstanding with IFCI and project expenses	Prepayment is not allowed for a period of two years from the date of first disbursement and after that 1.5% penal charges applicable on the principal amount prepaid.
Catalyst Trusteeship Limited (Trustee of Indostar Capital Finance Limited)	Puranik Builders Limited	NCDs	2,000.00	218.28	13.50%	For project expenses of Rumah Bali, GB One project, reimbursement of project expenses and general corporate expenses	No prepayment penalty
	Puranik Builders Limited	Term loan	1,700.00	1,777.97	14.15%	Repayment of then existing facility taken for project expenses	No prepayment penalty
	Puranik Builders Limited	NCDs	2,250.00	1,157.99	13.25%	For project expenses of Rumah Bali, GB One project, reimbursement of project expenses and general corporate expenses	No prepayment penalty
	Sai Pushp Enterprises	Term Loan	2,500.00	2,392.79	14.15%	For Construction expense of Project Aarambh & Tokyobay at Ghodbunder Road, Thane West	No prepayment penalty
Vistra ITCL (India) Limited (Trustee of KKR & Co. L.P.)	Puranik Buildcon Private Limited	Term loan	1,000.00	526.50	10.05%	For construction expense of Project Aldea and Abitante, repayment of then existing facility taken for project working and general corporate purposes	No voluntary prepayment should be made on or before expiry of 18 (eighteen) months from Closing date. In the event any voluntary prepayment is made during such period, the Borrower shall pay Prepayment Premium being an amount equivalent to the accrued interest on the prepaid amount for the entire 18 (eighteen) months.
		Term Loan	2,000.00	1,771.89			
		Term loan (ECLGS Facility)	442.00	100.00			
	Puranik Builders Limited	Term Loan	1,250.00	739.88	11.70%	For general corporate purposes	No voluntary prepayment should be made on or before expiry of 18 (eighteen) months from Closing date. In the event any voluntary prepayment is made during such period, the Borrower shall pay Prepayment Premium being an amount equivalent to the accrued

Name of the lender/trustee	Name of borrower	Nature of borrowing	Amount sanctioned (in ₹ million)	Principal amount outstanding as on July 31, 2021 (in ₹ million)*	Rate of interest (% p.a.)	Purpose	Pre-payment penalty
							interest on the prepaid amount for the entire 18 (eighteen) months.
HDFC Limited	Fortune Infracreators Private Limited	Term Loan	3,700.00	2,800.36	13.00%	Prepayment/repayment/refinancing of an existing facility and for construction expense and general expenses of Project Grand Central at Vartaknagar	No prepayment penalty
State Bank of India	Puranik Builders Limited	Term Loan	500.00	54.04	14.75%	Construction finance for Puranik City Neral Sector 1 & 4	Pre payment charges as applicable, shall be payable in case of pre payment of loan. No prepayment charges will be applicable if loan is closed from proceeds of the project or from own funds.
<b>Total</b>			<b>20,142.00</b>	<b>13,571.03</b>			

\*The amount outstanding is excluding interest accrued and due as on July 31, 2021. In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, which requires a certificate from the Statutory Auditor certifying the utilization of loans for the purposes availed, our Company has obtained requisite certificate dated September 20, 2021, in this regard.

Additionally, our Company declares and undertakes that the Net Proceeds proposed to be utilised for the prepayment/repayment/redemption of the NCDs as mentioned in the table on page 95, shall not be directly or indirectly routed to any other entity other than the entities mentioned in this Draft Red Herring Prospectus.

In due course of business, due to various operational benefits, our Company may explore possibilities of other banks and financial institutions participating in existing loans either in full or in part, including the borrowings mentioned above. Some of our financing agreements provide for the levy of prepayment penalties. Given the nature of these borrowings and the terms of prepayment, the aggregate outstanding amounts may vary from time to time. In the event that there are any prepayment/early redemption penalties required to be paid under the terms of the relevant financing arrangements, the amount of such prepayment/early redemption penalties shall be paid by us out of our internal accruals.

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 Issue, we may utilise Net Proceeds of the Fresh Issue towards prepayment, repayment or redemption (earlier or scheduled) of such additional indebtedness availed by us.

In the event, our Company deploys the Net Proceeds in some of our Subsidiaries, for the purpose of prepayment, repayment or redemption (earlier or scheduled) of all or a portion of the abovementioned borrowings availed by such Subsidiaries, it shall be in the form of equity or debt, as may be mutually decided at the time. The actual mode of such deployment has not been finalised as on the date of this Draft Red Herring Prospectus.

## **2. General corporate purposes**

The Net Proceeds will first be utilised for the Objects as set out above. Subject to this, our Company intends to deploy any balance left out of the Net Proceeds towards general corporate, as approved by our management from time to time, subject to such utilisation for general corporate purposes not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The allocation or quantum of utilisation of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time. Our management, in accordance with the policies of the Board, shall have the flexibility in utilising surplus amounts, if any.

Such general corporate purposes may include, but are not restricted to, the following:

- (i) strategic initiatives;
- (ii) funding growth opportunities;
- (iii) strengthening marketing capabilities;
- (iv) meeting ongoing general corporate contingencies;
- (v) investments into our Subsidiaries (for the purposes other than repayment of loans by such entities);
- (vi) meeting fund requirements and other working capital requirements of our Company, in the ordinary course of its business;
- (vii) meeting expenses incurred in the ordinary course of business; and
- (viii) any other purpose, as may be approved by the Board, subject to compliance with applicable law.

### ***Means of Finance***

We propose to fund the requirements of the following Objects entirely from the Net Proceeds:

1. prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company on a consolidated basis; and
2. general corporate purposes.

Accordingly, since our Company does not propose to fund a project from the Net Proceeds, we confirm that the requirement under the SEBI ICDR Regulations, for firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, for a specific project proposed to be funded from the issue proceeds, excluding the amount to be raised through the Issue), does not apply.

Our fund requirements and deployment of the Net Proceeds with regard to the aforesaid Objects are based on internal management estimates and have not been appraised by any bank or financial institution or other



independent agency. They are based on current conditions of our business. We operate in a highly competitive and dynamic industry and may have to revise our estimates from time to time on account of changes in external circumstances or costs, or changes in other financial conditions, business or strategy. In case of variations in the actual utilisation of funds earmarked for the purposes set forth above, increased fund requirements may be financed through our internal accruals and/or incremental debt from existing and future lenders, as required. If the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing Objects, if required, and general corporate purposes, to the extent that the total amount to be utilised towards the general corporate purposes will not exceed 25% of the Gross Proceeds in compliance with the SEBI ICDR Regulations. For further details, see “*Risk Factors – Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior Shareholders’ approval*”, on page 37.

In the event that estimated utilisation out of the Net Proceeds towards the aforementioned Objects, in a Fiscal is not completely met, due to any reason, the same shall be utilised (in part or full) in the subsequent period towards the aforementioned Objects, as may be determined by our Company, in accordance with applicable law.

### Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹[●] million. The expenses of this Issue include, among others, listing fees, underwriting fees, selling commission, fees payable to the BRLMs, fees payable to legal counsel, Registrar to the Issue, Bankers to the Issue, processing fee to the SCSBs for processing Bid cum Application Forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, Collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Subject to applicable law, other than the listing fees which will be paid by our Company, all costs, fees and expenses with respect to the Issue will be shared amongst our Company and the Selling Shareholders, on a pro rata basis, in proportion to the number of Equity Shares, Allotted by our Company in the Fresh Issue and sold by each Selling Shareholder in the Offer for Sale, upon the successful completion of the Issue. Upon commencement of listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Issue, other than the listing fees, each Selling Shareholder shall jointly and severally reimburse our Company for any expenses in relation to the Issue paid by our Company on behalf of the respective Selling Shareholder, on a pro rata basis in proportion to their respective portion of the Offered Shares. However, in the event that the Issue is withdrawn or not completed for any reason whatsoever, all Issue related expenses will be borne by our Company.

The estimated Issue expenses are as follows:

Sr. No.	Activity	Estimated amount* (in ₹ million)	As a % of total estimated Issue Expenses*	As a % of Issue Size*
1.	Fees payable to the BRLMs (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
2.	Commission/processing fee for SCSBs, Sponsor Bank and Bankers to the Issue. Brokerage, underwriting commission and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, CRTAs and CDPs. <sup>(1)</sup> <sub>(2) (3) (4)</sub>	[●]	[●]	[●]
3.	Fees payable to the Registrar to the Issue	[●]	[●]	[●]
4.	Other expenses (i) Listing fees, SEBI filing fees, book building software fees and other regulatory expenses, printing and stationery expenses, advertising and marketing expenses for the Issue, fees payable to the monitoring agency and fees payable to the legal counsel; (ii) Other advisors to the Issue (iii) Miscellaneous	[●] [●] [●]	[●] [●] [●]	[●] [●] [●]
	<b>Total estimated Issue expenses</b>	[●]	[●]	[●]

\* To be incorporated in the Prospectus after finalisation of the Issue Price.

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

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

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

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

The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

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, Eligible Employees and Non-Institutional Bidders and submitted to the SCSBs for blocking as follows:

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

\*Based on valid ASBA Forms

- (2) The processing fees for applications made by Retail Individual Investors 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.
- (3) Brokerage, selling commission and processing/ uploading charges on the portion for Retail Individual Investors (using the UPI Mechanism), Eligible Employees and Non-Institutional Investors which are procured by the members of the Syndicate (including their sub-syndicate members), CRTAs, CDPs 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 Investors*	[●]% of the Amount Allotted (plus applicable taxes)*
Portion for Eligible Employees*	[●]% of the Amount Allotted (plus applicable taxes)*
Portion for Non-Institutional Investors*	[●]% of the Amount Allotted (plus applicable taxes)*

\*Amount Allotted is the product of the number of Equity Shares Allotted and the Issue 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.

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/ Eligible Employees 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.

- (4) Selling commission payable to the registered brokers on the portion for Retail Individual Investors, Eligible Employees 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, Eligible Employees and Non-Institutional Investors: ₹[●]/- per valid ASBA Form (plus applicable taxes).

## Interim Use of Net Proceeds

Our Company, in accordance with the policies of established by the Board, from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilisation for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds in deposits with one or more scheduled commercial banks

included in the Second Schedule of Reserve Bank of India Act, 1934, for the necessary duration. Such investments will be approved by the Board of Directors from time to time. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in equity shares of any other listed company or for any investment in the equity markets.

### **Bridge Loan**

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.

### **Monitoring of Utilisation of Funds**

In terms of Regulation 41(1) of the SEBI ICDR Regulations, we have appointed [●] as the monitoring agency to monitor the utilization of the Net Proceeds. 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 utilisation of the Net Proceeds, including interim use under a separate head in its balance sheet for such Fiscals, as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Net Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable Fiscals, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any, of such currently unutilised Net Proceeds.

Pursuant to Regulation 18(3) of the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before our Audit Committee. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditors. Further, in accordance with the Regulation 32 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 utilisation of the Net proceeds from the Objects, as stated above; and (ii) details of category wise variations in the utilisation of the Net Proceeds from the Objects, as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results of our Company, after placing such information before our Audit Committee.

### **Variation in Objects**

In accordance with Sections 13(8) and 27 of the Companies Act 2013, our Company shall not vary the Objects unless our Company is authorised to do so by way of a special resolution passed in a general meeting of its Shareholders or through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution, shall specify the prescribed details and be published in accordance with the Companies Act, 2013. The Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the Objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act, 2013 and provisions of Regulation 59 and Schedule XX of the SEBI Regulations. For further details see, “*Risk Factors - Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior Shareholders’ approval*” on page 37.

### **Appraising Agency**

None of the Objects for which the Net Proceeds will be utilised, require appraisal from any agency, in accordance with applicable law.

### **Other Confirmations**

No part of the Net Proceeds will be utilised by our Company as consideration to our Promoters, members of the Promoter Group, Directors, Group Companies or Key Management Personnel. Our Company has not entered into nor is planning to enter into any arrangement/agreements with Promoters, members of the Promoter Group, Directors, Key Management Personnel or our Group Companies in relation to the utilisation of the Net Proceeds. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects, as set out above.

## BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company and the Selling Shareholders, in consultation with the BRLMs, on the basis of an assessment of market demand for the Equity Shares through the ‘Book Building Process’ and on the basis of the following qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹10 each and the Issue 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. Bidders should also see “*Risk Factors*”, “*Our Business*”, and “*Financial Statements*” on pages 26, 132 and 219, respectively, to have an informed view before making an investment decision.

### Qualitative Factors

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

1. Longstanding operations in the attractive real estate markets of MMR and PMR;
2. Focus on and experience in the mid-income affordable housing segment;
3. Strategic pricing for the MMR and PMR micro-markets;
4. Differentiated and diversified product offerings;
5. Integrated project execution and management capabilities;
6. Established brand and customer goodwill in the MMR and the PMR markets;
7. Proven track record for development of quality projects;
8. Experienced and qualified Promoters and senior management team;
9. Strong pipeline of projects; and
10. Asset-light model for development of projects through joint development agreements and joint venture arrangements.

For details, see “*Our Business – Competitive Strengths*” on page 138.

### Quantitative Factors

The information presented below relating to our Company, wherever applicable, is based on the Restated Consolidated Financial Statements. For details, see “*Financial Statements*” on page 219.

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

#### 1. Basic and Diluted Earnings Per Share (“EPS”), as adjusted for change in capital

As per Restated Consolidated Financial Statements:

Fiscals / Period	Basic EPS (In ₹)	Diluted EPS (In ₹)	Weight
For the year ended March 31, 2019	10.70	10.70	1
For the year ended March 31, 2020	7.72	7.72	2
For the year ended March 31, 2021	6.08	6.08	3
<b>Weighted Average</b>	<b>7.40</b>	<b>7.40</b>	-
Period ended July 31, 2020 <sup>#</sup>	0.14	0.14	-
Period ended July 31, 2021 <sup>#</sup>	2.97	2.97	-

<sup>#</sup> Not annualised

Notes:

- i) *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights. Weights applied have been determined by the management of the Company.*
- ii) *Basic Earnings per Share (₹) = Net profit after tax attributable to owners of the Company, as restated / Weighted average no. of equity shares outstanding during the year*
- iii) *Diluted Earnings per Share (₹) = Net Profit after tax attributable to owners of the Company, as restated / Weighted average no. of potential equity shares outstanding during the year*
- iv) *Earnings per share calculations are in accordance with the notified Indian Accounting Standard 33 ‘Earnings per share’ prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with the requirement of SEBI ICDR Regulations.*
- v) *The figures disclosed above are based on the Restated Consolidated Financial Statements of our Company.*

## 2. Price/Earning (“P/E”) ratio in relation to Price Band of ₹[●] to ₹[●] per Equity Share

Particulars	P/E at the lower end of Price band (no. of times)	P/E at the higher end of Price band (no. of times)
Based on basic EPS for the year ended March 31, 2021 on a consolidated basis	[●]	[●]
Based on diluted EPS for the year ended March 31, 2021 on a consolidated basis	[●]	[●]

### Industry Peer Group P/E ratio

Particulars	Industry P/E (number of times)
Highest	1,077.77
Lowest	(386.58)
Average	75.93

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. For further details, see “Comparison of Accounting Ratios with listed industry peers” on page 102. All the financial information for listed industry peers mentioned above is sourced from the audited financial statements of the relevant companies for Fiscal 2021, as available on website of stock exchanges.

## 3. Return on Net Worth (“RoNW”)

As per Restated Consolidated Financial Statements:

Fiscals / Period	RoNW %	Weight
For the year ended March 31, 2019	23.83	1
For the year ended March 31, 2020	14.69	2
For the year ended March 31, 2021	10.41	3
<b>Weighted Average</b>	<b>14.07</b>	-
Period ended July 31, 2020 <sup>#</sup>	0.27	-
Period ended July 31, 2021 <sup>#</sup>	4.85	-

<sup>#</sup> Not annualised

Notes:

- (i) Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights. Weights applied have been determined by the management of the Company.
- (ii) Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Restated net worth (excluding non-controlling interest) at the end of the year/period
- (iii) ‘Net worth’ under Ind-As: Net worth has been defined as 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, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on March 31, 2019; 2020 and 2021 and four month period ended July 31, 2021 and July 31, 2020, in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations.

## 4. Net Asset Value per Equity Share of face value of ₹10 each

NAV	Consolidated (₹)
As on March 31, 2021	58.41
As on July 31, 2021	61.23
At the Floor Price	[●]
At the Cap Price	[●]
At the Issue Price	[●]

- (i) Net asset value per Equity Share = Restated Net worth (excluding non-controlling interest) at the end of the year / Weighted average number of Equity Shares outstanding during the year.

- (ii) 'Net worth' under Ind-As: Net worth has been defined as 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, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on March 31, 2019; 2020 and 2021 and four month period ended July 31, 2021 and July 31, 2020, in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations.

## 5. Comparison of Accounting Ratios with listed industry peers

Sr. No.	Name of the Company	CMP as on September 3, 2021 (₹)	Face value (₹)	Consolidated revenue from operations <sup>(1)</sup> (in ₹ million)	Basic EPS <sup>(2)</sup> (₹)	P/E <sup>(3)</sup>	Return on net worth <sup>(4)</sup> (%)	NAV per Equity Share <sup>(5)</sup> (₹)
	Puranik Builders Limited <sup>#</sup>	NA	10	350.59	6.08	NA	10.41%	58.41
<b>Peer Group</b>								
1.	Oberoi Realty Limited	762.55	10	20,525.80	20.33	37.51	7.89%	257.68
2.	Godrej Properties Limited	1,580.40	5	7,649.20	(7.48)	(211.28)	(2.28%)	299.32
3.	Prestige Estates Projects Limited	422.70	10	72,644.00	36.32	11.64	21.81%	166.52
4.	Sunteck Realty Limited	376.95	1	6,138.65	2.98	126.49	1.51%	197.46
5.	Sobha Limited	769.45	10	21,097.79	6.57	117.12	2.57%	255.97
6.	Brigade Enterprises Limited	370.15	10	19,499.70	(2.24)	(165.25)	(1.97%)	111.31
7.	Kolte-Patil Developers Limited	282.20	10	6,917.40	(0.73)	(386.58)	(0.62%)	117.61
8.	Macrotech Developers Limited	1,088.55	10	54,485.75	1.01	1,077.77	0.87%	116.17
	<b>Industry Composite</b>					75.93		

All financials are on a consolidated basis as at March 31, 2021.

- (1) Based on revenue from operations for Fiscal 2021, as reported in company filings, excluding other income.
- (2) Basic EPS & Diluted EPS for Fiscal 2021 as reported in company filings.
- (3) Price earnings ratio calculated by dividing the closing price of equity shares of the company as on September 3, 2021 on NSE, by the basic EPS of the company for Fiscal 2021.
- (4) RoNW has been computed as Net profit after tax attributable to owners of the Company for Fiscal 2021 divided by the net worth (excluding non-controlling interest) as at March 31, 2021.
- (5) Net asset value (NAV) per equity share has been computed as net worth (excluding non-controlling interest) as at March 31, 2021 divided by the total number of equity shares outstanding as at March 31, 2021.

### The Issue Price will be [●] times of the face value of the Equity Shares.

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

Bidders should read the above-mentioned information along with "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Statements" on pages 26, 132, 269 and 219, respectively, to have a more informed view.

The trading price of the Equity Shares could decline due to the factors mentioned in the "Risk Factors" on page 26 and you may lose all or part of your investment.

## STATEMENT OF TAX BENEFITS

Date: September 20, 2021

To,

**The Board of Directors**  
**Puranik Builders Limited**  
Puranik One  
Near Kanchanpushpa Complex  
Opp Suraj Water Park, Kavesar Ghodbunder Road  
Thane West 400 615

Dear sirs,

**Sub: Statement of possible special Income Tax benefits available to Puranik Builders Limited and its shareholders prepared in accordance with the requirements under Schedule VI Part A – Clause (9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended.**

We, **Sanjay Rane & Associates**, the independent statutory auditors of Puranik Builders Limited (“the Company”), hereby confirm that the enclosed statement is in connection with (i) the special tax benefits available to the Company, the shareholders and material subsidiaries (*as defined under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015*) of the Company, under the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the “GST Act”), the Customs Act, 1962 (“Customs Act”) and the Customs Tariff Act, 1975 (“Tariff Act”) (collectively the “Taxation Laws”) including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, i.e. applicable for financial year 2021-2022, relevant to the assessment year 2022-2023 presently in force in India as on the date of this certificate in the enclosed statement at **Annexure I**.

Following are the material subsidiary of the Company:

- i. Puranik Buildcon Private Limited

Several of these benefits are dependent on the Company or its shareholders or material subsidiary fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the possible tax benefits is dependent upon fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed **Annexure I** are not exhaustive. Further, the preparation of the **Annexure I** and its contents is the responsibility of the management of the Company. We were 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 Offer.

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

- (1) The Company or its shareholders or material subsidiary will continue to obtain these benefits in future;  
or
- (2) The conditions prescribed for availing the benefits have been/ would be met with.
- (3) The revenue authorities/courts will concur with the views expressed therein

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

We confirm that the information in this certificate is true and correct and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

This certificate may be relied upon by the Company, the Book Running Lead Managers, and the legal counsel

appointed in relation to the Issue. We hereby consent to extracts of, or reference to, this certificate being used in the draft red herring prospectus, red herring prospectus and prospectus or any other documents in connection with the Issue (collectively, the “**Issue Documents**”). We also consent to the submission of this certificate as may be necessary, to any regulatory authority and/or for the records to be maintained by the Book Running Lead Managers in connection with the Issue and in accordance with applicable law.

We confirm that we will immediately communicate any changes in writing in respect of the above information upon receipt of knowledge of the same from the Company, to the Book Running Lead Managers until the date when the Equity Shares allotted and transferred in the Issue commence trading on the relevant stock exchanges. In the absence of any such communication from us, Book Running Lead Managers and the legal advisor, each to the Company and the Book Running Lead Managers, can assume that there is no change to the above information.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Issue Documents.

Yours faithfully

**For Sanjay Rane & Associates**  
**Chartered Accountants**  
**ICAI Firm Registration Number: 121089W**

**Partner: CA Abhijeet Deshmukh**  
**Membership No. 129145**  
**Place: Mumbai**  
**UDIN: 2112945AAABBA6092**

*Encl: Annexure I (Statement of tax benefits)*



## **Annexure I**

### **Statement of Possible Special Income Tax Benefits available to the Company, its Shareholders and material subsidiary under the applicable Tax Laws in India**

Outlined below are the possible special Income tax benefits available to the Company, its shareholders and material subsidiary under the Income Tax Act, 1961 (“the Act”) as amended by the Finance Act 2021, i.e. applicable for the financial year 2021-22 relevant to the assessment year 2022-23, presently in force in India.

#### **I. Special Income tax benefits available to the Company and its material Subsidiary**

##### **Deduction under Section 80-IBA**

The Company will avail deduction under Section 80-IBA of the Income Tax Act, 1961 (Deduction in respect of Profits & Gains from housing projects) under affordable schemes for Puranik Builders Limited projects- i) Neral, ii) Puranik City Reserva T1 & T5 and Puranik Buildcon Limited project- i) Abhitante Phase 2A & 2B.

##### **Lower corporate tax rate**

The Company and its material subsidiary can avail reduced corporate tax rate of 25% under the Act, since the Company’s turnover during the financial year.2019-20 does not exceed Rs. 400 crores.

The Company may claim such benefits in future years subject to fulfilling the then prevailing provisions under the Act.

#### **II. Special Income tax benefits available to Shareholders**

- There are no special tax benefits available to the shareholders.

#### **III. Special Indirect tax benefits available to the Company & Material Subsidiary**

The Ongoing projects are benefiting from the concessional rate of 8% (erstwhile 12%) under the affordable housing scheme based on the earlier provisions.

For Forthcoming Projects, Notification No. 3/2019 – Central Tax (Rate) dated March 29, 2019 provides for the following tax benefits w.e.f. April 1, 2019 –

- i. The reduced effective GST rates for affordable residential apartments from 8% to 1% without availing input tax credit subject to fulfilment of the following conditions:
  - a. having carpet area not exceeding 60 square meters in metropolitan cities or 90 square meters in cities or towns other than metropolitan cities.
  - b. the gross amount charged is not more than forty five lakhs rupees.
- ii. For all other residential apartments, the reduced effective GST rates from 12% to 5% without availment of input tax credit.

## SECTION IV: ABOUT THE COMPANY

### INDUSTRY OVERVIEW

Unless otherwise indicated, the information in this section is obtained or extracted from “Industry Research Report – Mumbai and Pune (Residential and Commercial Real Estate) (the “C&W Report”) prepared and issued by Cushman and Wakefield India dated September 2021, commissioned by us. Neither we nor any other person connected with the Issue have independently verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

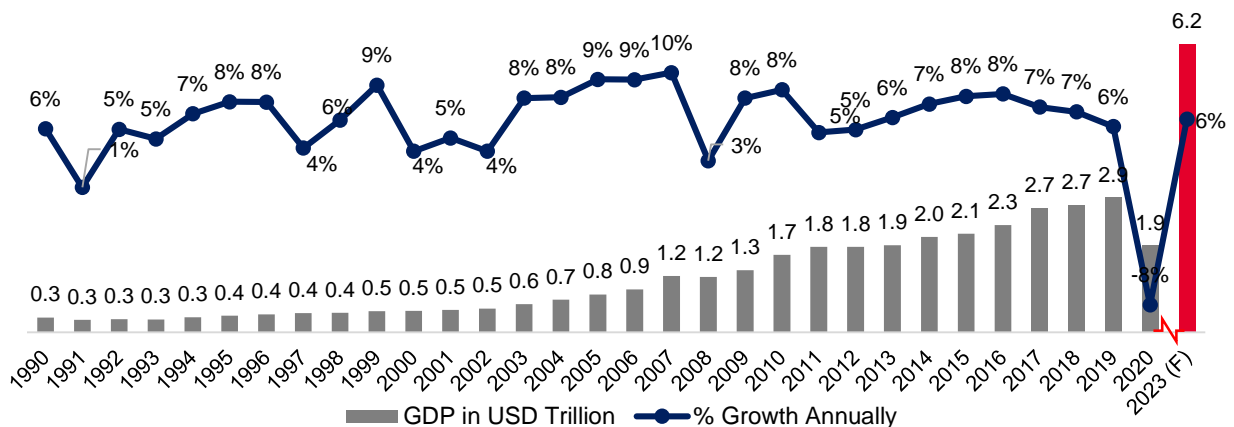
### INDIA’S ECONOMIC OVERVIEW

Over the past decade India has been one of the world’s fastest growing major economy in the world and is forecasted to become one of the world’s top three economic forces over the next 10-15 years. During the period 1990 to 2020, India’s GDP has grown at a CAGR of 6% despite of periodic economic upheavals. Several factors such as increased consumption, government spends, shift of economy from agriculture to services sector, etc. have contributed towards the overall growth in Gross Domestic Product (GDP).

In the April-June quarter of current fiscal year 2021-22, India’s real GDP has increased by 20.1% YoY from a contraction of 24.4% in the same period of the previous financial year. The contraction is largely attributed to the Pandemic (Covid-19). However, the decline has been less significant than anticipated. While sectors such as hospitality, tourism, aviation, etc. were severely impacted owing to the restrictions on travel during the lock-down, are now witnessing revival as the lock-down restrictions are being lifted. However, sectors such as Pharma, e-commerce, Data centers, warehousing and logistics have grown significantly during the same period. Several institutional and research bodies are optimistic about India’s economy and have forecasted the GDP to grow by upwards 9% in 2021 whereas the International Monetary Fund (IMF) has projected a growth of 11.5% in 2021; which will be the fastest in the World and the only country to have a double digit growth in 2021. The country’s GDP rose to 20.1% in the Q1 of financial year 2021-22 and has surpassed expectations.

The United States Department for Agriculture Economic Research Service (USDA) based on World Bank and IMF data had forecasted India’s GDP growth rate at 6.3% for FY23 with a CAGR of ~48% in comparison to Covid affected year of FY21. A study by the USDA, estimates India’s GDP to grow to USD 6.2 trillion by 2030.

**India's GDP Growth Trend**



Source: World Bank, OECD, USDA

The Consumer Price Index (CPI), referred as the Retail Inflation, eased from 6.73% in July 2020 to 5.59% in July 2021 as per Ministry of Statistics and Programme Implementation (MOSPI). It is the lowest inflation rate reported since November 2019. The moderation in inflation rate can largely be attributed to slower rise in food prices.

Since 2015, India has jumped 79 places to rank 63rd in the 2020 Ease of Doing Business Ranking by The World Bank, reflecting the government's pro-business stance to create a conducive environment for businesses to operate in the country. Investor confidence continues to remain strong, on the back of high cross border M&A activity.

India is currently ranked the 6th largest economy in 2020 however, projected to become the 3rd largest economy by 2030. The government's pro-business reforms such as Make in India, Start-up India, relaxations in FDI, etc. coupled with governments spends on infrastructure, RBI's monetary policies, etc. are the key factors that have contributed towards this economic growth of the country. Owing to such factors, India's economy is expected to maintain its growth trajectory over the next 10 – 15 years.

## **ADVANTAGE INDIA**

Over the past few years, the government has significantly contributed in providing its support to develop India and promote business opportunities within the country. Government initiatives and policies such as relaxation in Foreign Direct Investments (FDI) limits, ease of doing business, Housing for All, Make in India, Smart City, Start-up India, and infrastructure initiatives has transformed India into one of the largest economies in the world. Some of these initiatives are as under.

### ***Recent Policy Announcements and Government Initiatives***

#### ***Pradhan Mantri Awas Yojana (PMAY)***

**Housing for All Scheme:** With the vision to provide homes for the economically weaker sections, the Prime Minister announced, "Housing for All Scheme" under the PMAY in June 2015. Under this scheme the government has planned to construct 20 Mn houses by the year 2022. The Ministry of Housing and Urban Affairs (MoHUA) has so far sanctioned 11.3 Mn houses under PMAY – Urban as published on its online portal. MoHUA also reported that 5 Mn houses have been completed and over 8.6 Mn houses are under-construction. An amount of INR 80 Bn has been allocated during FY21-22 for PMAY scheme by the central government. Thane and Pune are part of the cities selected under the PMAY scheme that will receive assistance from the center. Additionally, the stamp duty payable in case of PMAY projects in Maharashtra have been reduced to INR 1,000 per dwelling unit belonging to EWS & LIG category further enhancing the affordability for the end users in the state.

**Affordable Housing in Partnership (AHP):** The Finance Minister in its Union Budget 2016-17 had announced that real estate developers would be exempt from paying tax on profits in affordable housing segment for a period of five years, conditionally to project size. The exemption would be for projects that have been approved by the competent authority during the period starting 01st June 2016 and ending on 31st March 2020. In the Union Budget 2020-21 the government extended the timeline to 31st March 2021, and the same is further extended for one year until 31st March 2022 as announced in the Union Budget 2021-22. Section 80 IBA has been inserted by the Government in the Income Tax Act, 1961 to declare 100% deduction of the profits and gains arising from the construction sector to make house purchases affordable and provide tax benefits to the Real Estate Developers. The government also increased the time limit to 5 years to construct such projects, providing developers sufficient timelines to efficiently execute construction of affordable housing projects. Further, under the AHP, the government aims to provide financial assistance to increase participation of private developers in affordable housing projects. Through this initiative, the central government extends assistance of INR 0.15 Mn per EWS house in private projects, where at least 35% of the houses are constructed for the EWS category.

**Credit Linked Subsidy Scheme (CLSS):** The scheme provides interest subsidy of 6.5% on loans for first time home buyers from the Economically Weaker sections (EWS) and Low-Income Group (LIG) having annual household income of up to INR 0.6 Mn. The subsidy is provided on home loans of up to INR 0.6 Mn for a maximum period of 20 years, to the beneficiaries under this scheme. First-time home buyers from Mid-Income Groups (MIG) with annual household income between INR 0.6 Mn and INR 1.2 Mn for MIG 1 category and household income of INR 1.2 Mn and INR 1.8 Mn for MIG 2 category can also avail this subsidy, amounting to maximum of 4% for MIG I category and 3% for MIG II category, for a maximum loan amount of INR 0.9 Mn and INR 1.2 Mn, respectively. The unit size permissible under this scheme is a maximum of 30 sq. mt. of carpet area for EWS & 60 sq. mt. of carpet area for LIG category. In June 2018, the government increased the CLSS subsidy unit size limits to 160 sq.mt and 200 sq.mt of carpet area for MIG 1 & MIG 2 applicants respectively,

subject to income eligibility. Earlier, the size limits were a maximum of 120 sq.mt. and 150 sq.mt. of carpet area for MIG 1 & MIG 2 applicants respectively. During the FY21-22 Union Budget announcement, the Finance Minister allocated INR 10 Bn towards the CLSS for the EWS and LIG whereas INR 0.1 Mn is allocated for the MIG. Until 31st August 2021, around 1.63 Mn beneficiaries were reported to have availed the CLSS under the PMAY (Urban).

**In-situ slum redevelopment (ISSR):** The scheme aims to provide houses to slum dwellers by redeveloping the existing slums on public and private land. A grant of INR 0.1 Mn per house will be provided by the central government to the planning and implementing authorities of the respective states. The Government further awarded Infrastructure status to the affordable housing sector in February 2017. In line with government's strong focus on the affordable housing sector, the RBI had increased the permissible lending limits to 90% of loan to value ratio for loans of up to INR 3 Mn.

In February 2018, the Union Cabinet approved the creation of National Urban Housing Fund (NUHF) with an outlay of INR 600 Bn. The NUHF was planned to facilitate requisite fund raising for the different verticals of PMAY, over the period of four years. The NUHF was created to provide a sustainable model for financing the construction of houses under the PMAY- Urban scheme. On the back of focused government reforms for affordable housing coupled with increased spending from the government, the affordable housing sector has emerged as the one of the key growth drivers for real estate in India.

#### *Smart Cities*

Smart Cities Mission is an urban re-development program by the Government of India with the mission to improve and modernize 100 cities across the country. The improvements will be in the form of better utilities (power, water, sewage, waste management, etc.), ease in transportation and commute, digitization and governance making the cities people friendly and self-sustainable. The Union Ministry of Urban Development in collaboration with respective state governments is responsible for the implementation. An amount of INR 64.5 Bn has been allocated during FY21-22 for the development of the Smart Cities under the Smart City Mission of the central government. Within Maharashtra, eleven cities were selected for re-development under this initiative including Mumbai, Thane, Kalyan-Dombivali, Navi Mumbai, Pune, Amravati, Solapur, Nagpur, Nashik, Aurangabad and Pimpri-Chinchwad.

#### *Atal Mission for Rejuvenation and Urban Transformation (AMRUT)*

AMRUT was formed in June 2015 with a view of providing basic services such as water supply, sewerage, urban transport, etc. to households as well as building amenities that contribute towards improving the quality of life for all. A total of 500 cities will be considered for development under this scheme. The government had increased the budget by 14% and allocated a budget of INR 500 Bn for a 5-year period from FY16 to FY20. The government has extended this by another 2 years, till March 2022. An amount of INR 73 Bn was allocated during FY21-22 for AMRUT by the central government. The Maharashtra state government has included a total of 44 cities under this scheme that will be undertaken for development during the 5-year period. Mumbai, Thane, Kalyan-Dombivali, Navi Mumbai, Pune, etc. are amongst the key cities selected under this initiative.

#### *Industrial Corridors & Logistic Parks driving growth*

Industrial growth is one of the most important agendas of the current government. The Make in India campaign was launched in 2014 with an objective to promote India as an investment destination and global hub for manufacturing. Under this initiative the government has managed to attract significant investment commitments from several countries and companies. The 2018 Make in India event had recorded investment commitments of INR 15.5 Trillion, with Maharashtra accounting for about INR 8 Trillion on investment commitments.

To accommodate and drive this industrial growth in the country, several industrial corridors have also been planned and are in various stages of implementation. Some of the key industrial corridors are

- Mumbai-Nagpur Samruddhi Corridor
- Delhi-Mumbai Industrial Corridor (DMIC)
- Bengaluru-Mumbai Economic Corridor (BMEC)
- Chennai-Bengaluru Industrial Corridor (CBIC)
- Visakhapatnam-Chennai Industrial Corridor (VCIC)
- Amritsar-Kolkata Industrial Corridor (AKIC)

The World Bank ranked India at #42 out of the total 167 countries in its 2018 Logistics Performance Index (LPI). India's ranking for Quality of Overall Infrastructure was #46 in 2017. India's overall ranking declined from #85 and to #90 in Quality of Overall Infrastructure ranking from 2014 to 2015. However, with several government initiatives and policies, India's ranking improved significantly to #74 in Quality of Overall Infrastructure in 2016. The government continues to implement various initiatives towards improvement of the industrial & infrastructure development within the country. The World bank has not released the LPI rankings after 2018.

These factors contribute substantially to drive real estate growth in India since these industrial corridors are expected to create significant job opportunities, thereby attracting work force to these locations. Emergence of these employment hubs is expected to create several new residential markets spreading along the stretch of these industrial corridors. The DMIC alone cuts across 6 states and is expected to provide impetus to real estate sector in 24 cities along its route. About 18% area of Maharashtra falls within the influence zone of DMIC. The whole of Thane city falls within this influence zone and hence is likely to witness significant growth going forward. The DMIC is India's most progressive and largest infrastructure programme to build emerging industrial cities as Smart Cities and enhancing the technologies across the infrastructural sector. The estimated investment for DMIC is \$100 Bn.

### ***Foreign Direct Investments (FDI) in Construction Development in India***

Foreign Direct Investment (FDI) received in Construction Development from April 2000 to March 2021 stood at USD 26 Bn, according to the Department of Industrial Policy and Promotion (DIPP). The Cabinet in January 2018 had approved 100% FDI under automatic route in the construction development segment, which includes townships, housing, built-up infrastructure and real estate broking services. The government has taken these measures to liberalize and simplify the FDI policy to offer ease of doing business in the country. India witnessed an FDI inflow of USD 81.97 Bn in the FY20-21. This was a 10% rise compared to the previous year's inflows of about USD 74.39 Bn. Despite Covid 19, the FDI inflows have remained resilient recording USD 22.53 Bn for the period between April 2021 and June 2021. Apart from the Covid-19 led slowdown, the FDI in construction development had seen a steady growth over the previous six years. This reflects the sustained confidence amongst investors especially towards the construction development sector in India and Maharashtra, despite Covid-19 causing a short-term hinderance.

### ***Private Equity Investments in Real Estate***

Over the years, the Private Equity (PE) Investment in Real Estate in India have evolved significantly. While the 2000's witnessed investments being made at an entity level (equity stake), the markets have evolved in recent years and investments are typically being made at the project/SPV level. During the years between 2013 and 2016, the residential sector in India attracted on an average about 56% of the annual PE investments made in India's Real Estate market. However, with demonetization in 2016 and subsequent introduction of RERA and GST coupled with increased momentum in office space, the investments in residential sector declined, average investments percentage share being 19% between 2017 and 2020. The office segment attracted higher share (averaging around half of the total investments between 2017-19) in the overall pie with institutional investors having a huge favor for the asset class. However, residential with respect to affordable and mid income housing remains on the investors' radar for the long term as they continue to scout for opportunities in this segment, given the thrust by government for affordable housing in India as well as rising demand from end-users especially in mid-income category.

MMR has been one of the most preferred cities for PE investments in residential segment in India. MMR on an average has received about 33% of the total investments made in residential segment between CY13 and CY20. Pune received about 5% share of the investments during the same period in residential segment. Over the last 3-5 years the PE investments in residential segment are typically being made in projects that have received all necessary approvals and are under construction, typically in the form of structured debt.

<b>Private Equity Investments in Residential Projects- (in ₹ billion)</b>									
	<b>CY13</b>	<b>CY14</b>	<b>CY15</b>	<b>CY16</b>	<b>CY17</b>	<b>CY18</b>	<b>CY19</b>	<b>CY20</b>	<b>CY21<sup>1</sup></b>
<b>India</b>	35.2	60.7	190.1	209.5	144.2	96	74.6	32.64	29.11
<b>Mumbai (MMR)</b>	24%	34%	39%	30%	37%	42%	39%	19%	41%
<b>Pune</b>	12%	8%	3%	5%	5%	7%	1%	0%	15%

<sup>(1)</sup>Data for the period from January 2021 to June 2021

Source: Cushman & Wakefield Research

## ***RERA, GST and Demonetization***

***Demonetization:*** Demonetization of INR 500 & INR 1,000 currency notes was announced in November 2016. The immediate impact of the announcement led to people depositing their cash in banks and the Indian economy was drained out of liquid cash for a brief period. While majority of the low- and mid-income home buyers make their purchases with home loans, they went into a wait and watch mode owing to uncertainties. Developers also refrained from launching new projects during this period as there were no buyers. The High-end to luxury housing segment was severely impacted by this announcement owing to higher proportion of cash transactions involved in property purchases in this segment. The mid segment and the affordable housing segment however, continued to grow cumulatively recording 13% increase in new unit launches in Q1 2017 compared to Q4 2016. Demonetization had led to increased liquidity in the banking system, allowing the interest rates to be at the lower end and hence increasing affordability for a greater number of home buyers. Demonetization has also helped in bringing transparency in property purchases with increase in transactions undertaken through formal banking channels.

***RERA:*** The Real Estate (Regulation and Development) Act (RERA) came into effect in May 2017. The RERA policies are inclined towards safeguarding buyers' interest, bringing transparency and making the real estate developers accountable for the development of their projects. The RERA has several stringent policies with regards to completion timelines, revenue management, advertising, etc. Owing to such policies guidelines, real estate developers not only require enough cash flows to fund their projects but also have project monitoring systems in place to ensure adherence with RERA. These policies make real estate development challenging, specifically for smaller/standalone developers. However, larger organized developers typically have structured business operations and access to funds and hence could seamlessly adapt to the RERA guidelines. Over the years, smaller developers have been partnering with larger developer to execute real estate projects, offering significant partnership opportunities in terms of joint development and joint venture arrangements for organized players. These factors are thus expected to increase the market share of the organized players in the real estate sector. As a result, organized developers are likely to benefit owing to increase in business opportunities coupled with reduced competition in the long term.

Due to the spread of Covid-19 the government has made suitable relaxations on certain regulations in order to help the builders deliver their duties and obligations. As per RERA guidelines, project timelines have been extended by one year. Maharashtra has been the first state to implement RERA. Maharashtra is considered as the first state to initiate a conciliation forum. The forum will provide a quick and amicable resolution to complaints filed by the buyers, saving time and cost. Such factors are expected to improve home buyer's confidence in the state.

***GST:*** The Goods and Service Tax (GST) Act came into effect in July 2017 with an objective to simplify the complex taxation structure. The implementation of GST on real estate has been structured in a manner that is expected to reduce the tax burden on developers as well as buyers. The GST regime also enabled real estate developers to pass on the savings in taxation to its buyers, by claiming input tax credit for the project's under-construction (completed projects are exempted from GST). Under the pre-GST regime the Value Added Tax (VAT) + Service Tax cumulatively accounted for 5.5% to 8.5% of the property price across states in India. The GST for under construction projects was initially pegged at 12%. The GST Council in January 2018 has recommended extension of the concessional rate of 8% GST to construction of flats/ houses of less than 60 sqm in Affordable Housing projects. Affordable Housing project has been defined in the said notification as a housing project using at least 50% of the FAR/FSI for dwelling units with carpet area of not more than 60 sqm in metropolitan cities and 90 sqm in non-metropolitan cities. This recommendation has been accepted and has helped in reducing the total cost of property acquisition, helping drive sales in the affordable housing segment. However, as of 1st April 2019, the GST rates were reduced to 1% for affordable housing projects and 5% for all other residential projects. Under the revised GST regime, the developers cannot claim input tax credits.

RBI's "Deployment of Gross Bank Credit" shows that the outstanding debt for the housing sector (including priority sector) grew by 3% between March 2020 and November 2020 (up from INR 13,390 billion to INR 13,834 billion) indicating that the number of homebuyers have continued to grow despite Covid-19, albeit at a slower rate. The continued growth reflects that buyers are likely to continue to make home purchases and are no longer impacted by the short-term disruptions, including Covid-19

## ***Changes in tax liability on Joint Development (JDA)***

In the 2017 union budget announcement, the government amended the capital gains tax liability policy for joint development agreement (JDA) for real estate projects. Under the revised policy, the capital gains tax shall be applicable in the year of completion of the project and not at the time of signing the agreement. Whereby, the landowner would be taxed in the year the completion certificate (CC) for the project is awarded. These changes have reduced upfront costs to initiate projects thereby making the JDA model significantly efficient for real estate developers. Moreover, this move enables the developers to split their financial liabilities and risks with landowners while launching new projects, especially in cities with high land rates such as Mumbai.

### ***REIT Policy and way forward***

While the Securities and Exchange Board of India (SEBI) had been trying to implement REITs in India since 2007, it amended its rules significantly in September 2014. SEBI further amended its policies in November 2016 to remove major taxation hurdles. The revised guidelines have now made it feasible for companies to list REITs. In the latest amendment on 1st March 2019, Securities and Exchange Board of India (SEBI) reduced the minimum investment limit in REIT to ₹50,000 from ₹2 lakh, making it easier to invest in a REIT. Following the pandemic, the SEBI recently eased the due date for the REIT regulatory filings for FY21 that ended on 31st March 2021.

The first REIT initial public offering (IPO) in India was made by Embassy Office Parks that opened its bids in March 2019. The second REIT in India was introduced in July 2020, the K. Raheja Mindspace REIT followed by Brookfield India REIT in February 2021. While REITs are expected to support growth of commercial real estate in the country, permitting REITs to invest in the housing sector can further help developers get better access to funds, provide an option for developers to exit their projects and help drive growth of housing sector in India.

### ***Urbanization***

As per the 2001 census about 27.8% of India's population lived in urban areas. This increased to 31.2% as per the 2011 census. A report by United Nations (UN) has forecasted that India is likely to add 300 million new urban residents by 2050. The concentration of employment opportunities, education centers, social infrastructure, etc. in urban areas are some of the key factors attracting people to migrate to urban areas. The government initiatives for city development such as smart cities, Atal Mission for Rejuvenation and Urban Transformation, etc. are focused easing stress on city infrastructure and accommodating rapid urbanization; thereby improving livability standards for those living in urban areas.

Maharashtra accounts for highest (13.5%) share in urban population, with Mumbai being the most populated city in India and having the highest population density, 32,303 people per sq.km. (Mumbai City District) as per the Census 2011. Pune is the 8th most populated city in India and has density of ~5,600 people per sq.km. The population density of Thane district is ~1,160 people per sq.km. Owing to such rapid urbanization, especially in cities such as Mumbai and Pune, the central parts of such cities are nearly saturated in terms of real estate development and availability of land. The real estate growth has therefore been shifting towards the peripheral locations that have availability of land and property prices are more affordable, leading to expanding boundaries of these cities.

With rapid expansion of city boundaries and increasing population, the infrastructure in most cities is grossly inadequate. The local governments have increased their focus on improving public transport systems, road & rail connectivity, infrastructure, etc. to improve livability in cities, whereas the central government is focusing in developing smaller towns under initiatives such as the Smart City mission, to de-stress the metro and Tier 1 cities.

### **IMPACT OF UNIFIED DEVELOPMENT CONTROL AND PROMOTION REGULATIONS FOR MAHARASHTRA STATE (UDCPR)**

In December 2020, Government of Maharashtra sanctioned the Unified DCPR which is applicable to all the municipal corporations except MCGM, MIDC, NAINA, JNPT, Hill Station Municipal Council and Lonavala Municipal Council. Apart from these municipal bodies the special planning areas under MCGM jurisdiction, other special planning areas and authorities, eco-sensitive / eco-fragile zones are also exempted. However, the UDCPR is applicable for town planning schemes.

The new UDCPR has increased the basic FSI to 1.50 from 1 in congested areas for plot with access road below 9m and the basic FSI to 2 from 1 for plot above 9m wide access road. Developers can buy additional FSI on the payment of premium and load the TDR as per market rate on the basic FSI to exploit the maximum development potential.

Thane Municipal Corporation DCR had the basic FSI of 1 for plot having access of 9m and above. The maximum permissible additional FSI was 0.5 and maximum permissible TDR loading was 1.4. Thus, the total development potential for the plots having access road of 30m and above becomes 2.70 which was the maximum permissible FSI in TMC area. In case of the similar development by applying the UDCPR 2020, the total development potential increases to 3.00 for plot having access of more than 9m. The ancillary area FSI up to the extent of 60% of the total proposed FSI which includes basic FSI, additional FSI on payment of premium and TDR is allowed on the payment at 15% of the ready reckoner rate for Thane and Pune Municipal Corporation Areas. This ancillary area FSI is applicable for all other schemes such as TOD, PMAY, URS, ITP, IT and MHADA except SRA. As per TMC DCR, the FSI computation was done on the net plot area. However, as per UDCPR 2020 the computation of additional FSI and TDR to be calculated is on gross plot area. Thane Municipal Corporation used to charge additional FSI at the 60% of ready reckoner rates for residential use but in UDCPR 2020, this rate has been reduced to 35% for residential. However, the state government may revise the percentage and ready reckoner rate time to time.

In case of Pune Municipal Corporation, the FSI computation for all the components such as basic FSI, additional FSI and TDR was calculated on the net plot area which excludes amenity spaces and recreational open spaces as per PMC DCPR 2017. Whereas in the UDCPR 2020, the FSI computation of basic FSI is to be done on net plot area and additional FSI & TDR to be calculated on gross plot area. This FSI computation increases the total development potential considerably giving the developers an opportunity to construct larger developments. Refer Annexure 12 for detailed break-up of the FSI norms under the UDCPR 2020.

As per the latest Govt. Resolution by the Govt. of Maharashtra, dated 14th January 2021, the developer can avail the 50% rebate in the development premium. However, the developer has to submit a certificate to the municipal corporation that the entire stamp duty on the units purchased is borne by him. The rebate will be payable on such projects till 31st December 2021.

### **Budget 2022 for Real Estate Sector**

In order to bolster demand in real estate industry, Government sees 'Housing for All' and affordable housing as priority areas. The Budget 2022 provides multi-fold announcements that are likely to impact real estate and includes Extension of Interest exemption up to INR 1.5 Lakhs for Affordable home loans up to March 2022, Extension of tax holidays for developers for Affordable projects u/s 80IA up to March 2022, New tax exemptions to developers on developing Affordable Rental Housing Complexes (a newly added fifth vertical in PMAY-U) for Migrant Workers, Increase in safe harbour limit for primary sale of residential units from 10% to 20% by enabling the developers to liquidate their unsold inventory at a rate substantially lower than the circle rate and giving benefit to the home buyers and Debt Financing of InVITs and REITs by Foreign Portfolio Investors that can ease access of finance and augmenting funds in infrastructure and real estate sectors.

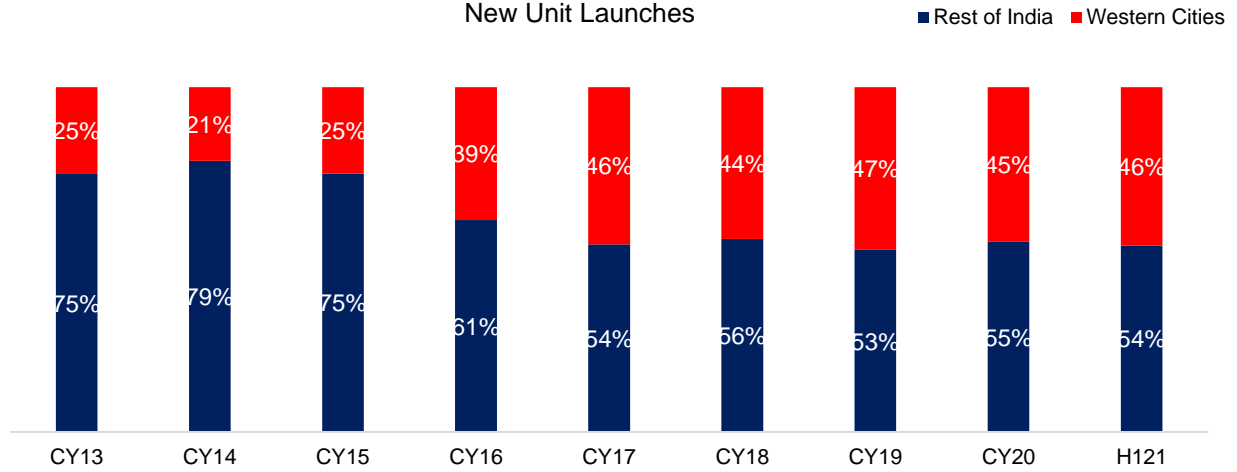
### **OVERVIEW OF INDIA'S RESIDENTIAL REAL ESTATE**

India's current population is 1.3 billion and is expected to overtake that of China by 2030. This large population provides a huge base for India's real estate sector, especially in tier 1 cities such as Mumbai and Pune owing to rapid urbanization. As per industry estimates, the housing sector is expected to account for ~13% share in India's Gross Domestic Product (GDP) by 2025 and the cumulative real estate sector is expected grow to USD 1 Trillion by 2030. The real estate sector is considered as the largest employer after agriculture in India.

Post the impact of RERA, Demonetization and GST in 2017, the cumulative new unit launches in India's top 8 cities were growing rapidly, recording 76% Y-o-Y increase in new units launched in CY18 and further 56% in CY19. While the pandemic in 2020 restrained this growth, the overall new launches were yet higher than those recorded in CY16 and CY17. The residential real estate market is already starting to see the revival with demand significant rise in demand and supply. Over the last few years including 2020, the Western cites (Mumbai & Pune) have remained resilient compared to other cities in India. These two cities cumulatively accounted for 46% share in new unit launches during the first half of CY21. On an average, Mumbai and Pune cumulatively have accounted for over 44% of the share in new launches since 2016. This demonstrates western cities to be more stable real estate markets as compared to other major cities in India.



### New Unit Launches

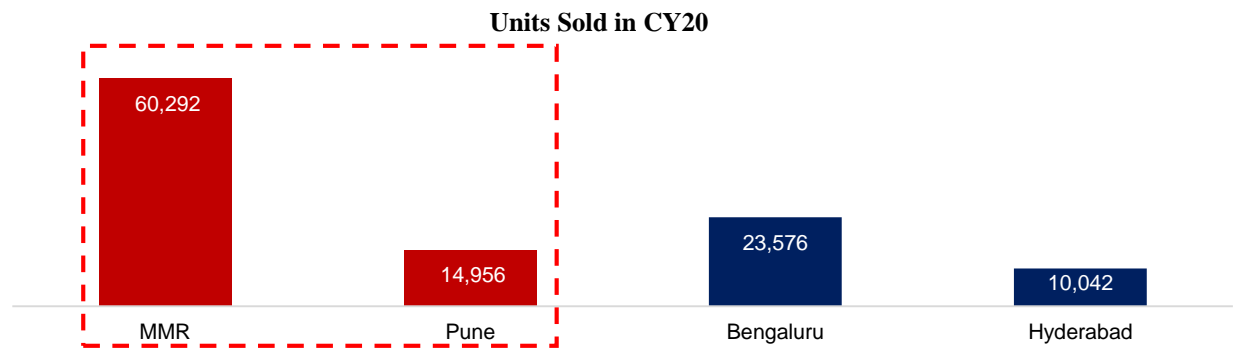


**Rest of India:** Ahmedabad, Bengaluru, Chennai, Delhi NCR, Hyderabad, Kolkata

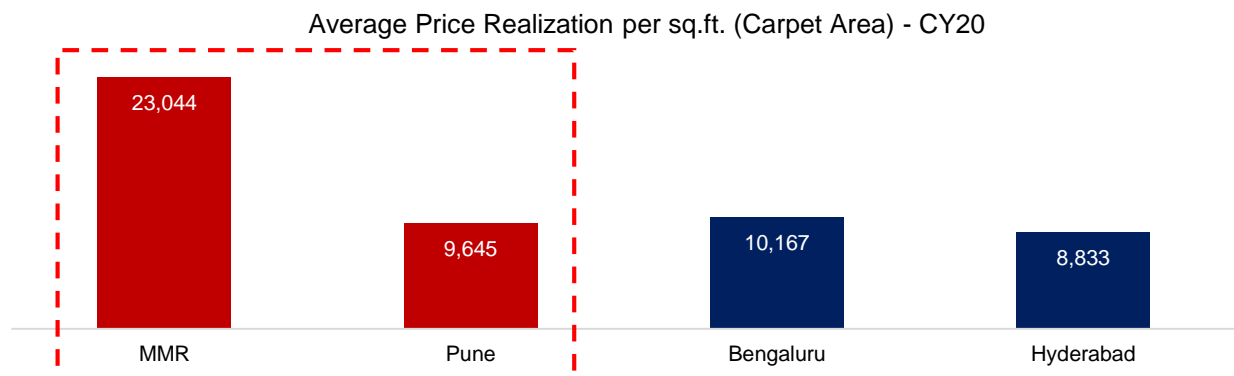
**Western Cities:** Mumbai, Pune

### Comparative Analysis of Residential Markets

**Unit sold in 2020:** The Western markets continue to perform better recording significantly higher sales volume in 2020 compared to other key markets in India. Most of the key cities witnessed lower sales in comparison to 2019 as 2020 was an irregular year. However, market dynamics are expected to regain to 2019 levels by CY21/CY22.

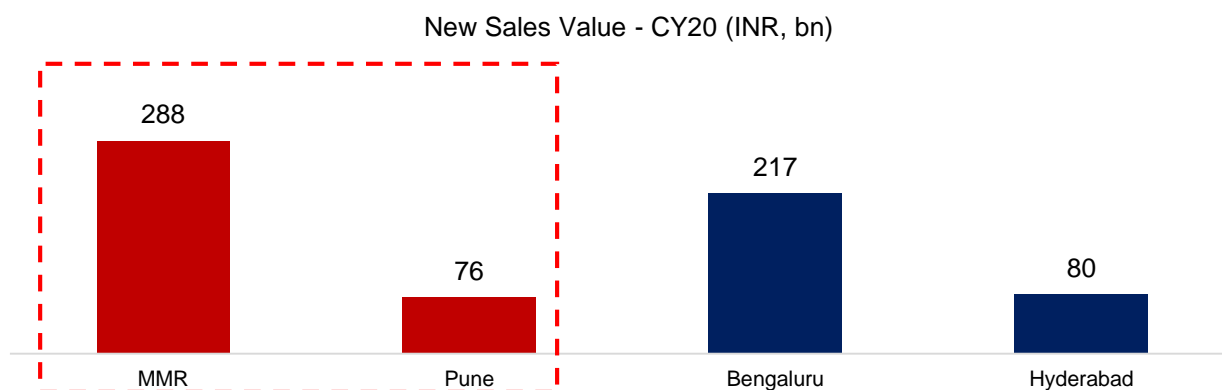


**Average Price Realization in 2020:** The average price realization is the highest in Mumbai. Moreover, with Mumbai having the highest sales volume, the real estate developers in Mumbai may have the potential to generate higher revenues compared to other cities in India.



**New Sales Value for 2020:** Covid 19 has impacted the overall sale value realization across major cities in India. However, Mumbai witnessed the highest sales volume as well as average price realization, the cumulative sales volume is also the highest in Mumbai i.e. INR 288 billion. Supported by a population with a wide income and

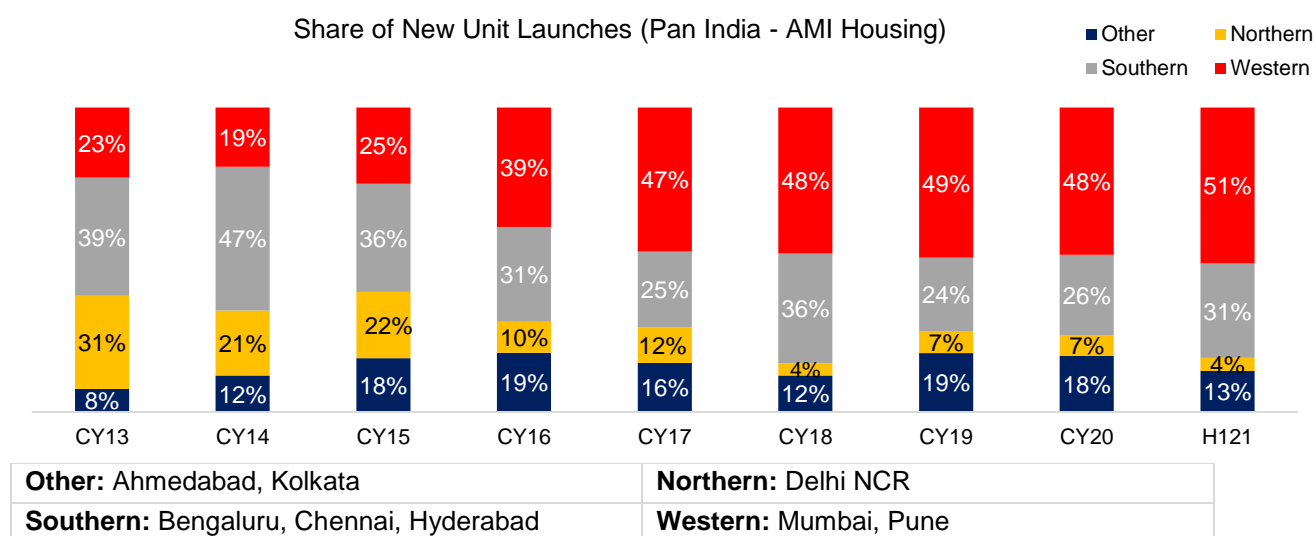
demographic spectrum, MMR is the highest revenue generating real estate market, having the largest residential sales and the highest average sale price.



### ***Affordable and mid-income housing***

CY20 witnessed a turnaround with a 38% decrease in new unit launches Y-o-Y. The affordable and mid-income housing continue to account for the largest share in new unit launches and accounted for ~88% of the share in CY20. The new launches in the first half of CY21 also holds largest share in this segment accounting ~80%. The increase in share can be attributed to the government’s efforts towards affordable and mid-income (AMI) housing coupled with consistent demand in the segment, especially from the end-users. The affordable and mid-income (AMI) segment is the largest segment and is expected to continue to be the largest segment in the coming years. The Western cities cumulatively accounted for only 19% of new unit launches in CY14 within the AMI segment. However, the share since then has increased to 48% in CY20 and then to 51% in H1 of CY21. Whereas, the share of Southern cities in new unit launches in AMI segment has declined from 47% in CY14 to 26% in CY20, however it slightly rose to 31% in H1 of CY21. Similarly, Delhi NCR has witnessed the share in new unit launches decline from 21% in CY14 to 7% in CY20, and it further dropped to 4% in H1 of CY21 within the AMI sector.

The new supply across all housing segments had declined significantly during the first half of CY17, owing to uncertainties arising from policy announcements such as RERA and GST. However, the market regained momentum rapidly with new unit launches increasing by 76% in 2018 and further by 57% in 2019. The buyers are also regaining interest in the real estate market in India owing to better governance and accountability induced by RERA coupled with positive government policies such as CLSS, affordable housing, etc.



### **Impact of COVID on Real Estate Sector**

COVID-19 outbreak has plunged global businesses into uncertainty. The COVID 19 pandemic brought all businesses to standstill in the year 2020, unsettled different verticals of the world. The Indian Real Estate segment has also been hit hard. Of course, different asset types were at different stages in their journey, but the impact has reverberated across all. Various scenarios are being built and the impact across asset classes and the investment climate is bound to be different and hence recovery periods will be different as well.

In terms of new launches, sales and acquisition, both residential and commercial real estate are impacted. Due to a lack of social security to construction labourers, the reverse migration of labour force and shortage of material braced the developers on setbacks at the outbreak of pandemic, COVID-19 nearly stalled the market till the end of H120. However, contrary to majority sentiment at the time, the market has in fact seen a steep recovery in sales volume alike pre-COVID-19 levels till the end of 2020 as a result of vaccine made available and promotional stimulus packages offered by government.

As developers continued to offer various payment incentives to attract homebuyers along with the reduced stamp duty, housing demand spiked, and the sales activity remained healthy in first quarter of 2021. However, the second hit of COVID wave in March 2021 slowed down the real estate sentiment marginally.

COVID-19 has manifested a major proportion of the workforce to confine at homes as a mitigation measure to the spread of the virus. This has resulted in both employers and employees seeking alternative work arrangements, specially the white-collar corporate that have a major share of occupancy in office spaces. This obligation despite turned into a culture and has driven demand for housing. Thus, sustained income, lucrative offers by developers, government interventions such as stamp duty cuts and moratorium grace had derived a new trend to possess spacious and luxury homes. Second homes market has also picked up demand due to Covid. With the lifestyle change due to the pandemic, demand for getaways is high. Trend of shifting residence away from crowded cities to luxurious holiday homes is a transformation in the realty sector.

*Impact on Mumbai markets:* MMR due to its high population density was one of the worst affected urban agglomerations by the COVID-19 pandemic. Mumbai's residential market saw the launch of about 5,900 residential units in Q2 2020. New launches had declined considerably, making it the weakest quarter of all-time in terms of market activity as the lockdown in Mumbai remained in force in the face of rising infection cases. Of the total units launched in 2020, approximately 39% were sold.

Again, at the resurgence of COVID and rising infection levels back in 2021 in the city, Mumbai's residential sector witnessed launch of 10,732 units during the first quarter of 2021 with a marginal q-o-q drop of 6.5%. But despite rising COVID cases and localised lockdowns, sales remained healthy during Q2 2021 due to attractive incentives by developers and flexibility of four months to homebuyers to register a property after the payment of stamp duty as compared to the worst hit second quarter of 2020.

*Impact on Pune markets:* Pune has also been amongst the worst affected cities in India by the pandemic. The total number of units launched in Pune stood at 1,848 in Q2 2020, as compared to about 9,800 units launched in Q2 2019. Sales activity was sluggish on account prevailing weak demand sentiment despite attractive home loan rates and government incentives for affordable housing. The situation improved in Q3 2020, with gradual growth in sales and launches and started to pick up from September 2020 onwards after the announcement of a reduction in stamp duty rates by the Maharashtra State Government.

Pune witnessed launch of nearly 8,403 units during the first quarter of 2021 and continued to witness improved sales momentum in Q1 2021 backed by stamp duty reduction and various discounts and benefits offered by the developers. Amid second wave of COVID in Q2 2021, Pune witnessed a q-o-q decline in new launches with approximately 4,800 units launched. However, sales grew considerably in Q2 2021 on y-o-y basis.

The stamp duty cuts from 5-7% to 2-4% by government of Maharashtra effective from September 2020 for a limited period of 7 months (further extended) has catalyzed the residential market of Mumbai & Pune, with sales jumping up sharply. Reduction in stamp duty was a definite game-changer. It was a significant catalyst for higher sales in two key markets - Mumbai Metropolitan Region (MMR) and Pune to nullify the adverse impact of COVID.

Also, in order to ease the uncertainty and continue the viable functioning of real estate businesses, the Reserve Bank of India allowed banks and other lending institutions a three-month loan moratorium on EMI from March to May 2020 and then further extension by additional three months on all term loans, EMIs and other loan repayment instalments outstanding till August 31, 2020 following the disruptions caused by COVID-19. Benefits of the loan moratorium was availed by several individual borrowers and developers and helped to alleviate some of the pressure on developers and focus on sales. While for homebuyers, the loan moratorium is a temporary respite and provides additional time to sort out their finances. Reports by credit bureaus indicate that the highest defaults are in the premium segment and has forced many banks to resort to more aggressive measure to make recoveries.

## OVERVIEW OF MUMBAI METROPOLITAN REGION (MMR) MARKET

### MMR Demographic and Economic Profile

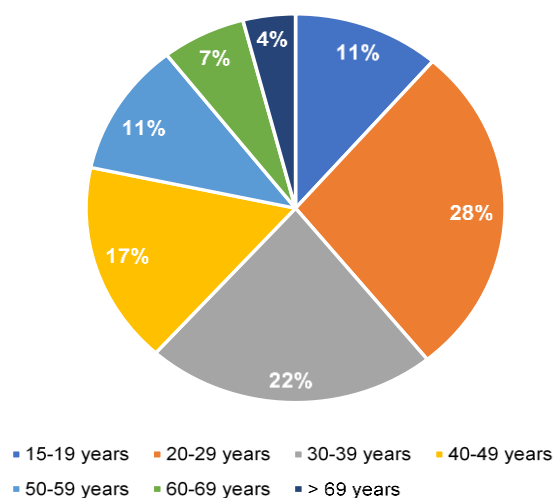
Mumbai, with a population density of ~21,000 per sq.km. is one of the most populous cities in India as well as the world. The MMR region recorded a population of 18.4 million in the 2011 census of which, Mumbai city itself recorded a population of about 12.5 million. The rapid growth in population is largely attributed to large immigrant population that comes to Mumbai in search of business and employment opportunities. Owing to limited availability of land in Mumbai Island city, most of the development is shifting towards Thane and Navi Mumbai.

Demographic Profile			
Parameters	Greater Mumbai	Navi Mumbai	Thane City
Population (million)	12.5	1.12	1.89
Average Literacy Rate	89.78%	89.62%	89.41%
Sex Ratio	863	837	888
Population Density / square kilometre	21,000	10,318	13,000
Area (square kilometre)	603	108.6	147

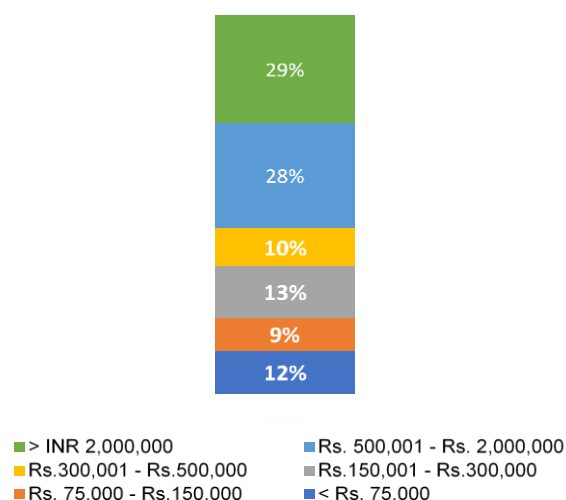
Source: Census 2011, MCGM, NMMC, MoHUA, <http://citypopulation.info>

About 69% of MMR's population is in the age group of 20-49 years offering a large workforce population for business and commercial activity. The household income levels for Mumbai MMR indicate that about 28% of households fall in the middle-income bracket (INR 5 -20 lakhs per annum) and 29% in greater than INR 20 lakhs bracket.

Age-wise share in population (MMR)



Income-wise share in population (MMR)



Source: Census of India, Indicus Analytics

Mumbai is the capital city of Maharashtra. It is also considered as the financial capital of India with GDP (nominal) per capita of INR 342,447 (USD 4,682). Mumbai has become a major economic center of India, contributing the highest share in GDP (USD 209 billion) and accounts for 25% of industrial output.

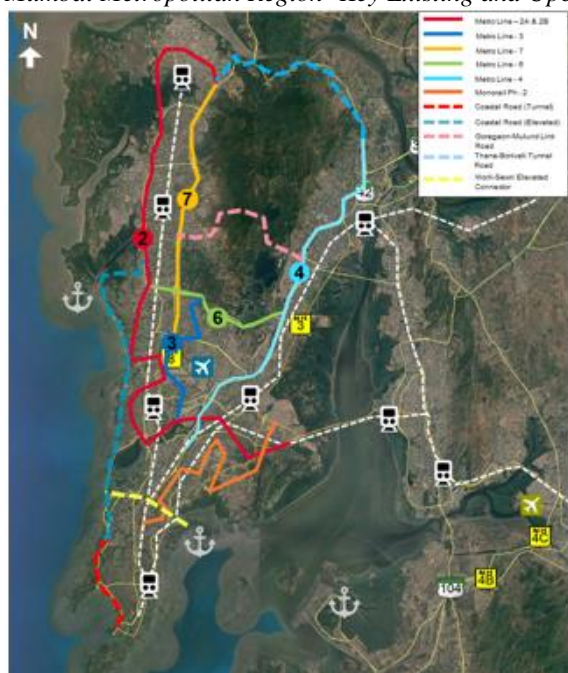
The National Stock Exchange and the Bombay Stock Exchange are based in Mumbai. These exchanges cumulatively account for about 92% of the total turnover of the India stock markets which represents virtually the total market capitalization of India's corporate sector. Several nationalized banks have their headquarters located in Bandra-Kurla Complex (BKC), Mumbai, making BKC a hub for the Banking sector. Moreover, about 80% of mutual funds are registered in Mumbai and as per market estimates, almost all Foreign Institutional Investor (FII) investments and over 90% of merchant banking transactions take place in Mumbai.

The IT- BPM sector also has a major presence in Mumbai. Over the past few years, the Thane-Belapur has become a base for IT-BPM and back office operations in MMR.

Apart from BFSI & IT-BPM, the peripheral locations on Mumbai are also major economic drivers. Being a coastal city, MMR is home to the busiest port in India; the Jawaharlal Nehru Port Trust (JNPT) and hence forms a very important economic node of the country. Bhiwandi and Panvel serve as logistic and industrial hubs of the city. MMR therefore attracts large migrant population owing to employment opportunities. Apart from a large working population, the region has significant presence of student community due to the presence of several established colleges and research centers. Consequently, the city has developed into a cosmopolitan and witnesses a sizeable demand for housing from end-users as well as investors.

### MMR Infrastructure Initiatives

#### Mumbai Metropolitan Region- Key Existing and Upcoming Infrastructure Projects



Project Details	Impact	Status
<b>Road Infrastructure Projects</b>		
<b><u>Mumbai Trans Harbour Link</u></b> 22 Km long, 6 Lane bridge over the Thane Creek, Connecting Sewri to Nhava-Sheva	The project will save travel time between South Mumbai and Navi Mumbai and reduce traffic congestion along the Sion Panvel Highway.	Currently the bridge is under construction and expected to be completed by 2024.
<b><u>Coastal Freeway</u></b> 22.2 Km long road from Marine Lines to Kandivali along the western coastline of Mumbai	The project will reduce travel time between North and South Mumbai locations and expected to reduce traffic congestion on western express highway and S.V. Road.	The project has been approved and cleared by the government. It is under construction and expected to be completed by 2024
<b><u>Goregaon-Mulund Link Road</u></b> 6 Km long partly underground road through Sanjay Gandhi National Park (SGNP) from Goregaon to Mulund	The project will ease traffic congestion on along the Jogeshwari-Vikhroli Link Road (JVLR) and improve connectivity between Western and Central Suburbs.	Expected to be completed by 2024
<b><u>Borivali-Thane Link Road</u></b> 11.80 km Thane-Borivali linking road twin-tunnel, passing underneath the Sanjay Gandhi National Park (SGNP) costing approx. INR 11,235 Cr	The six-lane twin tunnel would allow vehicles lessen the travel time, from current one hour journey to only 15 minutes from Borivali on the Western Express Highway to Thane, besides decongesting the Ghodbunder Road.	Took over by MMRDA from MSRDC, and proposed to begin the work by March, 2022
<b>Airport Infrastructure</b>		
<b><u>Navi Mumbai International Airport</u></b> Greenfield airport covering 1,160 hectares of land near Navi Mumbai. The proposed airport will have 2 parallel runways	The new airport will reduce the passenger load on the existing Chhatrapati Shivaji International Airport. It will also improve domestic and international air connectivity.	The project is under construction and the first phase is expected to be operational by 2023.

Project Details	Impact	Status
<b>Proposed Metro Rail Lines</b>		
<u>Dahisar-Andheri</u> 17 Km Metro Line from Andheri to Dahisar along Western Express Highway connecting existing metro line at Andheri	The Metro line is expected to reduce passenger load on suburban rail network as well as traffic congestion on the Western express highway.	The project is under construction and expected to be completed by 2022.
<u>Dahisar-Mankhurd</u> 42.23 Km metro line from Dahisar to Mankhurd	This line will reduce traffic congestion on S.V. Road and Link Road. The rail connectivity will also improve between Western and Central Suburbs.	The Phase A of the project from Dahisar to D.N. Nagar is under construction. Expected completion - 2022.
<u>Wadala-Kasarvadavali</u> 32 Km metro line from Wadala to Kasarvadavali	This line will reduce traffic congestion on Eastern Express Highway and also reduce travel time to Thane.	The project is under construction and expected to be completed by 2022.
<u>Colaba-Bandra-SEEPZ</u> 33.5 Km fully underground metro line connecting major commercial hubs and transport nodes	The Line will connect the major commercial hubs of CBD, Off-CBD, SBD and transport nodes like CSMT, Churchgate, Dadar and Mumbai International Airport	The project is under construction and expected to be completed by 2022.
<u>Lokhandwala-Jogeshwari-Vikhroli</u> 14.5 Km metro line connecting Lokhandwala Andheri to Vikhroli and Kanjurmarg	The Line will reduce traffic on Jogeshwari-Vikhroli Link Road (JVLR) and connect locations that are currently do not have rail connectivity.	The project is under construction and expected to be completed by 2023.
<u>Thane-Bhiwandi-Kalyan</u> 24.9 Km metro line from Kasarvadavli to Kalyan Station	The line will connect Bhiwandi and other micro-markets that are currently not connected by the suburban rail network. It will also reduce traffic along the Thane-Bhiwandi Bypass.	The project is under construction and expected to be completed by 2024.
<u>Navi Mumbai Metro</u> 23.4 Km metro line from CBD Belapur to Khandeshwar via Kharghar and Taloja	The Metro network will improve connectivity between suburbs of Navi Mumbai and interlink with the existing suburban rail network of Mumbai.	The project is under construction and Phase 1 is expected to be completed by 2022.
<u>Mumbai Monorail – Phase 2</u> 11.2 Km long monorail line from Jacob Circle to Wadala connecting Phase 1 of the existing monorail line	The line will connect the areas which are not currently connected with the suburban rail lines and metro network.	The project is completed and fully operational as of 2019.

### **MMR Commercial Real Estate Overview**

**Central Business District (CBD):** This is the oldest commercial hub of the city which includes Ballard Estate, Colaba, Churchgate, Fort and Nariman Point areas. Corporate headquarters and professional services are the prime occupiers in this micro-market. Average quoted rental value is INR 241 per sq.ft./month

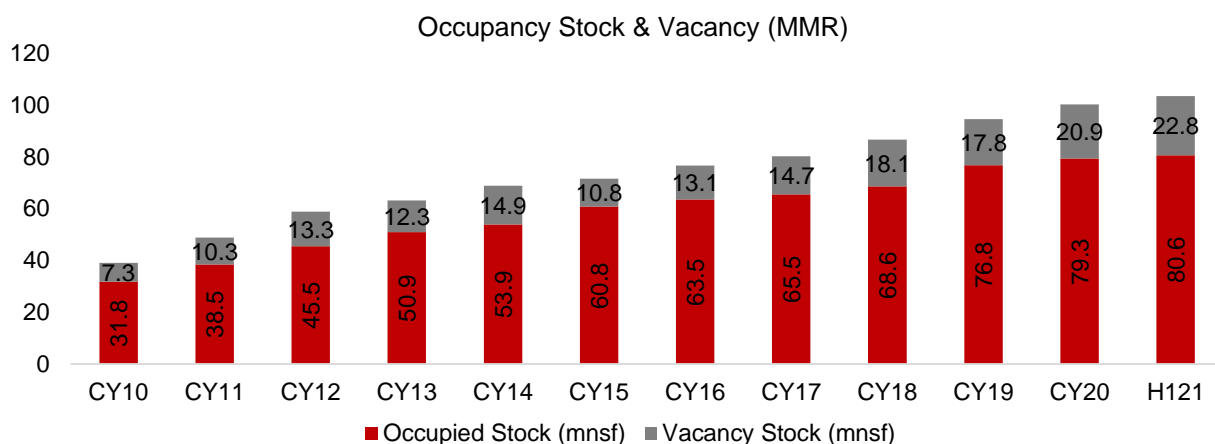
**Off-CBD:** The micro market evolved as a spillover for CBD. The presence of several textile mills provided the opportunity for redevelopment. Most of the mills have now been re-developed as commercial or residential projects. Locations include Lower Parel, Prabhadevi, Worli and Parel. Companies from the Banking, Financial Services and Insurance (BFSI), Non-IT and Media & Entertainment sectors are the prime occupiers in this micro-market. Average quoted rental in Worli is INR 220 per sq.ft./month and average quoted rental in Lower Parel is INR 177 per sq.ft./month

**Bandra Kurla Complex (BKC):** BKC is a planned development to decongest CBD and is popularly known as the BFSI hub of Mumbai. Apart from BFSI, the market constitutes corporate headquarters of domestic and global conglomerates. It has evolved as the new CBD of Mumbai. The average quoted rental is INR 266 per sq.ft./month.

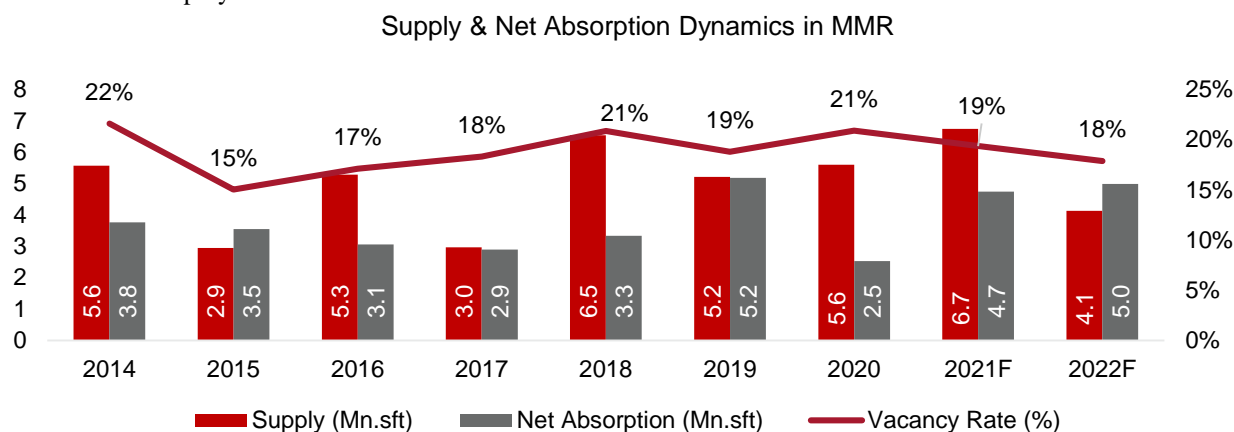
**Suburban Areas:** This micro-market has emerged due to proximity to airport and residential hubs. Andheri-Kurla Road, Malad, Goregaon, Vikhroli and Powai are the submarkets included in this micro-market. IT-BPM back offices, Non-IT front offices and manufacturing are the main occupiers in this micro-market. Average quoted rental in these markets range between INR 110 and 141 per sq.ft./ month.

**Peripheral Business District (PBD):** The peripheral commercial micro-markets evolved owing to availability of land for larger developments, especially to cater to the back-office/processing center demand. It also provided expansion opportunity for occupiers with larger requirements. Thane, Vashi, Airoli, Thane-Belapur Road are the

key submarkets in this region. Most office space developments/IT parks have been built to cater to the back-end operations for IT, BFSI and Manufacturing companies. Average quoted rental these locations range between INR 66 to 92 per sq.ft./month.



The cumulative office space in Mumbai at the end of H1CY21 was about 103.4 Mn.sq.ft. The Thane-Belapur has emerged as the largest market of office space in Mumbai, accounting for about 21.7% of the Grade A inventory. There is over 11.45 Mn.sq.ft. of office space currently under construction in MMR, of which 15% is in Thane-Belapur Road. Residential hubs around Thane-Belapur Road such as Thane, Airoli, etc. are expected to benefit from this concentrated development, as demand for residential properties is likely to remain high, especially from the workforce employed in this business district.

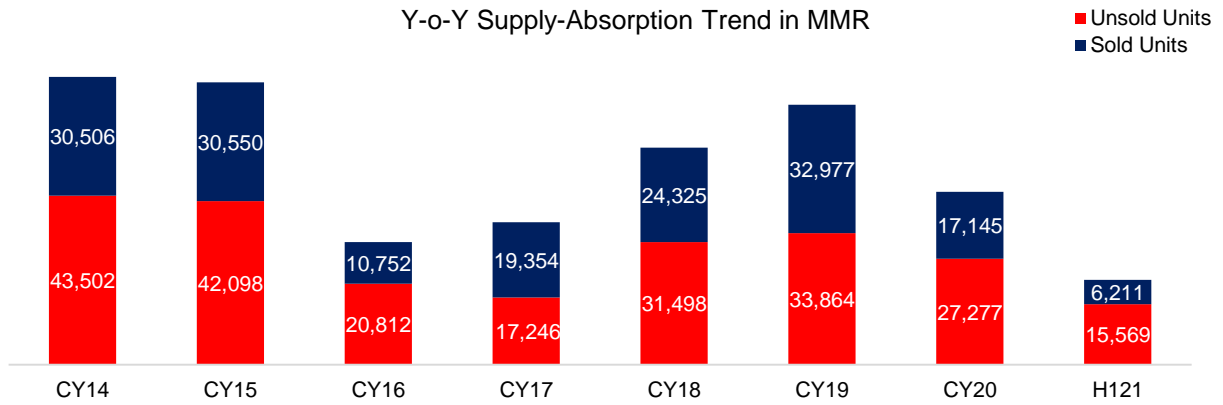


Availability of land, low rental and planned development are the key factors driving the shift of office inventory to emerging locations such as Airoli and Thane-Belapur Road (TBR). While the major commercial office space development commenced in 2009, the recent years have witnessed occupiers shifting towards peripheral locations. The share of TBR in net absorption has therefore increased to 28.7% in H121 as against 13% in CY09. Considering the current pipeline of supply, Mumbai's office inventory is expected to reach ~111 Mn. sq.ft. by 2022. Owing to high volume of upcoming supply, the vacancy is forecasted to increase to about 18% vacancy by 2022. About 30% (4.3 Mn. Sq.ft.) of the upcoming supply is concentrated in the micro-market of Thane and Thane Belapur Road. Other suburban micro-markets including Andheri, Malad and Goregaon cumulatively account for about 25% of the upcoming supply (3.7Mn. Sq.ft.).

### **MMR Residential Real Estate Overview**

Owing to the large size of the city, MMR's residential market can be divided into 9 sub-markets i.e. South Mumbai, Central Mumbai, Eastern Suburbs, Western Prime, Western Suburbs, Western – Extended, Thane, Thane – Extended, Navi Mumbai. Each of these sub-markets comprises of distinct market dynamics as well as project categories. E.g. South Mumbai comprises of mainly luxury and high-end segment housing while markets such as Western and Eastern Suburbs, Thane and Navi Mumbai have typically mid-end housing projects.

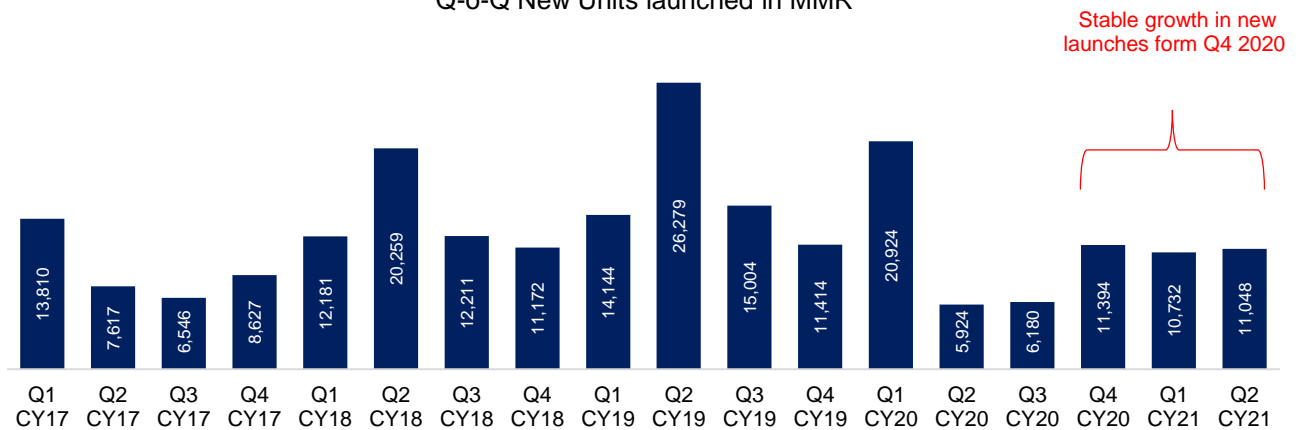
### Y-o-Y Supply-Absorption Trend in MMR



MMR witnessed supply of ~403,686 units between CY14 – H121 with CY14 recording the highest launches (~74,000 units). While the new launches declined in CY16 owing to demonetization and implementation of RERA, the new launches have been set on growth trajectory since CY17 with CY18 recording 53% growth over the previous year. In CY19 the new unit launches further increased by 20% over CY18. The sales have also increased steadily over these years. While the decline in new launches and sales in 2020 can largely be attributed to the lock-down which stalled all market activity for almost two quarters i.e. Q2 & Q3 of CY20. The market sentiments however remain positive with both sales and new launches gaining momentum immediately from Q4 of CY20, as lock-down rules were being relaxed. Also, with the relaxation in the stamp duty percentage till March 2021, H121 witnessed new launches.

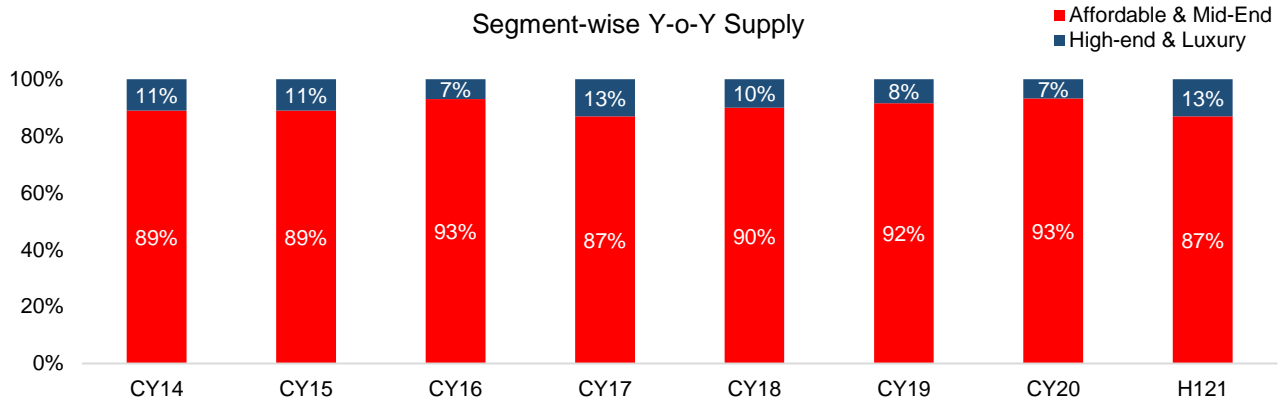
About 1,500 units were launched new in the Thane micro market in H121, mostly in and around Ghodbunder road. Prominent projects include phases of Lodha Sterling, Insignia Metropolis, Ten X Habitat by Raymond and so on. Of the new launched more than 400 units are already sold. Also, CY20 being COVID impacted year witnessed launch of approx. 4,700 units in Thane micro market against more than 37,000 and 10,000 units in 2018 and 2019 respectively.

### Q-o-Q New Units launched in MMR



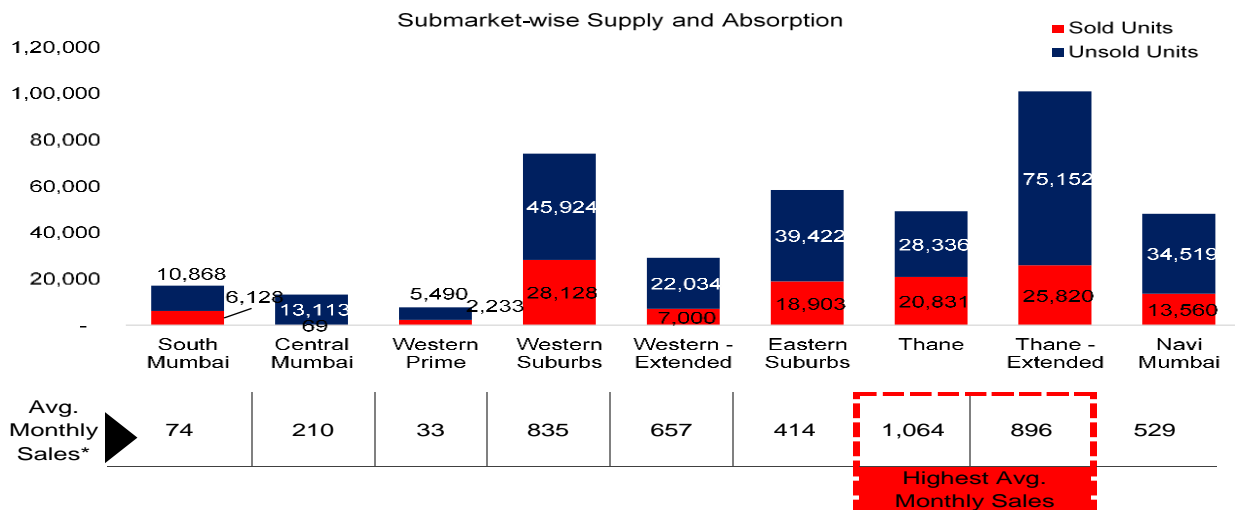
About 90% of the units launched between CY14 and H121 were in the Affordable and Mid-income markets.. While, factors such as Demonetization and RERA contributed in contraction of new unit launches in second half of CY16 followed by implementation of GST in Q2CY17 the markets since then have stabilized. Between Q3CY17 and Q1CY20 with the new unit launches witnessing significant growth. At the resurgence of pandemic, launches in Q1CY21 were down by 48.7% YoY, which indicates that sustained recovery is still a few quarters away. The Thane and Thane Extended markets such as Dombivali, Kalyan, etc. have emerged as the most prominent mid-income markets in MMR and cumulatively account for ~57% of the market share in terms of number of units launched during H121. The reason for the focus of developers on launches in the affordable & mid income segment is the relatively better demand from end users in the segment compared to the High-end and Luxury segments, resulting in better sales volume and velocity.





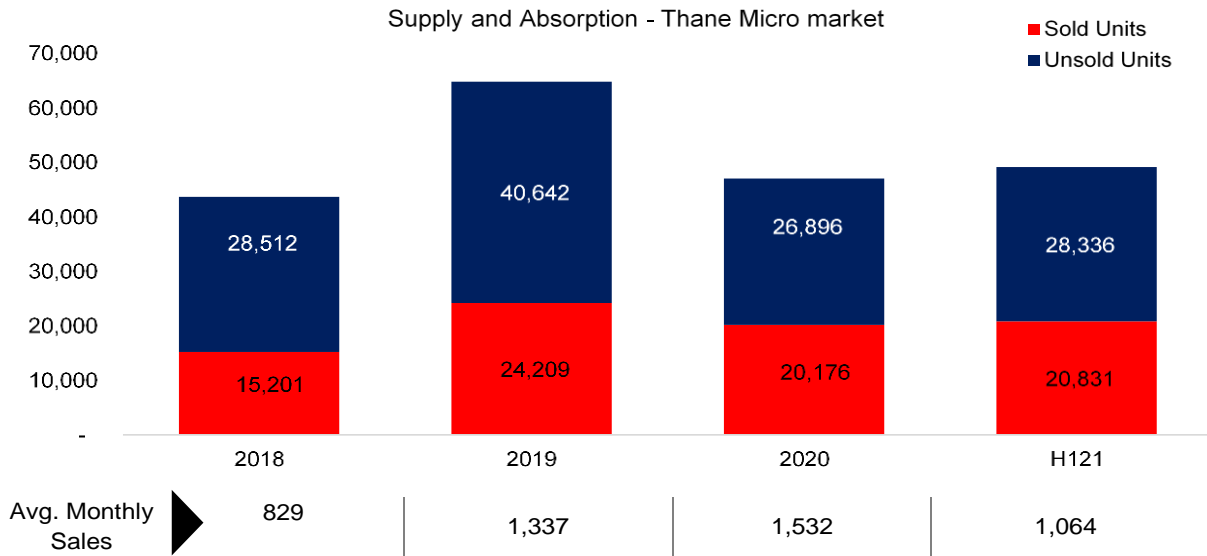
While residential development in the South Mumbai and Central Mumbai is restrained due to limited land availability, residential development is expanding into peripheral areas such as Thane and Navi Mumbai owing to availability of land parcels, lower land prices and demand for mid-income and affordable housing units. Over the last decade locations such as Thane and Navi Mumbai have evolved significantly and have established social and physical infrastructure to support the rapid residential market growth in these locations. Some of the key residential locations in Thane include Ghodbunder Road, Eastern Express Highway, Pokhran Road, Kolshet and Balkum. In Navi Mumbai the prominent locations Kharghar, Seawoods, Taloja and Nerul. These residential micro-markets primarily offer mid-end segment housing with 1, 2 and 3 BHK configurations. The monthly sales velocity in Thane and Thane Extended at 3rd position amongst other micro markets in MMR, recording average monthly sales of 1,064 and 896 units, respectively for the project currently being marketed.

With the development of Ghodbunder Road and evolving commercial hubs within Thane and along the Thane-Belapur Road, Thane as a micro-Market has gained significant importance. Ghodbunder Road provides road connectivity of these commercial hubs with the residential hubs of western suburbs. Thane also has good suburban rail and road connectivity with other business districts in Mumbai such as BKC, Vikhroli, Kurla and Lower Parel. The upcoming metro lines 4 (Wadala – Kasarvadavli) and 5 (Thane-Bhiwandi-Kalyan) are being developed to improve connectivity of Thane with other part of the city and decongest the road traffic. Real Estate developers such as Puranik, Lodha, Dosti, Godrej, etc. have their residential projects on Ghodbunder Road and other parts of Thane.



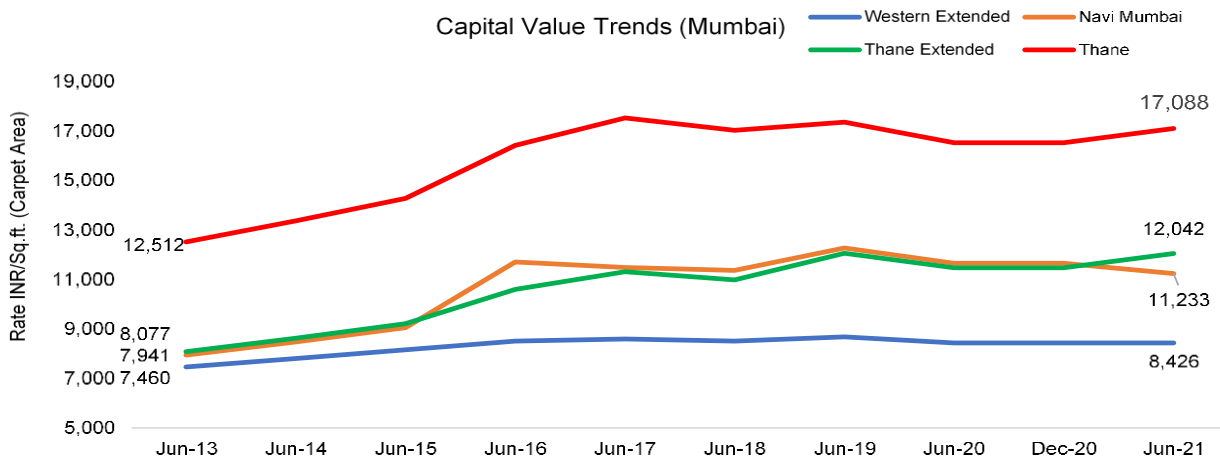
*\*Average monthly sale velocity has decreased in some micro markets during CY 2020. However, Thane micro market still stands 1<sup>st</sup> with highest average monthly sale velocity.*

With the development of Ghodbunder Road and evolving commercial hubs within Thane and along the Thane-Belapur Road, Thane as a micro-market has gained significant importance. Ghodbunder Road provides road connectivity of these commercial hubs with the residential hubs of western suburbs. Thane also has good suburban rail and road connectivity with other business districts in Mumbai such as BKC, Vikhroli, Kurla and Lower Parel. The upcoming metro lines 4 (Wadala – Kasarvadavli) and 5 (Thane-Bhiwandi-Kalyan) are being developed to improve connectivity of Thane with other part of the city and decongest the road traffic. Real Estate developers such as Puranik, Lodha, Dosti, Godrej, have their residential projects on Ghodbunder Road and other parts of Thane.



Thane micro market has witnessed growth in and areas around Ghodbunder road primarily because of availability of land, thereby making Ghodbunder road one of the prime growth spine in Thane. Ghodbunder road has witnessed a supply of more than 50,000 residential units in the last 3-4 years. 2019 witnessed about 8,300 new launches which dropped considerably in 2020 to approx. 3,400 new launches amidst COVID. H121 has witnessed about 950 units new launches in and around Ghodbunder road.

The organized retail in Thane has also evolved over the last few years with the presence of Viviana Mall, Korum Mall and R-Mall. These malls have attracted some of the top international and domestic brands to setup their stores, improving the livability dynamics for Thane a location. The capital values in Mumbai have grown gradually over the last 5 years in locations with low supply such as South Mumbai and Western Prime Suburbs. While the average property prices in South Mumbai is about 96,000 per sq.ft. on carpet area, however, the market has recorded select transactions priced over INR 160,000 per sq.ft. on carpet area in the past years.



The property prices in suburban locations are significantly lower than South and Central Mumbai. While average property prices in Thane are around 17,000 per sq.ft. on carpet area, Navi Mumbai has average rates have witnessed slight drop since Dec 20 and is currently at INR 11,200 per sq.ft. on carpet area making properties more affordable for mid-income groups.

Currently, there are ~397,000 residential units under-construction in MMR with completion timelines until 2034. With average monthly sales velocity of about 4,700 units, MMR has an inventory overhang of 58 months. Thane account for the highest monthly sales velocity with inventory overhang of only 27 months, which is the shortest in MMR in comparison to the supply-demand across micro markets, reflecting higher demand for Thane submarket. Thane alone has the lowest inventory overhang of 27 months amongst the micro markets in MMR.

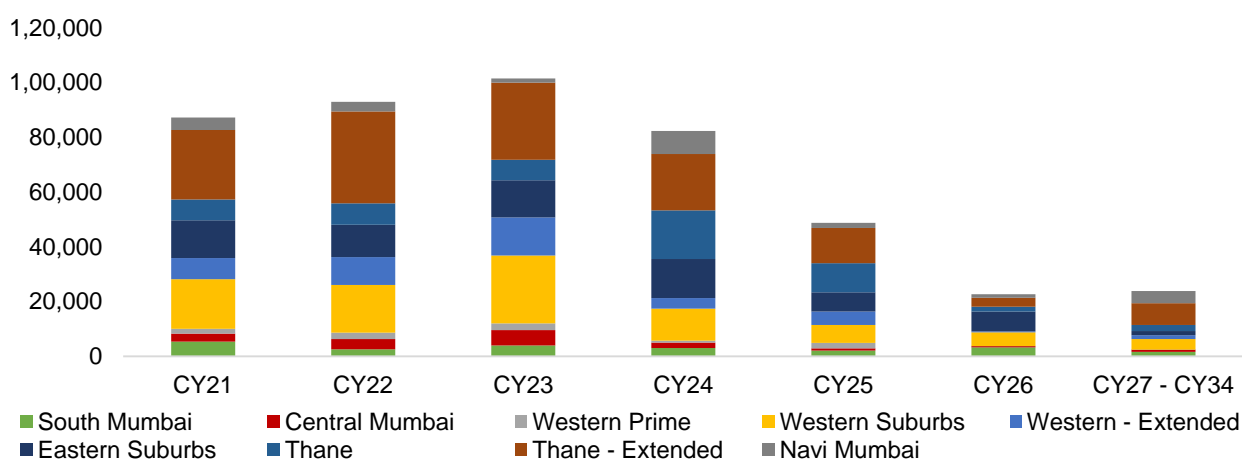
Performance Indicators	Central	Western Cumulative	Eastern Suburbs	Thane	Thane Extended
Monthly Sales Volume (Units)	210	1,525	414	1,064	896
Overhang (months)	62	253	95	27	84

The proportion of sold units in the INR 40 Lakhs to INR 1 Crore block price range the highest as compared to the greater than INR 1 crore range. Also, the inventory overhang is of 48 months in the INR 40 Lakhs to INR 1 Crore range compared to 87 months in the Less than INR 40 lakh range, indicating that the INR 40 Lakhs to INR 1 Crore range attracts more demand for housing units in Mumbai.

Block Price Range - Supply-Absorption			
Block Price Range	Units Sold	Units Available	Monthly Sales Velocity (Units)
Less than INR 40 Lakhs	35,937	107,993	1,243
INR 40 Lakhs to INR 1cr	49,305	87,069	1,824
Greater than INR 1cr	41,092	76,318	1,646

Note: Projects which are scheduled to complete 2021 onwards and are currently being marketed and have been considered for the analysis.

Upcoming supply based on Completion Year



### Slum Rehabilitation Authority (SRA) Policy

The state government of Maharashtra has introduced the slum rehabilitation scheme under which real estate developers construct tenements for the slum dwellers on the land occupied by the slum dwellers. These rehabilitation tenements are provided free of cost to the slum-dwellers. The real estate developers are incentivized by the government in the form of additional floor space index (FSI). The additional FSI can be sold in the open market by the developer to recover the costs incurred for the construction of these rehabilitation tenements. The state government in December 2017, amended the SRA policy to include huts built after January 1, 2000 within the purview of Pradhan Mantri Awas Yojana and provide homes to slum dwellers at subsidized rates. This change in policy is expected to provide significant development opportunities for real estate developers, especially for those having focus on affordable and mid-income housing development. Currently, there are about 1,500 projects recorded with the SRA.

### Private Society Redevelopment

To provide old housing societies an opportunity to demolish and reconstruct the old building structures, the government has implemented the Private Society Redevelopment policy. Under this policy, private housing societies that need significant repairs and upgrades can be demolished and reconstructed. While the unit owners get new homes along with additional FSI, the real estate developers are permitted to sell the additional FSI to

existing owners or new buyers to recover their costs incurred for the redevelopment. However, the societies can proceed with redevelopment only if 51% of the members agree and give their consent for the redevelopment.

The government is currently planning to provide additional FSI amounting to 15% of built-up area per flat at no extra charge. Currently there are over 40,000 housing societies in Mumbai awaiting redevelopment proposals. Therefore, policy provides alternative development option, especially in areas with high land prices or lack of availability of land for development.

## OVERVIEW OF PUNE MARKET

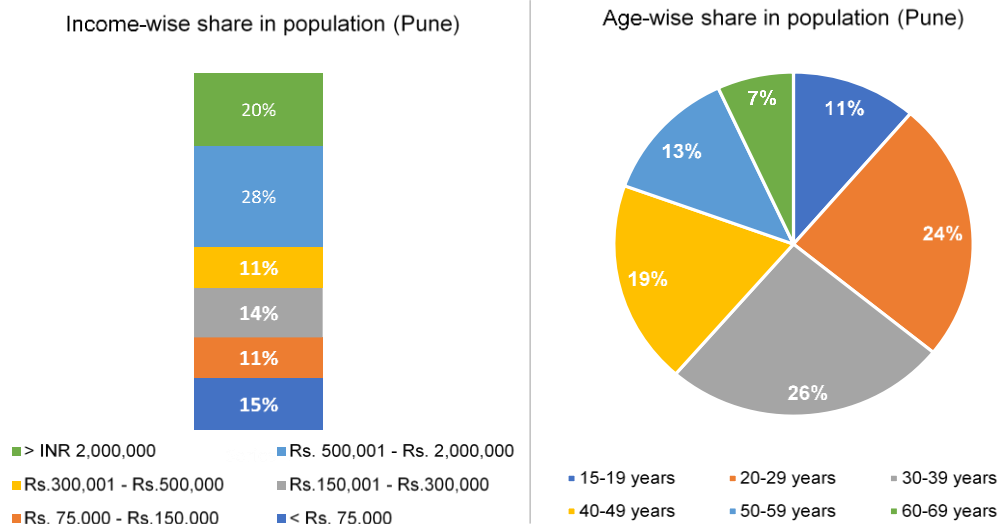
### *Pune Demographic and Economic Overview*

Pune has developed significantly from being a small town with a base for educational institutes and armed forces, to one of largest commercial hubs of India. While the early years of development was largely driven by mills and manufacturing units, the last 10 - 15 years witnessed emergence and growth of the IT-BPM sector. The educational institutes in Pune continue to attract large number of students from all over India as well as foreign countries. Whereas, the presence of IT-BPM and the manufacturing sector provide ample of job opportunities for fresh and experienced talent. These factors contributed towards rapid growth, with the population increasing by ~2.2 million people between 2001 and 2011.

Demographic Profile		
Parameters	2011	2001
Population (million)	9.43	7.23
Average Literacy Rate	87.19%	80.45%
Sex Ratio	919	919
Population Density/ square kilometre	600	462
Area (square kilometre)	15,642	15,643

Source: Census 2011, <http://citypopulation.info>

About 69% of Pune's population is in the age group of 20-49 years, providing a large workforce for the companies in Pune. The household income levels for Pune are also significantly high with about 28% of households falling in the middle-income bracket (INR 5 -20 lakhs per annum).



Source: Indicus Analytics

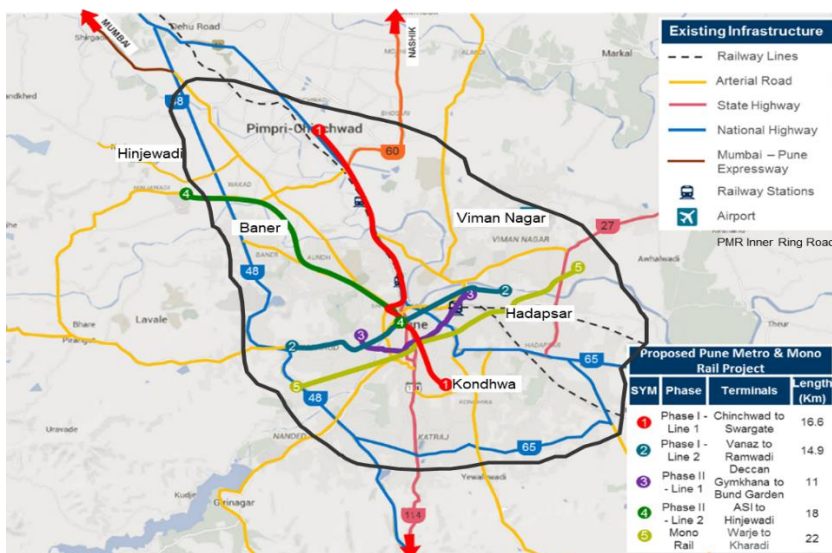
Pune is the largest non-capital (state) city in India. After Mumbai, it has the highest GDP (nominal) per-capita income i.e. INR 179,586 (USD 2,456) in Maharashtra. Pune, with an estimate GDP of USD 69 billion is one of the top cities contributing to India's GDP. The Manufacturing, IT and Education sectors are the key economic drivers of the city and contributing to make Pune Municipal Corporation the second largest in Maharashtra in terms of revenue.

Owing to the presence of several prominent educational institutes, it is considered as the “Oxford of the east”. Some of the oldest institutes in India such as College of Engineering, Pune (COEP) was setup in 1854. The Pune university was setup in 1949 and is one the premier Universities in India. Pune University is ranked at No. 10 in the National Institutional Ranking Framework (NIRF) ranking of the Ministry of Human Resource Development, in 2019. The manufacturing sector in Pune has significant presence of the automobile and automotive ancillary segment. Most of these companies have the manufacturing units located in the northern parts of the city such as Pimpri, Chinchwad, Talegaon, Chakan, etc. Apart from Indian and International automotive giants have their manufacturing & Research & Development centers based in Pune, the Automotive Research Institute of India is also based here and provides research, development, testing and certification services.

Most of the prominent domestic and international IT-BPM companies have their operations in Pune with the western & eastern quadrants of the city being the hubs for such companies. While presence of large private land parcels in the east led to development of business parks in the east, the west was largely driven by the government demarcating 2,800 acres of land for the Rajiv Gandhi Infotech Park at Hinjewadi. Pune also benefits from its proximity to Mumbai. The Mumbai-Pune Express way has further contributed in improving connectivity and reduce travel time between the two cities. Pune in recent years has seen significant real growth in locations along the NH 48/Expressway. Further, with improvement in infrastructure (upcoming and proposed) coupled with employment opportunities especially from the Manufacturing and IT-BPM sectors, Pune is expected to remain on the its growth trajectory creating significant opportunity for the real estate sector.

### Pune Infrastructure Initiatives

#### Pune Infrastructure Map (Key Existing and Upcoming Developments)



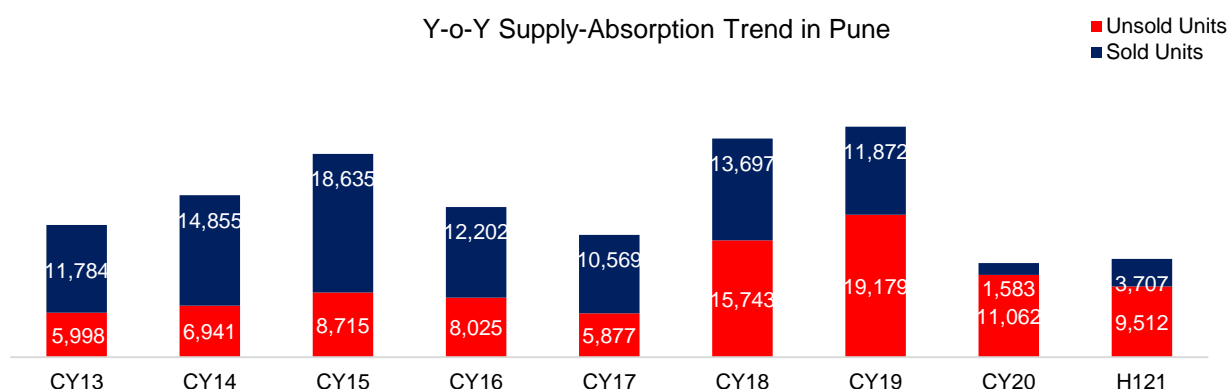
Project Details	Impact	Status
<p><b><u>Pune Metro Rail</u></b> 3 Lines in Phase 1 and 2 in Phase 2, covering total distance of ~55 kms. Will be elevated and underground across sections of the route.</p>	<p>The connectivity of city will improve significantly in most parts of the city. Commute for the large workforce across the employment nodes in the city will become easier.</p>	<p>The construction of the project is currently in progress. The Phase 1 of line 1 is scheduled to be operational by 2022 whereas Line 3 is expected to commence operations in 2023.</p>
<p><b><u>Bus Rapid Transit System (BRTS)</u></b> The BRTS is network of dedicated bus lanes. A network of 113 kms across the city has been planned. 6 Routes have been planned in Phase 1.</p>	<p>BRTS will help in improving the connectivity and reduce travel time and congestion in the city.</p>	<p>Five routes including Nashik Phata to Wakad have been completed and are operational. Other routes in various stages of development.</p>
<p><b><u>Aundh Baner Balewadi (ABB) Smart City</u></b> Under the smart city initiative, 900 acres across Aundh-Baner-Balewadi will be developed to include excellent infrastructure facilities and connectivity.</p>	<p>The development will help attracting employment and boost the economic scenario in the city.</p>	<p>About 24 smart city features are proposed to be implemented in this region, making ABB future ready.</p>

Project Details	Impact	Status
<p><b><u>Pune International Airport</u></b> A new airport has been proposed to be developed at Purandar.</p>	Since Pune airport is a defense base, the new airport will help in managing the traffic of passengers.	The proposed land of 2,400 hectares has been identified and approved. The airport will take 5 years to complete i.e. by 2022.
<p><b><u>PMR Inner Ring Road</u></b> 65 m wide 123.35 km Ring Road shall be developed by PMRDA as provisioned in its Development Plan 2041. Construction of this project is taken on priority as it is an ambitious project of the state government as was also included in the sanctioned Regional Plan of Pune district.</p>	The proposed ring road will improve connectivity of and help reduce traffic within the city caused due to people travelling to Bangalore / Mumbai.	The project has got a central budgetary allocation of Rs 2,468 crore. The land acquisition process has started for the project.
<p><b><u>PMR Outer Ring Road</u></b> The newly proposed 110 m wide 173.8 km long outer ring road included in the PMRDA Development Plan 2041 shall be developed by MSRDC. Both IRR &amp; ORR shall follow a common stretch of 41 km.</p>	A large number of vehicles from Konkan, Marathwada, North Maharashtra and other cities of western Maharashtra that enter the city will take this new route to bypass the urban traffic.	Joint measurement survey for the ring road has commenced and is targeted to end by April, 2021. State has earmarked a budgetary allocation of Rs 26,000 for the project.

### ***Pune Residential Overview***

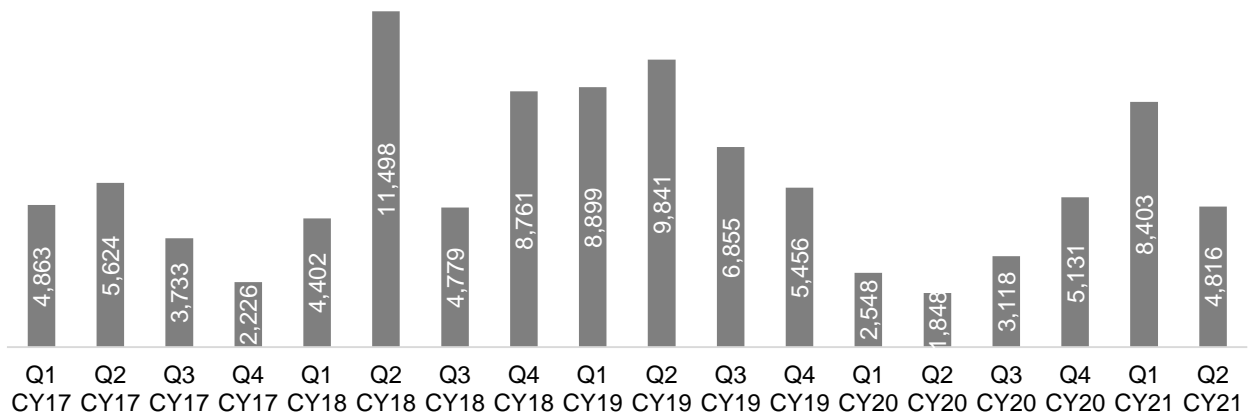
The presence of the IT sector has been the key factor that transformed real estate in Pune. While, traditionally the residential real estate markets were largely concentrated within the central parts of the city, the presence of large IT parks has contributed in rapid development of the peripheral locations such as Wakad, Hadapsar, Kharadi, Baner, Balewadi, Punawale, etc. The emergence of satellite manufacturing hubs such as Chakan, Ranjangaon, Talegaon, Rajgurunagar, etc. is further contributing in expanding the city boundaries.

While the micro-markets in East such as Kalyani Nagar, Viman Nagar, Magarpatta city, etc. have evolved into prominent hubs for High-End and Luxury housing, Wagholi, Kharadi, Phursungi, etc. serve as the Affordable to mid-income housing. Similarly, Aundh, Baner, Pashan are the High-End and Luxury housing locations of the West and Balewadi, Punawale, Tathawade are Marunji, Ravet, etc. are Mid-income and affordable hubs.



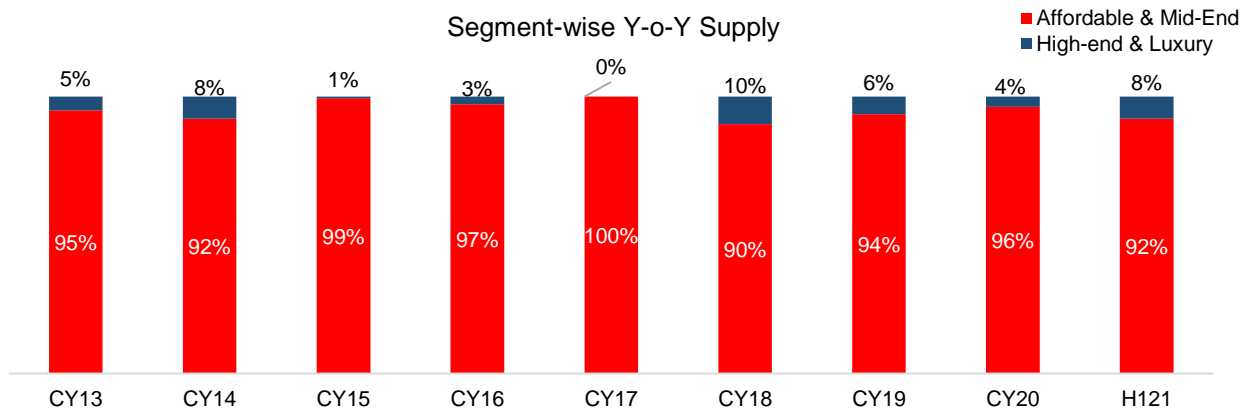
Pune has witnessed a supply of ~189,956 units (*the analysis excluded SRA Projects, Redevelopment Projects and Standalone Projects*) between CY13 and H121 with CY19 accounting for the highest share (~16%) in new unit launches during the period. Of the total units launched between CY13 and CY20, 48% units are currently unsold. The CY18 recorded a sharp rise in new units launched, 79% Y-o-Y increase and has continued to grow further in CY19 as well. However, CY20 has been an unprecedented year and has witnessed the impact on supply as well as sales due to the outbreak of COVID-19. But, H121 has witnessed higher number of launches as launched in the entire CY20 indicating the market is gradually reviving.

Q-o-Q new unit launches Trend in Pune

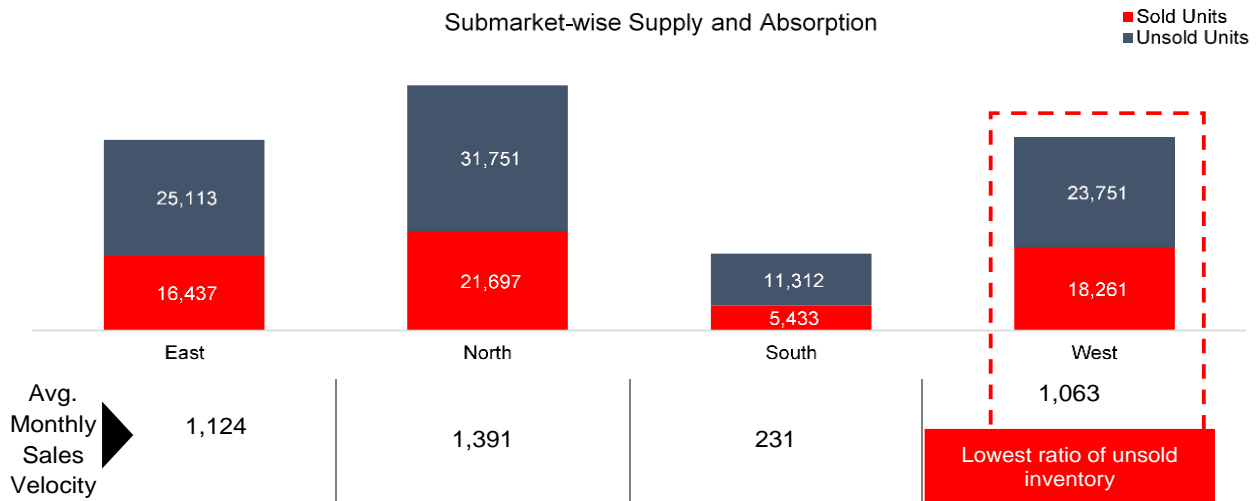


About 92% of the units launched between CY13 and H121 were in the Affordable and Mid-income markets. Pune developers continue to concentrate on launches in the affordable & mid income segment due to the higher demand from end users in this segment resulting in better sales in this segment. The High-end and Luxury markets continue to record slight increase in number of new launches in H121 indicating market slowly getting back to normal. The West quadrant of Pune, including Baner, Balewadi, Wakad, etc., is the largest mid-income market in Pune and the least unsold inventory across Pune indicating favourable micro market for investment. The West also accounts for about 29% share in units sold and 26% of available units in the city.

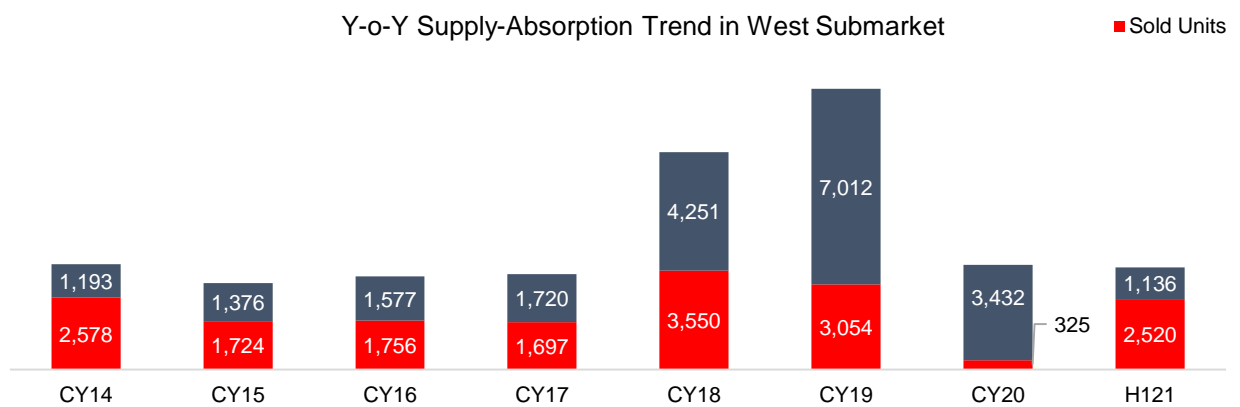
Segment-wise Y-o-Y Supply



Being the largest market in terms of supply of units, the West also accounts for the second highest monthly sales velocity of residential units, i.e. 1,063 units per month. The location in South have recorded lowest new supply and also witnesses the slowest sales velocity of 231 units per month. The West submarket also has the lowest proportion on unsold units ~27%, with highest supply of units and ranking on first position in terms of the inventory overhang. While residential development in Pune has been expanding with locations in proximity to commercial hubs are witnessing concentrated development. The public transport focused infrastructure developments such as the Pune Metro and the BRTS routes coupled with improved road connectivity is expected to further contribute in development of peripheral locations such as Balewadi, Sus, Lavale, Bhugaon, etc.

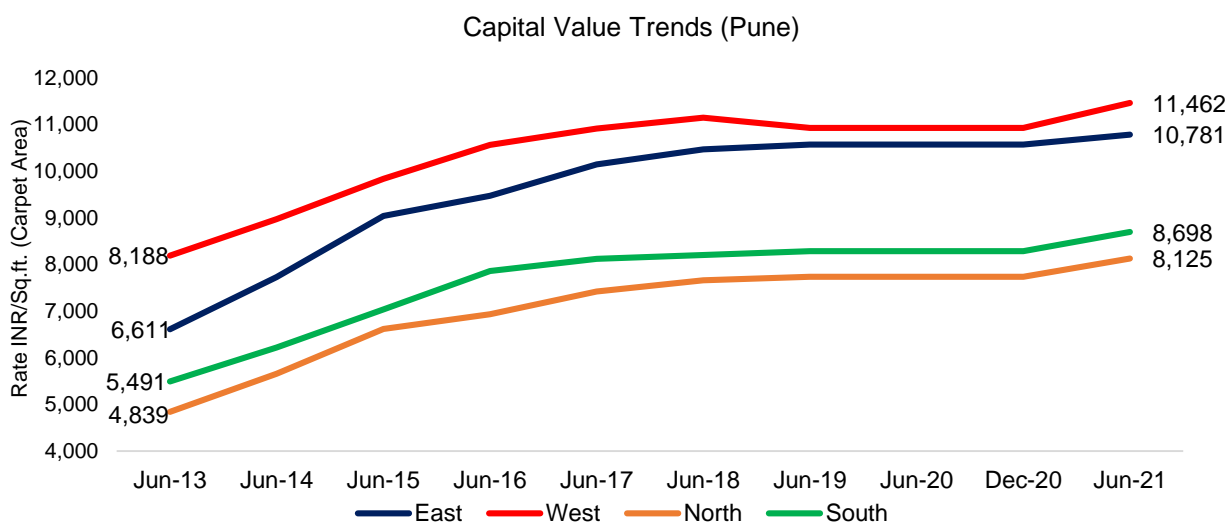


The presence of Rajiv Gandhi Infotech Park in the West coupled with excellent connectivity with Mumbai via the Mumbai-Pune Expressway has led to rapid development of the West quadrant. Moreover, the proposed Bengaluru-Mumbai Economic Corridor (BMEC) (NH4) passes across this submarket and the Aundh-Baner-Balewadi region has been picked as the test phase for Smart-City Development. These factors are expected to further drive real estate growth in this submarket, making it one of the most prominent locations in Pune.



The average capital values in Pune have increased at 3-5% GAGR across most locations in Pune, since CY14. The Western micro-markets have the highest average capital values i.e. INR 11,462 per sq.ft. on carpet area followed by Eastern markets at INR 10,781 per sq.ft. Owing to the presence of IT parks, these markets have witnessed high demand especially that arising from the workforce employed in these IT parks. The average capital values for these submarkets has therefore been significantly higher than other locations. The micro-markets in the North and South are largely residential hubs with limited commercial activity. The property prices have comparatively been lower. The average capital values for South is INR 8,698 per sq.ft. and for North is INR 8,125 per sq.ft. on carpet area.





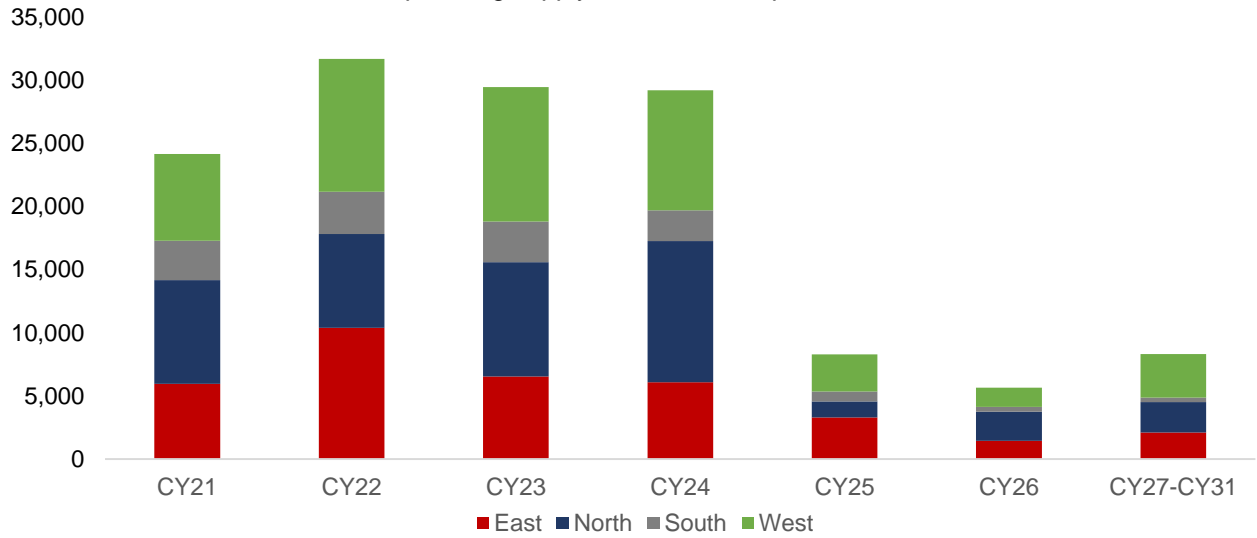
Currently, there are over 128,518 residential units under-construction, expected completion by 2026, of which about 55,859 units are scheduled for completion by 2022. With monthly sales velocity of about 3,809 units, Pune has an inventory overhang of 24 months. While the West submarket accounts for 27% share in unsold units, it also has the shortest inventory overhang i.e. 22 months, making West the best market from demand aspect along with the highest supply dynamics.

Region Wise Sales velocity and Overhang				
Performance Indicators	East	North	South	West
Monthly Sales Volume (Units)	1,124	1,391	231	1,063
Overhang (months)	22	23	49	22

Block Price Range - Supply-Absorption			
Block Price Range	Units Sold	Units Available	Monthly Sales Velocity (Units)
Less than INR 40 Lakhs	19,032	25,333	1,184
INR 40L to 1cr	37,896	61,245	2,445
Greater than INR 1cr	4,901	5,348	181

The proportion of available units in the INR 40 Lakhs to INR 1 crore block price range is the highest and has the highest monthly sales velocity. Therefore, the inventory overhang in the INR 40 Lakhs to INR 1 crore range is second lowest i.e. 25 months; compared to 30 months in the greater than INR 1 crore range, making the INR 40 Lakhs to INR 1 crore range the most attractive in terms of demand in Pune. Inventory overhang for less than 40 lakhs block price is about 21 months.

Upcoming supply based on Completion Year



**Key Industry Peers**

Parameters	Godrej Properties	Oberoi Realty	Indiabulls Real Estate	Sobha Developers	Kolte-Patil Developers	Macrotech Developers (Lodha Group)	Prestige Estate
<b>Total No. of Projects</b>	85	27	17	53	20	296	125
<b>Total No. of Completed Projects</b>	27	22	2	19	-	163	98
<b>Total No. of U/C Projects</b>	59	5	15	34	-	133	27
<b>Total Income (FY 2017-18) in Crores</b>	2,390.67	1,292.01	4,731.84	2,836.5	711.32	7997.03	3,103.80
<b>Total Income (FY 2018-19) in Crores</b>	3,221.98	2,661.34	5,222.93	3,515.6	516.36	9534.18	2,579.30
<b>Total Income (FY 2019-20) in Crores</b>	2,914.59	2,285.98	3,440.63	3,825.65	745.3	8449.29	3,566.70
<b>Total Income (FY 2020-21) in Crores</b>	1,241.42	2,090.58	NA	2191.1	527.34	4,445.98	4,228.6
<b>Profit After Tax (Parent) (FY 2017-18) in Crores</b>	234.96	458.80	2,359.56	216.8	104.91	522.37	232.00
<b>Profit After Tax (Parent) (FY 2018-19) in Crores</b>	253.15	816.93	504.31	297.1	79.39	1211.12	289.20
<b>Profit After Tax (Parent) (FY 2019-20) in Crores</b>	270.63	689.33	121.10	281.6	64.20	433.01	262.40

Parameters	Godrej Properties	Oberoi Realty	Indiabulls Real Estate	Sobha Developers	Kolte-Patil Developers	Macrotech Developers (Lodha Group)	Prestige Estate
<b>Profit After Tax (Parent) (FY 2020-21) in Crores</b>	(42.81)	741.54	NA	65.5	(769)	(185.72)	212.8
<b>Market Spread</b>	Mumbai Thane Pune Gurgaon Noida Chennai Bengaluru Ahmedabad Kolkata Nagpur	Mumbai-Andheri Borivali Goregaon Juhu Kandivali Khar Mulund Santacruz Worli	Mumbai Gurgaon Sonipat Vizag Hyderabad Madurai Ahmedabad	Pune Bengaluru Gurgaon Chennai Coimbatore Thrissur Calicut Kochi Mysore	Pune Bengaluru Mumbai	Pune Mumbai Thane Kalyan - Dombivli Navi Mumbai Hyderabad	Bengaluru Chennai Hyderabad Cochin Mumbai Noida Mysuru Mangaluru Pune
<b>Prominent Projects</b>	Godrej The Trees Godrej Central Godrej Platinum Godrej Greens	Oberoi 360 West Oberoi Esquire Oberoi Skycity Oberoi Eternia	Indiabulls Blu Indiabulls Sky One Indiabulls Indiabulls Greens	Sobha Garnet Sobha Orion Sobha 25 Richmond Sobha Forest Edge	Western Avenue 24K Opula 24K Atria 24K Sereno	Lodha Centre Park Lodha Palava Lodha Upper Thane Lodha Amara The World Towers	Prestige Parkview Prestige Misty Waters Hebbal Prestige Royale Gardens Prestige North Point Prestige Woods ide

Source: Revenue and PBT from respective Annual reports, Project Data from public domains

## OUR BUSINESS

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read “Forward-Looking Statements” on page 19 for a discussion of the risks and uncertainties related to those statements and also “Risk Factors”, “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 26, 219 and 269, 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 fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated, the financial information included herein is based on our Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus. For further information, see “Financial Statements” on page 219. We have, in this Draft Red Herring Prospectus, included various operational and financial performance indicators, some of which may not be derived from our Restated Consolidated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditor. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other real estate companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Consolidated Financial Statements and other information relating to our business and operations included in this Draft Red Herring Prospectus.*

*Unless the context otherwise requires, in this section, references to “we”, “us”, or “our” refers to Puranik Builders Limited on a consolidated basis and references to “the Company” or “our Company” refers to Puranik Builders Limited on a standalone basis.*

*Ind AS 110 (Consolidated Financial Statements) requires all entities, including partnerships, which are controlled by an entity to be classified as its subsidiaries for the purposes of preparation and presentation of its consolidated financial statements. However, these entities have operated as and continue to operate under the joint venture model of development. Accordingly, their business activities are referred to as being under the joint venture model in this section of the Draft Red Herring Prospectus although all such entities are classified as subsidiaries and not joint ventures in the Restated Financial Statements. See “Certain Conventions, Presentation of Financial, Industry and Market Data” on page 16.*

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular, the report “Industry Research Report, Mumbai & Pune (Residential & Commercial Real Estate)” dated September 2021 (the “C&W Report”) prepared and issued by Cushman & Wakefield India Private Limited commissioned by us and the report “Brand Health & Campaign Evaluation Study Research Report” dated May 2018, prepared and issued by Karvy Insights as part of the Karvy Insight Survey. Unless otherwise indicated, all industry and other related information derived from the C&W Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

### Overview

We are among the prominent residential real estate developers in Mumbai Metropolitan Region (“**MMR**”) and Pune Metropolitan Region (“**PMR**”) based on number of units currently being marketed in these regions. We are also among the leading residential real estate developers in the growing Thane region of MMR based on the projects currently being marketed and corresponding units sold (Source: C&W Report). We have a longstanding presence of over 31 years in the real estate market in India, developing residential projects in the mid-income affordable housing segment in the MMR and the PMR real estate markets. Our projects primarily cater to certain research-based strategic price ranges within the mid-income affordable housing market segment. As of July 31, 2021, we had completed 35 projects in the MMR and PMR.

We commenced operations in Thane in 1990 and have over the years diversified into other micro-markets within the MMR and the PMR. We believe we have consistently catered to evolving customer preferences, including theme-based projects, thereby successfully navigating fluctuating market conditions, leveraging our considerable experience operating in MMR and PMR markets under the guidance of our technically qualified Promoters supported by a team of experienced professionals.

We have established a track record of successfully executing projects in the MMR and the PMR, particularly in the mid-income affordable housing segment, through theme-based developments and additional amenities. As of July 31, 2021, we had developed 554,197 square meters (5,965,381 square feet) of Developable Area across 35 Completed Projects. We believe that our deep understanding of the relevant real estate market, design and execution capabilities, and the strong Puraniks brand and extensive marketing initiatives have enabled us to successfully grow our business. Our customer-centric business model focuses on designing theme-based developments to address customer requirements in various locations and within various price ranges. Certain of our key completed and ongoing theme-based projects include Rumah Bali, Puraniks City Reserva and Tokyo Bay in the MMR, and Aldea Espanola and Abitante in the PMR. We believe that our significant presence in the MMR and PMR and our theme-based development model has generated significant brand recall in these markets and substantial sales referrals from existing customers. According to the Karvy Insights Survey, in terms of overall awareness for real estate brands in Thane, Puraniks was third, in the order of awareness, among the 30 brands for evaluation in Thane (within the specific research target group).

Almost all aspects of our real estate development business are conducted through in-house capabilities, including acquisition of suitable land and delivering a project from conceptualization to completion. We have developed in-house studio and structural design capabilities that assist us with project conceptualization, designing market-specific projects, targeted at specific customer groups. We have also set up an integrated in-house property development team to manage our business, including focusing on procurement efficiencies, vendor selection and construction activities. We also manage after-sales services. Our in-house sales team is supported by a large network of marketing and sales channels.

We have historically focused on real estate projects in Thane and certain other micro-markets within the MMR with our theme-based projects such as Rumah Bali, Puranik City Reserva, and Tokyo Bay. We have also selectively expanded our operations to the PMR, where we have some of our key theme-based projects such as Aldea Espanola and Abitante. As of July 31, 2021, we had 23 Ongoing Projects with an aggregate Developable Area of 1,305,632 square meters (14,053,820 square feet) with ticket sizes ranging between ₹4.73 million and ₹12.56 million in the MMR and between ₹3.41 million and ₹9.72 million in the PMR, for mid-income affordable housing segment, and between ₹1.15 million to ₹3.42 million for low-income affordable housing segment.

In addition, as of July 31, 2021, we had 17 Forthcoming Projects with an aggregate estimated Developable Area of 1,263,526 square meters (13,600,595 square feet). While we continue to focus on residential projects for the mid-income affordable housing segment within select micro-markets in the MMR and the PMR, we are also in the process of expanding our presence in various other micro-markets in the MMR and the PMR and have entered the low-income affordable housing segment with our project in Neral, MMR.

Majority of our projects are carried out through joint development or joint venture arrangements with land-owners. As of July 31, 2021, we carried out 32 projects on our own, 43 projects through joint development/ joint venture model. We also acquire land directly for certain projects. Our Land Reserves comprise land on which no development activity has commenced and no plan for development has been initiated but which we intend to develop in future, subject to various factors including marketability, receipt of regulatory clearances and development of adequate infrastructure. As of July 31, 2021, we had Land Reserves of 70.09 acres.

The table below sets forth certain key operational information relating to our projects as of July 31, 2021:

*Completed Projects*

Number of Projects	Developable Area	
	(square meters)	(square feet)
35	554,197	5,965,381

*Ongoing Projects*

Number of Projects	Developable Area		Saleable RERA Carpet Area	
	(square meters)	(square feet)	(square meters)	(square feet)
23	1,305,632	14,053,820	817,496	8,799,522

*Forthcoming Projects*

Number of Projects	Estimated Developable Area <sup>(1)</sup>	
	(square meters)	(square feet)
17	1,263,526	13,600,595

(1) Estimated Developable Area has been calculated based on certain assumptions and estimates made and certified by the architect Shashikant V. Deshmukh in his certificate dated September 15, 2021. The actual Developable Area may vary from the estimated Developable Area presented herein.

#### Land Reserves

Owned/ Leased	Plot Size
	(acres)
Owned	70.09

In the four months ended July 31, 2021 and in Fiscal 2021, 2020 and 2019, our total income was ₹ 1,911.30 million, ₹ 5,135.60 million, ₹ 7,302.40 million, and ₹ 7,212.30 million, respectively, while profit for the four months ended July 31, 2021, was ₹ 175.26 million while profit for the year for Fiscal 2021, 2020, and 2019 was ₹ 363.03 million, ₹ 512.29 million and ₹ 712.70 million, respectively. EBITDA in the four months ended July 31, 2021 and in the Fiscal 2021, 2020 and 2019 was ₹ 513.06 million, ₹ 1,642.67 million, ₹ 1,922.87 million and ₹ 2,092.59 million, respectively, with EBITDA margins of 26.92%, 32.71%, 26.68% and 29.26% in such periods, respectively. Our net worth as of July 31, 2021 and as of March 31, 2021, 2020 and 2019, was ₹ 3,529.72 million, ₹ 3,367.28 million, ₹ 3,029.05 million and ₹ 2,588.63 million, respectively. In the four months ended July 31, 2021, Fiscal 2021, 2020 and 2019, our ROE was 4.85% (unannualized), 10.41%, 14.69% and 23.83%, respectively, and ROCE was 2.85%, 9.26%, 11.42% and 13.26%, respectively. Our capital employed as of July 31, 2021 and as of March 31, 2021, 2020 and 2019 was ₹ 17,901.01 million, ₹ 17,614.53 million, ₹ 16,662.13 million and ₹ 15,619.36 million, respectively, and operating profit for the four months ended July 31, 2021 and for Fiscal 2021, 2020 and 2019, was ₹ 510.70 million, ₹ 1,630.95 million, ₹ 1,903.03 million and ₹ 2,071.43 million, respectively. Further the cash flow from operations for the four months ended July 31, 2021 and Fiscal 2021, 2020, and 2019 was ₹ 579.48 million, ₹ 519.97 million, ₹ (433.80) million, and ₹ (1,156.61) million.

## IMPACT OF COVID-19 ON THE BUSINESS AND OPERATIONS OF THE COMPANY

### Impact of COVID-19

Since the end of 2019, COVID-19 pandemic has spread to a majority of countries across the world, including India. The World Health Organization declared the outbreak of COVID-19 to be a global pandemic on March 11, 2020. The COVID-19 pandemic and the preventative or protective actions that governments around the world have taken to counter the effects of the pandemic have resulted in a period of economic downturn and business disruption in several countries, including India. On March 14, 2020, India declared COVID-19 as a “notified disaster” and imposed a nationwide lockdown on all services except for essential services from March 25, 2020 for three weeks, which was subsequently extended to May 31, 2020. While beginning from September 1, 2020, the Government of India notified all states to permit normal economic activity outside the containment zones, other measures have been introduced in order to control the spread of the virus. These include implementing social distancing norms at the work place and remote working arrangements at organizations.

The rapid and diffused spread of COVID-19 and global health concerns relating to this outbreak have had a severe negative impact on all businesses including retail sector. While the impact has come down progressively after the lockdown was first eased and then by and large lifted, in case of any recurrence of the pandemic, there could again be a severe impact for an unknown period of time. As of the date of this Draft Red Herring Prospectus, while the Government of India and other governments in the world has initiated its COVID-19 vaccination drive, there is still some uncertainty relating to the impact of the COVID-19 pandemic on the global and the Indian economy, and we are unable to accurately predict the near-term or long-term impact of the COVID-19 pandemic on our business.

The impact of the pandemic on our business, operations and future financial performance include, but are not limited to the following:

#### Sales

As a result of COVID-19 and related measures including the lockdown, our operations were significantly

disrupted, particularly in terms of sale of units. Due to the nation-wide lockdown and inability to conduct site-visits, sales enquiries from prospective customers that typically follow site-visits, were significantly affected. We use multiple sales channels to sale our units. We have in-house sale team which with the help of digital marketing tools and technique sale our units. Further, we have also introduced an online platform to carry out sales and address enquiries from prospective customers, which resulted in an increase in sale of units. Pursuant to easing of the lockdown norms of COVID-19, the prospective customer is provided with all the project related information through virtual meets as well as one-on-one meetings with our sales manager prior to the site visit. Use of multiple sales channel has helped us in selling our units during the second lockdown in April and May 2021.

Set forth below is certain information on our portfolio of Completed Projects, Ongoing Projects, and Forthcoming Projects, as of July 31, 2021:

Particular	Completed Projects	Ongoing Project	Forthcoming Projects
<b>Number of Projects</b>			
MMR	25	13	15
PMR	10	10	2
<b>Total</b>	<b>35</b>	<b>23</b>	<b>17</b>
	<b>Developable Area</b>		<b>Estimated Developable Area<sup>(1)</sup></b>
	<b>(square meters [square feet])</b>		
MMR	380,070[4,091,075]	1,087,055 [11,701,064]	1,182,365 [12,726,972]
PMR	174,127 [1,874,306]	218,576 [2,352,756]	81,161 [873,623]
<b>Total</b>	<b>554,197 [5,965,381]</b>	<b>1,305,631 [14,053,820]</b>	<b>1,263,526 [13,600,595]</b>

(1) Estimated Developable Area has been calculated based on certain assumptions and estimates made and certified by the architect Shashikant V. Deshmukh in his certificate dated September 15, 2021. The actual Developable Area may vary from the estimated Developable Area presented herein.

In addition, as of July 31, 2021, 16.88%, 90.81% and 93.58% of the Developable Area of our Completed Projects, Ongoing Projects and Estimated Developable Area of our Forthcoming Projects, respectively, were on an asset-light model, while 83.12%, 9.19% and 6.42%, respectively, were on land acquired/ owned by us.

#### Number of Units Sold

Set forth below is certain information on number of units sold in our Ongoing Projects during Fiscal 2019, 2020 and 2021:

Project	Fiscal 2019	Fiscal 2020	Fiscal 2021
Mid-income affordable housing	1,445	1,498	1,545
Low-income affordable housing	1,035	459	365
<b>Total</b>	<b>2,480</b>	<b>1,957</b>	<b>1,910</b>

Set forth below is certain information on number of units sold in our Ongoing Projects during the four months ended July 31, 2021:

Project	Three months ended June 30, 2021	One month ended July 31, 2021	Four months ended July 31, 2021 (Total)
Mid-income affordable housing	246	180	426
Low-income affordable housing	129	118	247
<b>Total</b>	<b>375</b>	<b>298</b>	<b>673</b>

#### Value of Units Sold

Set forth below is certain information on the value of units sold in our Ongoing Projects during Fiscal 2019, 2020 and 2021:

Project	Fiscal 2019	Fiscal 2020	Fiscal 2021
Mid-income affordable housing	9,545.42	8,998.66	8,838.98
Low-income affordable housing	2,161.75	870.78	700.27

(₹ million)

Project	Fiscal 2019	Fiscal 2020	Fiscal 2021
<b>Total</b>	<b>11,707.17</b>	<b>9,869.44</b>	<b>9,539.25</b>

Set forth below is certain information on the value of units sold in our Ongoing Projects during the four months ended July 31, 2021:

(₹ million)

Project	Three months ended June 30, 2021	One month ended July 31, 2021	Four month ended July 31, 2021 (Total)
Mid-income affordable housing	1,611.70	1,184.91	2796.62
Low-income affordable housing	251.18	230.72	481.89
<b>Total</b>	<b>1,862.88</b>	<b>1,415.63</b>	<b>3,278.51</b>

#### Details of Area Sold

Set forth below is certain information on the Developable Area sold in our Ongoing Projects during Fiscal 2019, 2020 and 2021:

Project	Fiscal 2019	Fiscal 2020	Fiscal 2021
	(square meters) ([square feet])		
Mid-income affordable housing	121,882 [1,311,937]	112,250 [1,208,263]	103,639 [1,115,573]
Low-income affordable housing	54,310 [584,595]	21,790 [234,549]	32,260 [347,241]
<b>Total</b>	<b>176,192 [1,896,532]</b>	<b>134,040 [1,442,812]</b>	<b>135,899 [1,462,814]</b>

Set forth below is certain information on the Developable Area sold in our Ongoing Projects during the four months ended July 31, 2021:

Project	Three months ended June 30, 2021	One month ended July 31, 2021	Four month ended July 31, 2021 (Total)
	(square meters) ([square feet])		
Mid-income affordable housing	20,878 [224,731]	14,578 [156,916]	35,456 [381,647]
Low-income affordable housing	6,435 [69,269]	5,887 [63,566]	12,322 [132,835]
<b>Total</b>	<b>27,313 [294,001]</b>	<b>20,465 [220,282]</b>	<b>47,778 [514,482]</b>

#### Construction and Progress at Sites

After the sudden announcement of the nation-wide lockdown on March 25, 2020, operations at our construction sites were brought to a complete standstill. Due to reduced economic activity and stringent lockdowns enforced by the Government, a number of workforce deployed at our construction sites returned to their native cities/ towns/ villages. On the gradual easing of these restrictions and improvement in the economy, return to work sites progressively increased, construction activities resumed at our sites from August 2020.

Further, the emergence of second wave of COVID-19 has created concern all over the country and has resulted in fresh restrictions in across the country, including free movement of people, closure of offices and banking channels or working on the limited capacities, thereby hampering businesses and day to day functioning of companies. In order to combat this COVID 19 pandemic, presently, various state governments of India, after assessing the situation of COVID-19 pandemic in India, has recently again imposed partial lockdown or full lockdown and have taken several initiatives so far for social distancing in various parts of the states of the country, barring certain essential services.

Additionally, during the second lockdown in April 2021 and May 2021, we have monitored and considered the impact of known events arising from the COVID-19 pandemic, including with respect to our liquidity and going concern and recoverable values of assets. Although the governments are beginning to ease or lift these restrictions subject to certain terms & conditions, the construction activity at our sites has largely not been hampered.

#### Cost Rationalization Measures



Key rationalization measures include:

- During the COVID-19 we had changed our salary structure into a ‘fixed plus variable’ model.
- Increased adoption of digital channels for marketing activities, with reduced focus on print media.

### **Key Government Initiatives**

**Key government initiatives that have been introduced to benefit the real estate sector, including on account of COVID-19, include the following:**

***Reduction of stamp duty and certain other local taxes*** – To increase demand in the real estate sector the state government of Maharashtra announced a reduction in the stamp duty payable on purchase of immovable property by 3% in the Mumbai district and Mumbai sub-urban district and by 2% in the rest of Maharashtra, for four months from September 1, 2020 till December 31, 2020. Thereafter, the stamp duty has been reduced by 2% in the Mumbai district and Mumbai sub-urban district and by 1.5% in the rest of Maharashtra, for three months from January 1, 2021 till March 31, 2021. As on the date of this DRHP this relaxation is not in force.

***Unified Development Control and Promotion Regulations for Maharashtra (“UDCPR”)*** – The State Government has introduced the UDCPR, which applies to building activities and development works on land within the jurisdiction of all planning authorities and regional plan areas except the Municipal Corporation of Greater Mumbai and other exclusions as specified in the UDCPR. Key provisions of the UDCPR include:

- Increase in the floor space index (“FSI”) by 581,427 square meters [6,258,483 square feet], thereby enabling us to increase the number of units and correspondingly increase the Developable Area available for sale.
- Provisions for deferring payment of approval expenses that were previously required to be paid up front. The payment of these expenses can now be deferred subject to payment of an interest at the rate of 8.5% per annum, benefiting companies that incur these expenses out of debt availed from banks and institutional lenders that typically impose a higher interest rate under onerous repayment terms.
- A decrease in approval and other premium costs driven by a decrease in staircase premium charges, scrutiny fee, infrastructure charges and premium FSI charges.

***Revision in Chief Fire Officer (“CFO”) Norms*** – At a meeting of the high rise committee of the Thane Municipal Corporation (“HRC”) dated October 15, 2020, in line with the recommendations of the jurisdictional fire department, the HRC stated that certain general guidelines and requirements that were previously applicable to high rise buildings in Thane, including the requirement of a fire check floor and other ancillary infrastructure such as a break pressure tank and a fire evacuation lift could be amended suitably by the fire department, in order to align such requirements with the provisions of the National Building Code 2016 and the Municipal Corporation of Greater Mumbai Development Control and Promotion Regulations 2034. We therefore anticipate our construction costs per saleable area to reduce in line with fewer mandatory infrastructure requirements under the revised CFO norms.

***Low Interest Rates*** – As a result of the COVID-19 pandemic and its effect on the economy, the Reserve Bank of India (“RBI”) has successively reduced the benchmark repo rate to revive economic activity. The RBI has reduced the repo rate since October 2019 from 5.15% to 4.00% in December 2020. However, the repo rate may be further modified by the RBI based on several factors including how the COVID-19 pandemic situation evolves. The RBI had previously mandated all scheduled commercial banks to link all new floating interest rates on personal or retail loans (including housing loans) to the external benchmarks, in order to ease transmission of rate cuts. Accordingly, as a result of reductions in repo rates, housing mortgage rates have correspondingly reduced and as of December 31, 2020 the lowest rate of interest for home loans that was offered by certain scheduled commercial banks to designated categories of applicants was 6.75% per annum, which is considerably lower compared to interest rates offered previously. The interest rate of 6.75% per annum is the lowest rate offered by banks in India since 2005. We believe these affordable repayment options will drive an increase in home ownership, with tenants opting for purchase of homes instead of incurring monthly rental expenses.

***Reduction in Approval Premium Levied*** – The Ministry of Urban Development, Maharashtra, has, in a circular

dated January 14, 2021, reduced the premium charges payable, including with respect to staircase premium charges, scrutiny fee, infrastructure charges and premium FSI charges, by 50%. These measures have been taken to revive the real estate sector, that has been significantly affected on account of the COVID-19 pandemic and associated downturn in the economy. The reduced rate of 50% will be applicable for all projects seeking approvals with effect from the date of the circular till December 31, 2021. We therefore believe our approval costs to reduce for projects that we expect will be approved in 2021.

## **Competitive Strengths**

### ***Longstanding operations in the attractive real estate markets of MMR and PMR.***

Over the last few years including 2020, the Western cities (Mumbai and Pune) have remained resilient compared to other cities in India. These two cities cumulatively accounted for 46% share in new unit launches during the first half of CY21. On an average, Mumbai and Pune cumulatively have accounted for over 44% of the share in new launches since 2016. This demonstrates western cities to be more stable real estate markets as compared to other major cities in India (Source: C&W Report). With Mumbai having the highest sales volume as well as average price realization, the cumulative sales volume is also the highest in Mumbai i.e., ₹288 billion. MMR is the highest revenue generating real estate market, having the largest residential sales and the highest average sale price, supported by a population with a wide income and demographic spectrum (Source: C&W Report). As of July 31, 2021, we had 35 Completed Projects, 23 Ongoing Projects and 17 Forthcoming Projects, all under the Puraniks brand, out of which 25, 13 and 15 projects, respectively, were located in the MMR. As of July 31, 2021, majority of our projects were located in Ghodbunder Road, Thane, a region that has evolved significantly over the last decade with social and physical infrastructure to support the rapid residential market growth (Source: C&W Report). With the development of Ghodbunder Road and evolving commercial hubs within Thane, Thane as a micro-market has gained significant importance (Source: C&W Report).

We believe that we are well positioned to leverage our established presence and longstanding operations in the MMR, particularly in Thane, and PMR to capitalize on the significant demand for real estate projects across various price ranges in such markets. We believe that the MMR and the PMR real estate markets have high barriers to entry due to the limited availability and the high cost of land, as well as knowledge of the regulatory and approval processes required for the development of a project in such areas. We believe that our brand, longstanding operations and extensive experience in the MMR and the PMR provides us with significant opportunities in these attractive fast-growing markets.

### ***Focus on and experience in the mid-income affordable housing segment.***

We believe that our focus on, and extensive experience in, the mid-income affordable housing segment within the micro-markets of MMR and PMR presents significant opportunities. The share of affordable and mid-income housing in new unit launches continues to be the largest, accounting for 88% of the share in 2020 (Source: C&W Report). The increase in share can be attributed to the government's efforts towards affordable and mid-income housing coupled with consistent demand in the segment, especially from the end-users (Source: C&W Report). As our projects address a customer segment with relative budget constraints, we have typically focused on developing compact sized units in theme-based projects with additional amenities. The projects developed by us in Thane and Pune typically include units with a carpet area lower than 60 square meters (645 square feet). These projects are therefore eligible for a lower rate of GST of 8.00%, compared to the prevailing rate of 12.00% applicable to larger units. This has helped in reducing the total cost of property acquisition, helping drive sales in the affordable housing segment (Source: C&W Report). As of July 31, 2021, most of our Ongoing Projects are eligible for the lower rate of GST of 8.00%. In addition, with effect from April 1, 2019, the rate of GST as applicable to affordable residential apartments has been reduced from 8% to 1% (excluding input tax credit), subject to meeting certain criteria including with respect to carpet area and sales value. We are therefore also eligible to avail certain tax benefits in relation to our Forthcoming Projects. We believe these tax benefits provide a significant value proposition for our customers.

### ***Strategic pricing for the MMR and PMR micro-markets.***

The price of units in our mid-income affordable housing segment typically ranges between ₹4.73 million and ₹12.56 million in the MMR and between ₹3.41 million and ₹9.72 million in the PMR. The price of units in our low-income affordable housing projects typically range between ₹1.15 million to ₹3.42 million.

We believe that such strategic pricing in the MMR and PMR micro-markets has contributed to faster as well as

increased unit sales. For the industry, the proportion of sold units in Mumbai in the ₹4 million to ₹10 million price range is the highest compared to the range above ₹10 million. Also, the inventory overhang in Mumbai is of only 33 months in the ₹4 million to ₹10 million range compared to 61 months in the range less than ₹4 million, indicating that the ₹4 million to ₹10 million range attracts more demand for housing units in Mumbai. Similarly, the inventory overhang in Pune in the ₹4 million to ₹10 million range is the lowest i.e., 25 months, compared to 30 months in the range above ₹10 million, making the ₹4 million to ₹10 million range the most attractive in terms of demand in Pune (Source: C&W Report). We believe that our ability to effectively price our projects within this range in the MMR and PMR micro-markets have resulted in the significant growth of our business even in challenging market environments.

In the four months ended July 31, 2021 and in Fiscal 2021, 2020 and 2019, our total income was ₹ 1,911.30 million, ₹5,135.60 million, ₹7,302.40 million and ₹7,212.30 million, respectively. We believe that our significant experience in and deep understanding of our target markets and customer segments have enabled us to develop a portfolio of projects that enable us to offer an attractive value proposition to our primary customer segments, thereby strengthening our brand and goodwill.

***Established brand and customer goodwill in the MMR and the PMR markets.***

As of July 31, 2021, we had 35 Completed Projects, 23 Ongoing Projects and 17 Forthcoming Projects across the MMR and the PMR, under the Puraniks brand. We believe that our numerous residential projects in the MMR and the PMR and our longstanding presence in these markets for over 31 years, has enabled us to establish Puraniks as a well-known brand in these markets. Many of our projects are distinctive theme-based residential offerings that results in significant brand recall in certain micro-markets of the MMR and PMR, and reflects our ability to identify and capitalize on emerging trends and customer preferences in the real estate sector. We believe that our brand, associated with distinctive theme-based projects, construction quality, timely execution and customer satisfaction is reflected in various awards and recognitions, including Brand Builder of the Year by Lokmat in 2015, Best Residential Project by CNBC Awaaz in 2014, and Rising Stars Award by Powerbrands in 2012. Further, according to the Karvy Insights Survey, in terms of overall awareness for real estate brands in Mumbai (Central, Western and Navi Mumbai) and Western Pune, the Puraniks brand has an awareness of 54%. In addition, we believe that our current and/ or past association with financial institutions such as KKR India Asset Finance Private Limited, Piramal Capital & Housing Finance Limited, IndoStar Capital Finance Limited, HDFC Bank Limited, PNB Housing Finance Limited, State Bank of India and, ICICI Home Finance Company Limited, have further enhanced our brand.

We believe that our strong brand and the customer goodwill generated from our continued focus on customer satisfaction has been a key attribute to the growth of our business. Our customer-centric approach includes comprehensive support to customers from enquiries to delivery of possession of units, as well as measures implemented to address any customer grievance. We believe that our continued engagement with customers even subsequent to sale of units and delivery of possession has resulted in further strengthening our brand and customer goodwill. We engage regularly with the societies of our residential projects to organize and/or sponsor festive and other special events. Customer goodwill also translates into significant customer referrals that further strengthens our strong brand and sales network resulting in increased sales. We also offer incentives for customer referrals, such as our Purple Circle program which rewards existing customers for successful referrals, and our Purple Inner Circle program which incentivizes our own employees. In Fiscal 2021, we sold 113 units through referrals from our existing customer base.

As part of our marketing efforts, we engage professional advertising and media houses to pursue strategic brand development initiatives and engage in targeted digital marketing efforts. We believe that our established brand in certain micro-markets within the MMR and the PMR region also enable us to pursue strategic growth in other micro-markets within the MMR including Kharghar, Chembur, Nahur, Andheri and Neral as well as other micro-markets within the PMR such as Kharadi. In addition, our extensive presence across various micro-markets within the MMR and the PMR further strengthens our brand recall across the region.

***Differentiated and diversified product offerings.***

We are among the prominent residential real estate developers in the MMR and PMR based on number of units currently being marketed in these regions. We are also among the leading residential real estate developers in the growing Thane region of MMR based on the projects currently being marketed and corresponding units sold (Source: C&W Report). We believe that our ability to deliver differentiated product offerings through a diversified range of theme-based projects supported by our technical and execution capabilities has enabled us to successfully

grow our business. We commenced development of theme-based projects for the mid-income affordable housing segment in 2011 in Thane, and continue to address the changing needs of the mid-income affordable housing segment, by providing additional amenities and services within our target price segment.

Our theme-based projects in the MMR include Tokyo Bay with a Japanese-style courtyard in each unit, and Puranik City Reserva, designed to offer privacy and a reserved environment, with no two units sharing a common wall, while theme-based projects in the PMR include Aldea Espanola inspired by a Spanish theme reflected in the clubhouse structure and other amenities within the project, as well as Abitante with Venetian-inspired water canals across common areas. We have also developed the Sayama project in the PMR, comprising row villas intended to be holiday-homes located near Lonavala. The Sayama development includes private pools, parking spaces and garden spaces for each villa, thereby providing amenities normally not available in the mid-income affordable housing segment. We believe that our theme-based residential projects with additional amenities and services have enabled us to maintain relatively superior margins compared to our other projects in the mid-income affordable housing segment.

We have developed a diversified portfolio of projects that include redevelopment projects, slum rehabilitation projects, as well as villa-style residential projects. We are currently developing Puraniks Grand Central, a government housing redevelopment project in Thane with a Developable Area of 242,641 square meters (2,611,788 square feet). We have undertaken projects under the slum rehabilitation authority of India (SRA) in the MMR, with the Zeneeth project completed in 2011, and have undertaken another rehabilitation project in Fiscal 2018 in Gokulnagar, Thane, with a Developable Area of 69,043 square meters (743,181 square feet). Our villa style projects in Thane include the Puraniks Villa and Neelshilp projects, and we are also developing the Sayama project in the PMR which comprises luxurious row villas. In addition, we have also recently entered the low-income affordable housing segment with a project in Neral (MMR), with a Developable Area of 1,239,116 square meters (13,337,847 square feet) across two phases. For further information on our projects, see “-Business Operations” on page 144.

***Asset-light model for development of projects through joint development agreements and joint venture arrangements.***

We acquire Land Reserves for development based on a detailed feasibility study for the relevant project, including factors such as location, price, purpose and design impediments. We adopt various models of land acquisition based on these factors. In the event that a particular land parcel does not require substantial investment, we may selectively acquire such land. In most cases, however, we typically acquire interest in the land through an asset-light model, either through joint development agreements with land-owners, or pursuant to joint venture arrangements through which we jointly acquire the land for our projects. We believe that this approach has enabled us to capitalize on strategic market opportunities. As of July 31, 2021, 16.88%, 90.81% of the Developable Area of our Completed Projects and Ongoing Projects and 93.58% of the estimated Developable Area of our Forthcoming Projects, respectively, were on an asset-light model, while 83.12%, 9.19% and 6.42%, respectively, were on land acquired/ owned by us.

We believe that our strategic and flexible project development approach enables us to simultaneously undertake multiple projects and reduce project risks associated with land development. These arrangements also enable us to focus on an asset-light business model, reducing our dependence on debt financing, thereby strengthening our balance sheet and reducing our leverage ratio. As we deploy relatively less capital under these models, we are better placed to generate significant return on capital, which also decreases our risk portfolio on land investment.

***Proven track record for development of quality projects.***

Through our longstanding presence in real estate development led by our experienced Promoters, we have a proven track record of execution of a range of residential projects. As of July 31, 2021, we had sold residential units with an aggregate Developable Area of 554,197 square meters (5,965,381 square feet) across 35 Completed Projects across the MMR and PMR markets, including in Thane, Pune and Mulund. Our operations include the entire real estate development process, including identification and acquisition of land, project planning, design, construction management and project management. We believe that our proven track of timely completion and delivery of projects has been key to developing our brand and in ensuring consistent sales even in challenging market conditions in the real estate sector in India in the last three years. We have witnessed an increase in the number of bookings in the last three Fiscals. From Fiscal 2019 through Fiscal 2021 we have given possession of 6 projects aggregating 132,776 square meters (1,429,196 square feet).

### ***Strong pipeline of projects.***

As of July 31, 2021, we had 23 Ongoing Projects, comprising 1,305,632 square meters (14,053,820 square feet) of Developable Area. Out of 23 Ongoing Projects, 12 are located in Thane (MMR), 10 in Pune (PMR) and 1 in Neral (MMR). Our Ongoing Projects are being developed in phases with an aggregate Saleable RERA Carpet Area of 817,496 square meters (8,799,522 square feet). We expect our Ongoing Projects to comprise 20,541 units, of which 7,049 units had been sold as of July 31, 2021. We also have 17 Forthcoming Projects comprising 1,263,526 square meters (13,600,595 square feet) of estimated Developable Area. Out of 17 Forthcoming Projects, 14 are located in MMR, 2 in PMR, and 1 in Neral (MMR).

Further, all 23 of our Ongoing Projects have received RERA registrations as of July 31, 2021. In terms of Developable Area, approximately 83.26% and 93.58% of our Ongoing Projects and Forthcoming Projects, respectively, is located in MMR including in Thane and Neral. While residential development in south and central Mumbai is restrained due to limited land availability, residential development is expanding into peripheral areas such as Thane and Navi Mumbai owing to availability of land parcels, lower land prices and demand for mid-income and affordable housing units. Over the last decade locations such as Thane and Navi Mumbai have evolved significantly and have established social and physical infrastructure to support the rapid residential market growth in these locations. With the development of Ghodbunder Road and evolving commercial hubs within Thane and along the Thane-Belapur Road, Thane as a micro-market has gained significant importance (Source: C&W Report).

Our residential projects include units with prices ranging from ₹4.73 million to ₹12.56 million in the MMR, and between ₹3.41 million to ₹9.72 million in the PMR, for mid-income affordable housing, and between ₹1.15 million to ₹3.42 million for low-income affordable housing. We believe that an aggregate Developable Area in our Ongoing Projects and Forthcoming Projects as of July 31, 2021 of 2,569,158 square meters (27,654,415 square feet) and the location of such projects provides significant opportunity for the monetization of our development activities.

### ***Integrated project execution and management capabilities.***

We have adopted an integrated project development model involving significant in-house resources and technical capabilities that enable us to execute projects from conceptualization to completion. Land acquisition / acquisition of development rights for our projects is determined carefully based on extensive research undertaken by us. We have developed an experienced liaising team to timely obtain necessary regulatory approvals and ensure continued compliance with applicable regulatory guidelines. We have also developed an in-house planning and design team, equipped with a creative studio, which focuses on conceptualizing theme-based projects based on market research and feasibility studies. For certain projects, we have involved well-known architects and design houses, including Taib Landscape Studio Private Limited, WAHO Design Private Limited, Access Architects, C and G Building Consultancy Private Limited, Ramboll India, FHD Consultants Private Limited, and Broadway Malyan India Private Limited. We have also consulted with real estate development consultants including Thornton Tomasetti (India) LLP, Walter P. Moore Engineering India Private Limited, Currie & Brown (India) Private Limited, Sterling Engineering Consultancy Services Private Limited and RWDI Consulting Engineers (India) Private Limited in connection with the construction engineering relating to certain projects. We have a dedicated in-house construction team responsible for direct procurement of construction materials and equipment. Our quality assurance team conducts regular assessments to ensure quality of construction materials procured. We maintain stringent quality standards, ensure efficient inventory management and follow strict construction and project execution schedules, thereby ensuring effective resource planning, cost efficiencies and economies of scale across multiple projects. As of July 31, 2021 we had 146 technically qualified personnel for overseeing and executing many key aspects of real estate development, such as architecture, engineering, procurement and contracts and project management. As of July 31, 2021, we employed 9 architects, 1 chartered accountants, 60 engineers engaged in execution, and 76 business graduates in our business operations.

We believe that our execution capabilities comprising in-house operations consisting of design, engineering, procurement, construction and quality assurance teams has enabled us to timely complete our projects and establish ourselves as one of the prominent real estate developers for the mid-income affordable housing segment in the MMR and the PMR. In addition, we believe that our ability to partner with various domestic and international financial institutions enables us to develop and execute larger real estate projects and increase our scale of operations in terms of size and number of projects.

### ***Experienced and qualified Promoters and senior management team.***

Our Promoters and senior management team have significant experience in the Indian real estate industry, which enables us to identify suitable projects for developments. Shailesh Puranik, our Managing Director, is a qualified architect and has over 30 years of experience in various aspects of real estate business. Our board also includes Yogesh Puranik, Nilesh Puranik and Shrikant Puranik, all of whom are qualified and experienced professionals and lead distinct business aspects. Yogesh Puranik has completed a post graduate programme in management for senior executives from the Indian School of Business, Nilesh Puranik holds a diploma in civil engineering and Shrikant Puranik has completed a certificate course of training in trade of building construction from Industrial Training Institute, Ambarnath, Thane. For further information, see “*Our Management*” on page 189.

We also have a qualified and experienced senior management team, including our CFO Suyash Bhise and our Assistant VP – Engineering, Vinaysagar Donakanty, who is a qualified engineer. Our Promoters and senior management are also supported by qualified and experienced teams. We continue to leverage the experience of our Promoters and senior management team to further grow our business and strategically target new market opportunities. We believe that this experience enables us to anticipate real estate trends, identify and develop projects in micro-markets with growing demand, and develop projects that address and attract evolving customer preferences.

## **Strategies**

### ***Continue to focus on the mid-income affordable housing segment.***

The share of affordable and mid-income housing in new unit launches continues to be the largest, accounting for 88% of the share in 2020 (Source: C&W Report). The increase in share can be attributed to the government’s efforts towards affordable and mid-income housing coupled with consistent demand in the segment, especially from the end-users. The affordable and mid-income segment is the largest segment and is expected to continue to be the largest segment in the coming years (Source: C&W Report). There has also been relatively better demand from end users in this segment compared to the high-end and luxury segments, resulting in better sales volume and velocity (Source: C&W Report). We therefore intend to further strengthen our presence in the mid-income affordable housing segment in the MMR and PMR. We propose to achieve this by continuing to focus on developing theme-based residential projects for the mid-income affordable housing segment in the MMR, with ticket sizes ranging between ₹4.73 million and ₹12.56 million, and in PMR, with ticket sizes ranging from ₹3.41 million to ₹9.72 million, with development sizes similar to our existing projects including parking and other amenities. We seek to leverage on the considerable experience and understanding of this segment that we have developed over the last 31 years.

### ***Consolidate our position as a prominent real estate developer in the MMR and the PMR.***

We seek to consolidate our position in the real estate industry in the MMR and the PMR. We intend to particularly focus on development of residential projects in various micro-markets within the MMR the PMR, where we believe we have an established brand associated with quality and a track record of successful execution. We propose to achieve this by leveraging our brand and experience in certain micro-markets in the MMR and the PMR to enter into and grow our presence in other micro-markets within the MMR including Nahur, Andheri, Kharghar and Chembur, and within PMR including Kharadi and eastern Pune. In particular, we will continue to focus on development of mid-income affordable housing and low-income affordable housing projects in these regions.

In addition, higher growth in residential demand is expected in the MMR and the PMR, due to improved connectivity, higher affordability and development of alternative commercial centres. For example, with the development of Ghodbunder Road and evolving commercial hubs within Thane and along the Thane-Belapur Road, Thane as a micro market has gained significant importance. Ghodbunder Road provides road connectivity of these commercial hubs with the residential hubs of other western suburbs. Thane is also accessible with suburban rail and road connectivity with other business districts in Mumbai such as Bandra-Kurla Complex, Vikhroli, Kurla and Lower Parel. The upcoming metro lines connecting Wadala and Kasarvadavali, and Thane, Bhiwandi and Kalyan are also being developed to improve connectivity of Thane with other parts of the city and decongest road traffic (Source: C&W Report). Similarly, Pune in recent years has seen significant real growth in locations along the highway. Further, with improvement in infrastructure (upcoming and proposed) coupled with employment opportunities especially from the manufacturing and information technology sectors, Pune is expected to remain on this growth trajectory creating significant growth opportunity for the real estate sector (Source: C&W Report). We intend to leverage our in-depth knowledge of these markets to continue to focus our

expansion plans in the MMR and the PMR across different price and customer segments and at various locations within these regions.

***Capitalise on emerging opportunities in rapidly evolving regulatory regimes and industry trends.***

The real estate industry in India has been undergoing a significant overhaul in recent years. Key changes include the introduction of the Real Estate (Regulation and Development) Act, 2016 (“**RERA**”), certain tax reforms, and for the state of Maharashtra, the introduction of the UDCPR.

The RERA came into effect in May 2017, and RERA policies are inclined towards safeguarding buyers’ interest, bringing transparency and making real estate developers accountable for the development of their projects. The RERA has several stringent policies including with regard to completion timelines, revenue management, and advertising. Owing to such policies, real estate developers not only require sufficient cash flows to fund their projects but also have project monitoring systems in place to ensure compliance with RERA. These policies make real estate development challenging, particularly for smaller/ standalone developers. However, larger organized developers typically have structured business operations and access to funds and hence have been able to align their operations in accordance with the RERA guidelines (Source: C&W Report). We believe that as an established real estate company with a strong brand, we are well equipped to address and comply with such an evolving regulatory regime. We intend to capitalize on these developments to further enhance our brand and presence in the MMR and the PMR.

In addition, in order to comply with the stringent RERA policies, smaller real estate developers have increasingly partnering with larger developers for projects, offering significant partnership opportunities in terms of joint development, joint venture and DM arrangements for organized players. These factors are thus expected to increase the market share of the organized players in the real estate sector. As a result, organized developers are likely to benefit owing to increase in business opportunities coupled with reduced competition in the long term (Source: C&W Report). Being an organized developer in the real estate sector, we believe we are well positioned to benefit from the introduction of RERA.

In addition, the GoI has introduced changes in the capital gains tax liability under joint development agreements, and capital gains tax will be applicable in the year of completion of the project and not at the time of signing the agreement, and the land owner will be taxed once the completion certificate is awarded. These changes have reduced upfront costs to initiate projects thereby making the joint development model significantly efficient for real estate developers. Moreover, this move will enable developers to split their financial liabilities and risks with land owners while launching new projects, especially in cities such as Mumbai that has very high land prices (Source: C&W Report). As of July 31, 2021, we had successfully executed 19 definitive agreements for our Ongoing Projects, and had entered into definitive agreements for 15 such arrangements for our Forthcoming Projects. We intend to utilize our experience engaging with land-owners to further develop such relationships under the joint development model. We believe we are well positioned to align our business model with the evolving regulatory regime involving consolidation, to support our ability to undertake sizeable projects with reduced capital requirements.

***Continue to focus on our flexible and asset-light model.***

As of July 31, 2021, we had Ongoing Projects with an aggregate Developable Area of 1,305,632 square meters (14,053,820 square feet), of which 83.26% is in the MMR and 16.74% is in the PMR. We intend to continue to expand our development business by following a flexible and strategic approach focused on an asset-light model. We propose to pursue an asset-light model by continuing to enter into joint development agreements and joint venture arrangements. We intend to pursue similar opportunities for newer projects, specifically in the micro-market of Thane where we have entrenched relationships with land-owners. We intend to leverage these relationships with land-owners, along with our established brand, proven track record and execution capabilities to actively pursue this model.

As of July 31, 2021, 90.81% of our Ongoing Projects in terms of Developable Area and 93.58% of our Forthcoming Projects in terms of estimated Developable Area are based on an asset-light model. We seek to expand and develop our Land Reserves through joint development agreements and/ or joint ventures (as part of our asset-light model), in order to increase our market penetration across the various micro-markets in which we operate. In particular, growing our Land Reserves through joint developments, and joint ventures will, we believe, provide us with the ability to source premium land in strategic locations with minimal initial investment, help us continue to focus on and execute projects with land-owners with whom we have developed projects in the past,

under either a joint development or joint venture arrangements.

***Pursue opportunities in the low-income affordable housing segment.***

We commenced our operations by developing residential projects in the micro-markets across the MMR and PMR regions for the mid-income segment. We have entered the volume based low-income affordable housing segment, which we believe offers us significant growth potential.

The government initiative to encourage affordable housing include real estate developers would be exempt from paying tax on profits in affordable housing segment for a period of five years, conditionally to project size. The exemption is available for projects approved by the competent authority between June 1, 2016 and March 31, 2021, further extended until March 31, 2022. With the vision to provide homes for the economically weaker sections, the Prime Minister announced, “Housing for All Scheme” under the Prime Minister Awas Yojana (PMAY) scheme in June 2015. Under this scheme the Government has planned to construct 20 million houses by the year 2022. Additionally, the stamp duty payable in case of PMAY projects in Maharashtra have been reduced to ₹1,000 further enhancing the affordability for the end users in the state. The Government has also awarded infrastructure status to the affordable housing sector in February 2017. In line with Government’s strong focus on the affordable housing sector, the RBI had increased the permissible lending limits to 90% of loan to value ratio for loans of up to ₹3 million. Under the affordable housing schemes, the government also aims to provide financial assistance to increase participation of private developers in affordable housing projects. On the back of focused government reforms for affordable housing coupled with increased spending from the government, the affordable housing sector has emerged as the one of the key growth drivers for real estate in India (Source: C&W Report). Leveraging from these opportunities and trends, we intend to particularly focus on growing our presence as a real estate developer in the low-income affordable housing segment. We intend to leverage our in-house project execution capabilities and brand recognition to cater to the growing demand for low-income affordable housing, and enhance our presence in this housing segment.

As of July 31, 2021, we had 23 Ongoing Project and 17 Forthcoming Project, out of these under the low-income affordable housing segment in Neral representing an aggregate estimated Developable Area of 1,239,116 square meter (13,337,847 square feet), with a ticket size range between ₹1.15 million and ₹3.42 million. We have identified similar opportunities in Murbad, and intend to actively explore further options to enter the low-income affordable housing segment in other micro markets of the MMR. We believe that our well-recognized brand and experience in developing mid-income residential real estate projects provides us with the relevant expertise and capabilities to effectively compete in the low-income affordable housing segment as well.

***Continue to upgrade technology to drive operational efficiency and deliver quality products to our customers.***

We continue to upgrade our technology and methodologies to increase efficiencies in project execution, reduce project development time and cost, and achieve economies of scale. We will continue to focus on developing mechanized and technological construction capabilities to increase the efficiency and quality of our projects. We plan to introduce additional mechanized processes in our construction activities to reduce dependency on labour. We have invested in a mechanized and technological construction capability in order to increase the scale of our operations and the quality of our projects. We will continue to implement advanced equipment and technologies including core processing construction method using jump formwork, aluminium formwork, concrete placer boom, self-climbing tower crane, high speed mechanical hoist and high performance concrete in our construction activities. We intend to monitor our projects using software and online tools, which we believe will enable us to reduce project timelines, ensure quality, reduce maintenance expenses and increase longevity of our projects. We have implemented a centralized SAP ERP system to streamline our operations, and are also in the process of implementing a customer relationship management software. We intend to continue to promote our brand by focusing on technological innovations and by delivering value to our customers.

We also propose to improve customer satisfaction and service by continuing to invest in innovation, particularly in the areas of data analytics to identify trends and evaluate customer preferences and demand for particular types of housing. For example, we intend to, through data analytics, identify trends on sales enquiries, conversion of enquiries into site visits, bookings, and the period between initial enquiries and bookings. We believe this will enable us to better address customer requirements and improve customer acquisition patterns.

**Business Operations**

Our business operations include development of real estate projects in the residential segment comprising



apartment-type complexes and villas, largely catering to the mid-income housing segment. The mid-income group comprises home buyers with an annual household income between ₹0.6 million and ₹1.8 million, and the low-income group comprises home buyers with an annual household income of up to ₹0.6 million (C&W Report).

As of July 31, 2021, we had 35 Completed Projects with an aggregate Developable Area of 554,197 square meters (5,965,381 square feet), 23 Ongoing Projects with an aggregate Developable Area of 1,305,632 square meters (14,053,820 square feet), and 17 Forthcoming Projects with an aggregate estimated Developable Area of 1,263,526 square meters (13,600,595 square feet). We also had Land Reserves with an aggregate Plot Area of 70.09 acres, as of July 31, 2021.

“**Completed Projects**” are those projects where the Company and/or subsidiaries of the Company and/or associates/joint ventures of the Company (as applicable) have completed development; and in respect of which the occupancy/completion certificate, as applicable, has been obtained.

“**Ongoing Projects**” are those projects in respect of which (i) all title or development rights, or other interest in the land is held either directly or indirectly by the Company/subsidiaries of the Company/associates/joint ventures of the Company (as applicable); (ii) development work is ongoing/ started; and (iii) the requisite approvals for commencement of development have been obtained.

“**Forthcoming Projects**” are those projects in respect of which (i) all title or development rights or other interest in the land is held either directly or indirectly by the Company/subsidiaries of the Company/associates/joint ventures of the Company (as applicable) or where development right agreements are in the process of execution; (ii) preliminary management development plans are in place; (iii) requisite applications for approvals and conversion of usage, if applicable, have been made; and (iv) architects have been identified and they have commenced planning.

“**Land Reserve**” comprises land on which any of the Company/subsidiaries of the Company/associates/joint ventures of the Company (as applicable) owns development rights/MOU/similar documents, but on which the Company/subsidiaries of the Company/associates/joint ventures of the Company (as applicable) have not planned any construction or development as of July 31, 2021.

A majority of our Completed Projects, Ongoing Projects and Forthcoming Projects are situated in Thane and Pune in Maharashtra.

The table below sets forth certain key operational information relating to our projects as of July 31, 2021:

*Completed Projects*

Number of Projects	Developable Area	
	(square meters)	(square feet)
35	554,197	5,965,381

*Ongoing Projects*

Number of Projects	Developable Area		Saleable RERA Carpet Area	
	(square meters)	(square feet)	(square meters)	(square feet)
23	1,305,632	14,053,820	817,496	8,799,522

*Forthcoming Projects*

Number of Projects	Estimated Developable Area <sup>(1)</sup>	
	(square meters)	(square feet)
17	1,263,526	13,600,595

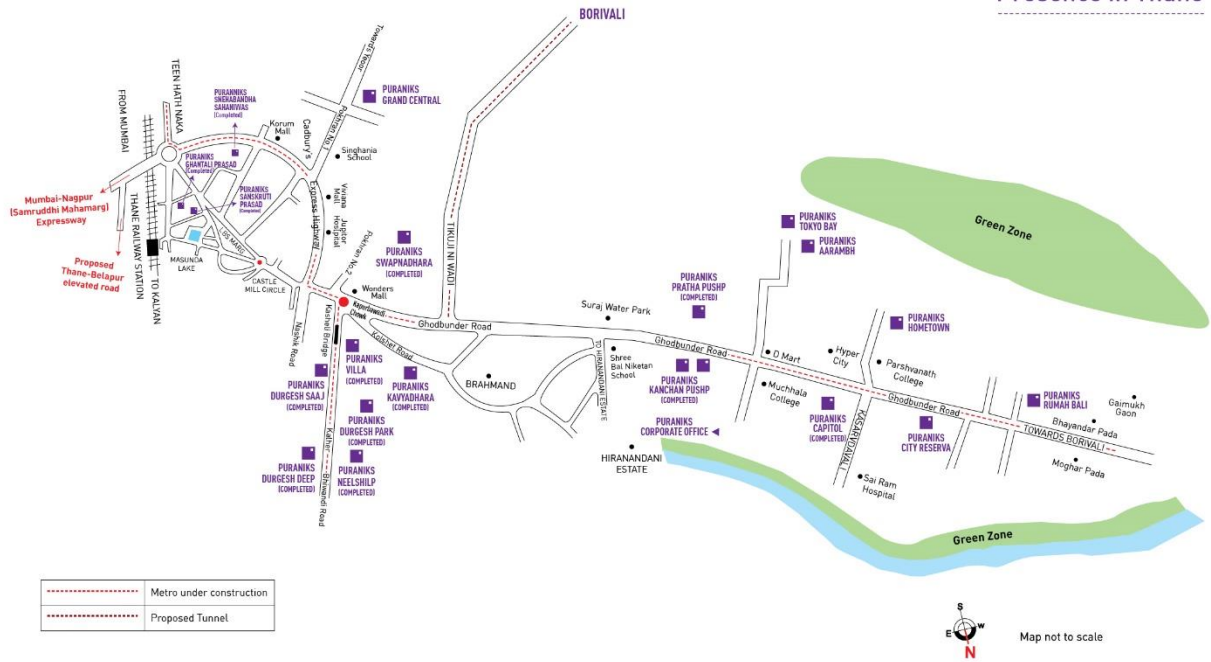
(1) Estimated Developable Area has been calculated based on certain assumptions and estimates made and certified by the architect Shashikant V. Deshmukh in his certificate dated September 15, 2021. The actual Developable Area may vary from the estimated Developable Area presented herein.

*Land Reserves*

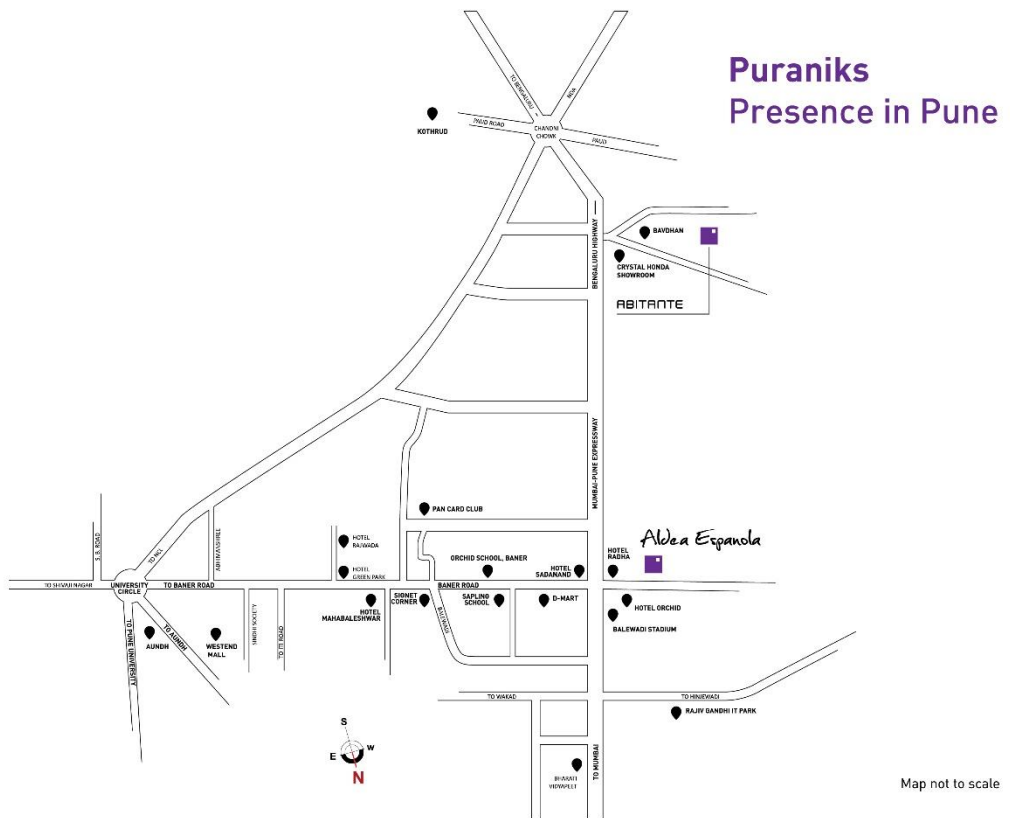
Owned/ Leased	Plot Size (acres)
Owned	70.09

Set forth below are maps indicating the locations of our Completed Projects, Ongoing Projects and Forthcoming Projects as of July 31, 2021:

### Puraniks Presence in Thane



### Puraniks Presence in Pune



## Residential Projects

Our residential projects are primarily focused on developing apartment-type housing, typically equipped with additional amenities such as gymnasiums, clubhouses, entertainment centres, gardens, pools and recreational areas. Many of our residential projects provide amenities, including security systems, power generation, air conditioning, sports and recreational facilities.

We predominantly develop projects that have small and medium unit sizes in the range of 213.48 square feet to 1,116.44 square feet in terms of Saleable RERA Carpet Area with amenities such as swimming pools, clubhouses and multi-purpose halls. These projects are centrally located in Thane, Pune, as well as in areas such as Neral, that are located at relatively greater distances from these towns. We are able to market and sell these projects within a specified price range which is more feasible to our customer base by optimizing the size of our residential units; and by applying innovative construction techniques and efficient designs that result in cost savings. Our housing projects are primarily targeted at first time homebuyers.

In order to decide on the location, design and specification for our residential projects, we analyse various qualitative and quantitative data obtained through extensive market research undertaken by an internal development team which considers a number of factors, including target population in the target areas and feasibility of a particular location. The type of development is determined accordingly.

We create architectural variety within our projects by offering theme-based models, floor plans, and exterior styles in an effort to enhance home values by creating diversified neighbourhood looks within our projects. The amenities associated with our residential accommodation are designed to meet the aspirations of a segment that is underserved in terms of amenities and housing options within the price range.

From Fiscal 2019 to Fiscal 2021, we had completed 6 projects covering Developable Area of 132,776 square meters (1,429,196 square feet). As of July 31, 2021, we had 23 Ongoing Projects and 17 Forthcoming Projects, covering an aggregate Developable Area of 2,569,159 square meters (27,654,415 square feet).

## Completed Projects

Majority of our Completed Projects are situated in Thane, MMR. The following table sets forth certain information on our Completed Projects, as of July 31, 2021:

Sr. No.	Project Name	Location	Type and configuration	Name of company that is the developer of the project	Company's effective stake in Project	Developable Area	Developable Area	Date of completion certificate	Occupation certificate for all floors
					(%)	(square meters)	(square feet)		Yes/ No
1.	Neelshilp	Thane (MMR)	Residential	Puranik Builders Limited	100% (Owned)	36,834	396,486	August 7, 2001	Yes
2.	Gangaprasad	Thane (MMR)	Commercial	Puranik Builders Limited	100% (Owned)	572	6,157	September 18, 2009	Yes
3.	Durgesh Park	Thane (MMR)	Residential 1BHK / 2BHK	Puranik Builders Limited	100% (Owned)	20,324	218,762	April 24, 1998	Yes
4.	Durgesh Deep	Thane (MMR)	Residential 1BHK/ 2BHK	Puranik Builders Limited	100% (Owned)	4,680	50,377	April 24, 1998	Yes
5.	Durgesh Saaj	Thane (MMR)	Residential 2BHK	Puranik Builders Limited	100% (Owned)	4,183	45,021	August 12, 2002	Yes
6.	Kanchan Pushp	G.B. Road, Thane (MMR)	Residential 1BHK/ 2BHK	Puranik Builders Limited	100% (Owned)	35,640	383,629	May 25, 2011	Yes
7.	Pratah Pushp	G.B.	Residential	Puranik	100%	5,748	61,871	September	Yes

Sr. No.	Project Name	Location	Type and configuration	Name of company that is the developer of the project	Company's effective stake in Project	Developable Area	Developable Area	Date of completion certificate	Occupation certificate for all floors
					(%)	(square meters)	(square feet)		Yes/ No
	Building No. 3, 4 and 5	Road, Thane (MMR)	1BHK/ 2BHK	Builders Limited	(Owned)			er 15, 2003	
8.	Kavyadhara	Thane (MMR)	Residential 1BHK/ 2BHK	Puranik Builders Limited	100% (Owned)	30,002	322,946	December 10, 2008	Yes
9.	Swapnadhara Building A7-1 and A7-2	Thane (MMR)	Residential 1BHK/ 2BHK	Puranik Builders Limited	100% (Owned)	3,830	41,227	July 22, 2014	Yes
10.	Ratnadhara Building No. C	Baner, Pune (PMR)	Residential 2 BHK	Puranik Builders Limited	100% (Owned)	1,611	17,343	March 31, 2017	Yes
11.	Puranik City - Phase I	Kasarvadavali (MMR)	Residential 1BHK/ 2BHK	Puranik Builders Limited	100% (Owned)	9,907	106,637	June 2, 2014	Yes
12.	Puranik City - Phase II	Thane (MMR)	Residential 1BHK/ 2BHK	Puranik Builders Limited	100% (Owned)	30,043	323,383	May 2, 2014	Yes
13.	Puranik Capitol	Kasarvadavali (MMR)	Residential and Commercial 2BHK	Puranik Builders Limited	60% (JD)	12,772	137,480	February 20, 2016	Yes
14.	Zeneeth (Sale)	Mulund, Mumbai (MMR)	(SRA) Residential and Commercial 2BHK/ 3BHK	Shree Riddhi Siddhi Vinayak Developers Private Limited	100% (Owned)	9,103	97,983	April 5, 2014	Yes
15.	Zeneeth (Rehab)	Mulund, Mumbai (MMR)	(SRA) Residential 1RK	Shree Riddhi Siddhi Vinayak Developers Private Limited	100% (Owned)	7,392	79,570	October 14, 2011	Yes
16.	Puranik Villa	Thane (MMR)	Residential 3BHK	Puranik Builders Limited	100% (Owned)	12,382	133,279	November 8, 2011	Yes
17.	Aldea Espanola Phase I ( A1 TO A4)	Mulshi, Pune (PMR)	Residential 2BHK & 3BHK	Puranik Buildcon Private Limited	100% (Owned)	11,919	128,301	May 14, 2013	Yes
18.	Aldea Espanola Phase II (B1 TO B4)		Residential 2BHK/ 3BHK		100% (Owned)	22,456	241,714	March 5, 2014	Yes
19.	Aldea Espanola Phase III (C1 & D1)		Residential 1BHK, 2BHK, 3BHK		100% (Owned)	9,876	106,304	March 19, 2016	Yes
20.	Hometown Building A2,	Thane (MMR)	Residential 1BHK/	Puranik Builders	100% (Owned)	25,257	271,862	January 20, 2015	Yes

Sr. No.	Project Name	Location	Type and configuration	Name of company that is the developer of the project	Company's effective stake in Project	Developable Area	Developable Area	Date of completion certificate	Occupation certificate for all floors
					(%)	(square meters)	(square feet)		Yes/ No
	A3, B, C, D, F1, F2, F3		2BHK	Limited					
21.	Hometown Building A1		Residential 1BHK		100% (Owned)	1,750	18,836	January 23, 2017	Yes
22.	Hometown Building G		Residential 2BHK		100% (Owned)	12,067	129,889	April 26, 2017	Yes
23.	Puranik City – Phase III – 6 Building No. I1, I2, J1, J2, L, K	Thane (MMR)	Residential 1BHK/ 2BHK	Puranik Builders Limited	100% (Owned)	25,496	274,434	March 23, 2017	Yes
24.	Puranik City – Phase III- Building No. M		Residential 1BHK		100% (Owned)	1,705	18,354	March 23, 2017	Yes
25.	Rumah Bali Building A1, A2, B1	G.B. Road, Thane (MMR)	Residential 1BHK, 2BHK, 3BHK	Puranik Builders Limited	100% (Owned)	37,558	404,274	January 27, 2017	Yes
26.	Aarambh (A and B)	Thane (MMR)	Residential 1BHK/ 2BHK	Annapurna Lifespaces LLP	50% (JD)	13,112	141,141	April 26, 2017	Yes
27.	Aldea Annexo (A and B)	Mahalunge, Pune (PMR)	Residential 1BHK/ 2BHK	Puranik Builders Limited	57% (JD)	10,504	113,065	April 29, 2017	Yes
28.	Puranik City (Building 1 and 2)	Thane (MMR)	Residential 1 BHK, 2 BHK, 3 BHK	Puranik Builders Limited	100% (JD)	14,243	153,306	April 25, 2017	Yes
29.	Sayama – Phase I Row Villas	Pune (PMR)	Residential 3 BHK/ 4 BHK	Puranik Builders Limited	69% (JD)	10,456	112,549	April 29, 2017	Yes
30.	Puraniks Abhitante Phase 1A (Building A2, E, F and G)	Pune (PMR)	Residential 1 BHK, 2 BHK, 3 BHK	Puranik Buildcon Private Limited	100% (Owned)	38,502	414,436	July 13, 2018	Yes
31.	Puraniks Abhitante Phase 1B (Building A1, B, C and D, Club House 1&2, Tower Parking)		Residential 1 BHK, 2 BHK, 3 BHK	Puranik Buildcon Private Limited	100% (Owned)	38,433	413,693	October 19, 2018	Yes
32.	Rumah Bali Phase 2 (B2)	Thane (MMR)	Residential 1 BHK/ 2 BHK	Puranik Builders Limited	93.72% (JD)	11,975	128,902	May 31, 2018	Yes
33.	Rumah Bali Phase 2 (B3)	Thame (MMR)	Residential 1BHK & 2BHK	Puranik Builders Limited	91.67% (JD)	13,496	145,266	December 10, 2019	Yes
34.	Aldea	Pune	Residential	Puranik	100%	23,392	251,796	Novemb	Yes

Sr. No.	Project Name	Location	Type and configuration	Name of company that is the developer of the project	Company's effective stake in Project	Developable Area	Developable Area	Date of completion certificate	Occupation certificate for all floors
					(%)	(square meters)	(square feet)		Yes/ No
	Espanola Phase V-I, J1 and J2	(PMR)	2 BHK & 3 BHK	Buildcon Private Limited	(Owned)			er 30, 2019	
35.	Aldea Anexo – C1	Pune (PMR)	Residential 1BHK	Puranik Builders Limited	57%(JD)	6,977	75,104	December 8, 2020	Yes
<b>Total</b>						<b>554,197</b>	<b>5,965,381</b>		

As of July 31, 2021, out of 35 Completed Projects, 25 were located in the MMR with an aggregate Developable Area of 380,070 square meters (4,091,075 square feet), and 10 were located in the PMR with an aggregate Developable Area of 174,127 square meters (1,874,306 square feet). Further, as of July 31, 2021, 83.12% of the number of Completed Projects and 9.19% of the Developable Area, was on land owned by us, with the remaining held under the joint development model.

Set out below is a brief description of our notable Completed Projects:

**Rumah Bali.** This was the first theme-based project we developed. Rumah Bali is located at Ghodbunder, Thane (MMR) and comprises units of 1 BHK and 2 BHK homes with a Developable Area of 37,558 square meters (404,274 square feet).

**Aldea Espanola.** This was the first theme-based project we developed in PMR, and is inspired by a Spanish theme reflected in the clubhouse structure and other amenities within the project.

### Ongoing Projects

As of July 31, 2021, we had 23 Ongoing Projects with a Developable Area of 1,305,632 square meters (14,053,820 square feet).

The following table sets forth certain information on our Ongoing Projects:

Sr. No.	Project name	Location	Details of amenities forming part of the project	Details of registration certificate under RERA	Company's effective stake	Developable Area		Total Area (square meter)	Developed (square feet)	RERA Saleable Carpet Area		Unit Details			Expected Completion Date
						(square meter)	(square feet)			(square meter)	(square feet)	Total unit for sale	Sold	% of units sold	
1.	Aldea Annexo - C2	Pune (PMR)	Seating area, lawn, kids multi activity area, temple, reflexology path, multipurpose Hall, water-feature sculpture and garden, swimming pool, club house with gym, children's play area, open amphitheatre party lawn, cricket pitch lawn	P52100002665	57% (JD)	5,811	62,554	1,743	18,766	2,190	23,570	71	71	100%	June 2022
2.	Aldea Annexo - D			P52100020092	57% (JD)	5,811	62,554	1,337	14,387	2,190	23,573	71	67	94%	June 2022
3.	Aldea Espanola Phase VI (Building No. E, F)			P52100000537	100% (Own)	18,192	195,819	9,824	105,742	8,002	86,138	176	148	84%	December 2022
4.	Aldea Espanola Phase VII (Building No. G, H)			P52100004340	100% (Own)	15,971	171,909	6,867	73,921	7,193	77,425	159	152	96%	December 2022
5.	Aldea Espanola Phase VIII (Building No. K)			P52100024044	100% (Own)	6,358	68,442	1,145	12,320	3,886	41,824	87	67	77%	March 2022
6.	Rumah Bali Phase 3 Type C (wing A & B)	Ghodbunder Road, Thane (W) (MMR)	Children's play area, Amphitheatre, Elder's Nook, plumeria court, meditation court, club house with swimming pool, Bales, Orchid court, Tennis court, youth corner, cricket pitch, cabanas.	P51700015955	78.82% (JD)	76,894	827,688	12,303	132,430	31,055	334,278	484	295	61%	June 2023
7.	Puranik City Reserva Phase 1	Ghodbunder Road, Thane (W) (MMR)	Amphitheatre, Swimming pool, club house, kids adventure park, beach pool, grand celebration ground, reflexology area,	P51700000912	98.30% (JD)	116,515	1,254,170	73,405	790,127	51,441	553,714	1,389	1,086	78%	December 2025

Sr. No.	Project name	Location	Details of amenities forming part of the project	Details of registration certificate under RERA	Company's effective stake	Developable Area		Total Area (square meter)	Developed (square feet)	RERA		Unit Details			Expected Completion Date
						(square meter)	(square feet)			Saleable Carpet Area (square meter)	(square feet)	Total unit for sale	Sold	% of units sold	
			barbeque corner, unshared walls and front garden with amenities such as bamboo court, children's wet park, pool deck lounge, and elderly nook												
8.	Puranik Home Town - E	Thane (MMR)	Swimming Pool, Club House, Landscaped Garden, Multipurpose lawn, Reflexology path, Badminton Court, Senior Citizen Area, Kids Play Area	P51700002158	60% (JD)	9,130	98,273	6,026	64,860	4,307	46,362	116	116	100%	March 2022
9.	Sayama Phase 2	Pune (PMR)	Skating rink, focal sculpture, dry stream garden, timber lounge, family plaza, kids play area, riverside gathering plaza, reflexology area, trellis walk with creepers, multi-activity lawn, barbeque counter, tennis court, main swimming pool, jacuzzi pool, kids pool, club house open air lounge, yoga meditation lawn and aroma garden	P52100004782	69% (JD)	1,235	13,294	926	9,970	1,105	11,891	10	10	100%	March 2022
10.	Sayama Phase 3			P52100002137	69% (JD)	1,238	13,326	817	8,795	1,105	11,893	10	7	70%	December 2022
11.	Sayama Phase 4			P52100005004	69% (JD)	9,211	99,147	645	6,940	8,268	89,001	67	16	6%	March 2024
12.	Aarambh - C	Thane (MMR)	Amphitheatre & Lawn	P51700000940	50% (JD)	8,257	88,874	6,192	66,656	4,012	43,183	100	100	100%	June 2022



Sr. No.	Project name	Location	Details of amenities forming part of the project	Details of registration certificate under RERA	Company's effective stake	Developable Area		Total Area (square meter)	Developed (square feet)	RERA Saleable Carpet Area		Unit Details			Expected Completion Date
						(square meter)	(square feet)			(square meter)	(square feet)	Total unit for sale	Sold	% of units sold	
13.	Tokyo Bay Phase – 1 Building No. 1 (A&B)	Wadavali (MMR)	Fitness Centre, Zen Garden, Multi-Purpose sports court, Landscape Garden with Tea House	P51700000618	48.58% (JD)	15,595	167,865	15,439	166,186	8,070	86,870	164	163	99%	June 2022
14.	Tokyo Bay Phase - 2A (Building No.2, 3)	Wadavali (MMR)	Gymnasium, indoor games, multi-activity room, lawn, landscaped garden, fire garden and children's play area	P51700000520	50.00% (JD)	35,314	380,116	12,713	136,842	15,563	167,520	378	376	96%	March 2023
15.	Tokyo Bay Phase - 3A (A1 & B)	Ghodbunder Road, Thane, Village Owale, Taluka & District Thane (MMR)	Landscaped Garden, podium for parking	P517000006605	50.00% (JD)	35,525	382,391	0	0	12,471	134,239	578	340	59%	March 2023
16.	Tresora Grand Central (18)	Thane (MMR)		P517000001221	67.61% (JD)	12,446	133,970	12,322	132,970	5,260	56,616	104	104	100%	June 2022
17.	Elito Grand Central (19, 20)	Thane (MMR)		P517000002741	67.29% (JD)	25,050	269,636	10,270	110,551	10,717	115,355	201	187	93%	June 2022
18.	Stella Grand Central (27,28)	Thane (MMR)	Double height entrance lobby and automated car park	P517000001150	67.34% (JD)	21,687	233,437	4,988	53,691	8,883	95,621	167	155	93%	June 2022
19.	Glorio Grand Central (38-39)	Thane (MMR)		P517000003017	63.43% (JD)	46,433	499,807	16,252	174,932	19,789	213,009	271	234	86%	June 2022
20.	Grand Central (24-31)	Thane (MMR)		P517000025980	70.18% (JD)	19,686	211,900	787	8,476	9,319	100,310	190	157	83%	December 2023
21.	Puranik City Neral – Sector 1 Plot 2	Karjat, District Raigad. (MMR)	Landscaped Garden, Club House, Swimming Pool, Multipurpose Hall, 50+ free Wi-Fi zones, digital library, e-	P52000017996	85% (JD)	664,524	7,152,937	152,841	1,645,176	525,372	5,655,105	14,212	1,999	14%	June 2028
	Puranik City Neral- Sector 2 Plot 3			P52000017954											

Sr. No.	Project name	Location	Details of amenities forming part of the project	Details of registration certificate under RERA	Company's effective stake	Developable Area		Total Area (square meter)	Developed (square feet)	RERA		Unit Details			Expected Completion Date	
						(square meter)	(square feet)			Saleable Carpet Area (square meter)	(square feet)	Total unit for sale	Sold	% of units sold		
	Puranik City Neral- Sector 3 Plot 18		learning centre, digital games room, silent disco, day care centre, digital entertainment centre, Puraniks city Neral app, jogging track, children's play area, clubhouse with meditation area, gazebo, sports court and senior citizen corner	P52000017953												
	Puranik City Neral- Sector 4A Plot 20 Part			P52000017994												
	Puranik City Neral- Sector 5			P52000022389												
	Puranik City Neral- Sector 6			P52000021301												
	Puranik City Neral – Balance Sectors			Yet to be opened for Sale												
22.	Abhitante Phase 2A (Building A, B, C and D)	Pune (PMR)	Kids play area, amphitheatre, clubhouse, swimming pool, Senior citizen area, multi-function lawn, vineyard, water bay, barbeque and market area.	P52100020202	92.70% (JD)	75,219	809,660	6,018	64,773	42,661	459,206	864	658	79%	September 2023	
23.	Abhitante Phase 2B (Building E, F and G)	Pune (PMR)		P52100020238	100% (Owned)	79,529	856,052	1,193	12,841	34,636	372,821	672	541	81%	September 2024	
<b>Total</b>						<b>1,305,632</b>	<b>14,053,820</b>	<b>354,052</b>	<b>3,811,012</b>	<b>817,496</b>	<b>8,799,522</b>	<b>20,541</b>	<b>7,049</b>	<b>34%</b>		

As of July 31, 2021, out of 23 Ongoing Projects with an aggregate Developable Area of 1,305,632 square meters (14,053,820 square feet), 83.26% and 16.74% in terms of such Developable Area were located in the MMR and PMR, respectively. Further, as of July 31, 2021, 17.39% of the number of Ongoing Projects and 9.19% of the Developable Area, was on land owned by us, with the remaining held under the joint development model.

Set out below is a brief description of some of our Ongoing Projects:

**Tokyo Bay Phase – 1.** This will comprise 164 residential units of 1 BHK and 2 BHK homes with 15,595 square meters (167,865 square feet) of Developable Area. As of July 31, 2021, we had sold 163 units. It is located at Wadavali (MMR). The development will include facilities and amenities such as a fitness centre, zen garden, multi-purpose sports court, landscape garden with tea-house. The project is expected to be completed by June 2022.

**Tokyo Bay – Phase 2A.** This will comprise an additional 378 residential units of 1 BHK and 2 BHK homes with 35,314 square meters (380,116 square feet) of Developable Area. As of July 31, 2021, we had sold 376 units. This phase will include facilities and amenities such as gymnasium, indoor games, multi-activity room, lawn, and landscaped garden. The project is expected to be completed by March 2023.

**Tokyo Bay – Phase 3A.** This will comprise 578 residential units with 35,525 square meters (382,391 square feet) of Developable Area. As of July 31, 2021, we had sold 340 units. It is located at Thane. The development will benefit from facilities and amenities such as landscaped garden and podium for parking. The project is under construction and is expected to be completed by March 2023.

**Puraniks City Reserva – Phase I.** This will comprise 1,389 residential units of 1 BHK and 2 BHK homes with 116,515 square meters (1,254,170 square feet) of Developable area. As of July 31, 2021, we had sold 1,086 units. It is located at Ghodbunder Road, Thane. The development will benefit from facilities and amenities such as amphitheatre, swimming pool, club house, kids adventure park, beach pool, grand celebration ground, skating rink, and reflexology area and barbeque corner. The project is expected to be completed by June 2025.

**Aldea – IV (Annexo, C2, D).** This will comprise 142 residential units with 11623 square meters (125108 square feet) of Developable Area. As of July 31, 2021, we had sold 138 units. It is located at Pune. The development will include facilities and amenities such as seating area, lawn, kids’ multi-activity area, and a temple. The project is partly complete and the occupation certificate dated December 8, 2020, for *Annexo C1* has been granted. *Annexo C2* and *Annexo D* are expected to be completed by June 2022.

#### **Forthcoming Projects**

As of July 31, 2021, we had 17 Forthcoming Projects with an aggregated estimated Developable Area of 1,263,526 square meters (13,600,595 square feet).

The following table sets forth certain information on our Forthcoming Projects, as of July 31, 2021:

Sr. No.	Project name	Location	Type	Developer Company	Company’s effective stake in Project	Estimated Developable Area <sup>(1)</sup>		Expected Start Date	Expected Completion Date
					(%)	(square meters)	(square feet)		
1.	Abitante Phase 2C	Pune (PMR)	Residential	Puranik Buildcon Private Limited	100% (Owned)	38,522	414,649	June 2022	June 2026
2.	Abitante Phase 2D	Pune (PMR)	Residential	Puranik Buildcon Private Limited	100% (Owned)	42,640	458,974	June 2022	June 2026
3.	Rumah Bali A3 –A8	Thane (MMR)	Residential	Puranik Builders Limited	95.12% (JD)	104,443	1,124,233	October 2021	December 2025
4.	Puranik City Reserva (Building T2 and T3 )	Thane (MMR)	Residential	Puranik Builders Limited	96.44% (JD)	88,996	957,950	March 2022	June 2026
5.	Puranik City Reserva T6	Thane (MMR)	Residential	Puranik Builders Limited	94.34% (JD)	29,048	312,673	December 2021	June 2026
6.	Tokyo Bay 2B (Building 1 and 4)	Thane (MMR)	Residential	Sai Pushp Enterprises	49.60% (JD)	51,423	553,515	March 2022	March 2025
7.	Tokyo Bay 3B (B building)	Thane (MMR)	Residential	Sai Pushp Enterprises	50.00% (JD)	19,953	214,772	June 2022	March 2026
8.	Tokyo Bay V (B1, B2, B3, B4, B5, B6 and B7)	Thane (MMR)	Residential	Sai Pushp Enterprises	49.93% (JD)	127,528	1,372,710	December 2022	December 2026
9.	15 Grand Central	Thane (MMR)	Residential (MHADA)	Fortune Infracreators	59.10% (JD)	8,780	94,513	January 2022	December 2025

Sr. No.	Project name	Location	Type	Developer Company	Company's effective stake in Project (%)	Estimated Developable Area <sup>(1)</sup>		Expected Start Date	Expected Completion Date
						(square meters)	(square feet)		
			Redevelopment)	Private Limited					
10.	41 and 42 Grand Central	Thane (MMR)	Residential (MHADA Redevelopment)	Sai Shiva Infra Developers	41.50% (JD)	41,075	442,135	January 2022	December 2025
11.	44 Grand Central	Thane (MMR)	Residential (MHADA Redevelopment)	Sai Shiva Infra Developers	97.99% (JD)	19,840	213,559	January 2022	December 2025
12.	25 Grand Central	Thane (MMR)	Residential (MHADA Redevelopment)	Fortune Infracreators Private Limited	64.70% (JD)	8,978	96,639	January 2022	December 2025
13.	26 Grand Central	Thane (MMR)	Residential	Fortune Infracreators Private Limited	64.70% (JD)	9,012	97,000	January 2022	December 2025
14.	29 Grand Central	Thane (MMR)	Residential (MHADA Redevelopment)	Fortune Infracreators Private Limited	64.70% (JD)	8,919	96,000	January 2022	December 2025
15.	63 Grand Central	Thane (MMR)	Residential (MHADA Redevelopment)	Fortune Infracreators Private Limited	62.73% (JD)	20,735	223,192	January 2022	December 2025
16.	Neral – II	Raigad (MMR)	Residential	Puranik Builders Limited	87% (JD)	574,592	6,184,910	March 2023	September 2027
17.	Gokulnagar	Thane (MMR)	Residential (SRA)	Puranik Builders Limited	50% (JD)	69,043	743,181	December 2022	March 2026
<b>Total</b>						<b>1,263,526</b>	<b>13,600,595</b>		

(1) Estimated Developable Area has been calculated based on certain assumptions and estimates made and certified by the architect Shashikant V. Deshmukh in his certificate dated September 15, 2021. The actual Developable Area may vary from the estimated Developable Area presented herein.

As of July 31, 2021, out of 17 Forthcoming Projects with an aggregate estimated Developable Area of 1,263,526 square meters (13,600,595 square feet), 93.58% and 6.42% in terms of such estimated Developable Area were located in the MMR and PMR, respectively. Further, as of July 31, 2021, 5.88% and 94.12% of the number of Forthcoming Projects was on land owned by us and under the joint development model, respectively. As of July 31, 2021, 6.42% and 93.58% of the estimated Developable Area, was on land owned by us and under the joint development model, respectively.

### Our Land Reserves

Land is an important resource and is a key factor contributing to our ability to develop real estate. Our Land Reserves comprise lands owned by our Company through itself and through our Subsidiary.

The following is a summary of our Land Reserves as of July 31, 2021:

S. No.	Location	Name of company that is the developer of the project	Company's effective stake in the project (%) <sup>(1)</sup>	Leased/ Owned	Plot Area (in acres)
1.	Betawade (MMR)	SHP Real Estates Private Limited	100%	Owned	5.61
2.	Murbad (MMR)	Puranik Builders Limited	For 20 Acres - 100% and for 43.63 acres – 85%	Owned	63.63

S. No.	Location	Name of company that is the developer of the project	Company's effective stake in the project (%) <sup>(1)</sup>	Leased/ Owned	Plot Area
					(in acres)
3.	PC - V (52) 63/1, village Mogharpada, 52/4 of village Wadavli, Thane (MMR)	Puranik Builders Limited	100%	Owned	0.84
<b>Total</b>					<b>70.09</b>

(1) Excluding Promoters' stake

### ***Land Owned by our Company***

Land Reserves that we own (including through our Subsidiaries) are comprised of lands for which sale deeds and other instruments including long term lease deeds have been executed and registered in our favour. As of July 31, 2021, the total land owned by us directly and by our Subsidiaries and other related entities was 70.09 acres representing 100% of our total Land Reserves. Of this, we own 5.61 acres i.e., 8.00% of the land owned, through our Subsidiary. The Company has received independent title reports in relation to the Land Reserves.

### **Key Business Partners**

We have ongoing relationships with leading international and domestic entities for the planning, development and maintenance of our projects. We have partnered with leading international firms that offer consultancy services in architecture, interior design, master planning, landscape, urban design and building, to develop concepts and designs for some of our theme-based projects. Few of these consultants include Taib Landscape Studio Private Limited, WAHO Design Private Limited, Access Architects, C and G Building Consultancy Private Limited, Ramboll India, FHD Consultants Private Limited, and Broadway Malyan India Private Limited.

We also enter into project specific arrangements certain contractors for undertaking specialized construction activities. We also have sales and marketing arrangements with well-known marketing houses. In addition, we partner with technology service companies to build and leverage our information technology facilities, in order to keep pace with the growth opportunities in the real estate sector.

Further, we have current and/ or past associations with various international and domestic firms such as KKR India Asset Finance Private Limited, Piramal Capital & Housing Finance Limited, IndoStar Capital Finance Limited, HDFC Bank Limited, PNB Housing Finance Limited, State Bank of India, and ICICI Home Finance Company Limited.

### **Project Development Methodology**

A brief overview of the key phases in our property development process is set out below, including conceptualization of the project, planning and budgeting, procurement, execution of the project, monitoring of the project, marketing and post-sales activities:

#### ***Identification of land and areas for potential development***

One of the key factors in the real estate development industry is the ability to assess the potential of a location after evaluating its demographic and economic trends. The process of land identification begins with selecting an appropriate area in a particular city or town, which we believe has growth potential, and where we can gain an early mover advantage. Our land development team conducts feasibility studies based on market data on possible sites while selecting a particular location for development within that area. For locations where we do not have any existing presence, we also carry out a 'best use study' with the help of external consultants, in order to determine key properties of the land. The team sources information from interactions with brokers, landowners, customer calls and other databases available for micro-markets. This is followed by conceptualizing the type and scale of property development to be undertaken on that particular land.

#### ***Evaluation of applicable laws and obtaining requisite approvals***

While evaluating the feasibility of an area for the implementation of a project, it is imperative to understand the

legal regime governing land development at the relevant location, which varies from state to state. The approvals generally required for the development of a property include approvals of building plans, layouts, approval from airport and fire authorities for buildings above a stipulated height, environment approvals, and infrastructure facilities such as power and water and, occasionally, approvals for conversion of agricultural lands to non-agricultural lands. In addition, with the implementation of the Real Estate (Regulation and Development) Act, 2016, there is a constantly evolving framework of approvals with respect to development of land in India. We deploy personnel to specifically ensure compliance with such regulations. For further information on key approvals obtained in relation to our Completed Projects and Ongoing Projects, see “*Government and Other Approvals*” on page 311.

### ***Acquisition of title and/ or development rights of land***

Right to purchase land or an interest in land depends on the laws and regulations governing the location of the proposed project. Our acquisition team works with the legal team and external legal counsel to review and establish land records, planning and ownership records and publishing of public notices to determine whether there are any claims from third parties. Based on the outcome of such review negotiations are progressed to enter into preliminary agreements i.e., letters of intent or memorandum of understanding. Definitive agreements and registrations and stamp duty payments are typically timed after we obtain the conditions precedent, such as compliance with requisite statutory approvals and permits and comfort in relation to vacant possession. We enter into joint development arrangements or joint venture arrangements or development management agreement with the owner of the land to develop or purchase the land we intend to develop.

### ***Design and Construction***

The design and planning of our projects is developed by our in-house planning department in association with external architects and subsequently, the structural and other services consultants are appointed by us. Designers and architects have been appointed by us for our Ongoing Projects and Forthcoming Projects. The design and planning department and/ or the appointed architect provide us with the structural design of the property however, detailed estimates of the costs, and requirements for manpower, and materials are internally prepared by us. Once the design and the estimates for the property have been finalized, the purchase department makes arrangements to purchase the material required for the proposed construction while the project execution team led by senior personnel, executes the project.

We carry out the construction work in our projects through labour contracts entered into with various external contractors. We have previously consulted real estate development consultants such as Thornton Tomasetti (India) LLP, Walter P. Moore Engineering India Private Limited, Currie & Brown (India) Private Limited, Sterling Engineering Consultancy Services Private Limited and RWDI Consulting Engineers (India) Private Limited in connection with the construction engineering relating to certain projects. In order to leverage on our bulk purchasing capabilities, we generally retain direct control over the purchase of raw materials, such as cement and steel, and equipment, such as elevators, for our projects. We also depute site engineers/ project engineers on the site, and have developed a system of internal reporting of the progress of a project. We also have a separate quality assurance team for monitoring of the progress and quality of all the projects being developed by us at any given point in time.

### ***Sales and Marketing***

Broadly, there are two sales strategies – construct and develop the project fully and sell it once completed or begin the sale of units in a project before it has been fully constructed and completed. In the former selling strategy, the prices of the units do not get locked and any increase in the costs (such as material, labour etc.) can be passed on to the customer. On the other hand, the benefit of the latter strategy is that substantial construction and development of the project can be done with external funds and risk of inventory build-up is minimized. We follow the model of selling units during project development.

We undertake sales efforts through a combination of electronic marketing and advertising in mass media, either centrally from our head office or through our branch and site offices. We actively participate in real estate exhibitions that are attended by the local population in India. We employ various marketing approaches such as launch events, exhibitions, web marketing, direct and indirect marketing, as well as newspaper and outdoor advertising. We also engage in digital marketing efforts in order to target customers. We also maintain a data base consisting of our existing customers and prospective customers and undertake direct sales efforts through a combination of telephonic marketing and electronic marketing. According to the Karvy Insights Survey, within

the specific research target group, in terms of overall awareness for real estate brands in Mumbai (central, western and Navi Mumbai) and Western Pune, *Puraniks* was ranked sixth in the order of awareness among the 30 real estate brands surveyed for evaluation.

We market our projects through our in-house sales teams and brokers. A client servicing team services our customers from the property booking stage, through to the final delivery of the property. We also propose to improve customer satisfaction and service through certain initiatives such as 'Fresh Desk' to measure customer satisfaction score and reduce turn-around time with respect to inquiries. As part of our marketing efforts, our constant endeavour is to build on the *Puraniks* brand. For this we ensure that all communication is easily identifiable under our brand, and believe that this ensures brand recall by our existing and potential customers.

#### *Purple Circle and Purple Inner Circle*

*Purple Circle* is an engagement and referral program for our customers through which we offer incentives to existing customers upon successful referrals. We conduct educational, social and learning events/ activities within the developments to engage with our customers under the Purple Circle program.

*Purple Inner Circle* is a referral program for our own employees through which we conduct various contests and special referral schemes for our employees.

#### **Completion and Transfer**

Our execution team, in coordination with the architecture team, completes the processes required to achieve the necessary compliance and statutory certifications for each site including with respect to completion, occupation, fire safety, waste disposal, rain water harvesting and recycling of water.

We convey the title of the properties to the customers upon the completion of the project, and closure of the sales process as per applicable laws. We ensure the entire consideration is paid to us prior to the transfer of title. After completion of any project, we generally hand over the day-to-day management and control of the project to the association of apartment unit purchasers. In certain cases, we also negotiate and arrange for annual maintenance contracts with equipment suppliers for rotation and mechanical instruments and machinery at each property, including elevators.

#### **Pricing**

The prices of our units are determined and driven principally by market forces of supply and demand, and we normally conduct the pricing exercise prior to pre-launch marketing of a project, and review the prices reached by considering the factors on a periodic basis. We price our properties by reference to market rates for similar types of properties in their locality. The prices of our properties will therefore depend on the location, number, area and mix of properties we sell throughout the development of a particular project and on prevailing market supply and demand conditions. Therefore, the prices we may charge for our properties, are affected by various factors outside our control, including prevailing local economic, income and demographic conditions, interest rates available to purchasers requiring financing, the availability of comparable properties completed or under development, changes in governmental policies relating to zoning and land use, changes in applicable regulatory schemes, and competition from other real estate development firms. We consider the above mentioned factors in determining the price, cost of acquisition of the land or development rights and final estimates of the construction costs, a premium, depending on the location of the project and facilities provided, and prevailing market for similar developments in that segment.

#### **Competition**

We face competition from various national and regional real estate developers. Our competitors include both large and small real estate developers in the regions and areas where we operate, including Macrotech Developers Limited, Dosti Realty, and Godrej Properties Limited that have residential projects on Ghodbunder Road and other parts of Thane, and Paranjape Schemes, Kolte-Patil and Pride Realty have their real estate projects in Pune (*Source: C&W Report*). We also face competition from various small unorganized operators in the residential segment.

#### **Employees**

Our employees are governed by our internal HR policies, which we believe ensure the well-being of our employees. Our employees are not covered by any collective bargaining agreements and are not members of any trade union. As part of our strategy to improve operational efficiency, we regularly organize in-house and external training programs for our employees. We also follow a transparent appraisal system for our employees. Our workforce consists of our permanent employees, consultants and labour work force that work at projects through contractors. As of July 31, 2021, we engaged 438 permanent employees and 1,413 contract labourers. The breakdown of our employees by function as of July 31, 2021, is summarized in the following table:

Function	Number of employees
Accounts	15
Architecture	19
Business Development	2
Customer Relationship Management	35
Directors Office	15
Engineering	106
Estate Management	59
Finance	6
Human Resource	7
Information Technology	8
Legal	4
Liaison	11
Marketing	24
Pre – Engineering	35
Sales	91
Strategy	1
<b>Total</b>	<b>438</b>

For the development of some of our projects, we also engage third party consultant engineers, architects, interior designers and landscape designers. In addition to our employees, we also engage the services of contract workers which include tradesmen, housekeeping personnel and other skilled, unskilled and semi-skilled workers. Our consultants, contractors and sub-contractors who work on our projects also employ a significant labour force.

### Intellectual Property

Our Company has a registered its trade mark “Puraniks Ideas that stay with you” and logo that appear on the cover page of this Draft Red Herring Prospectus. For information on other trademarks registered by our Company, see section “*Government and Other Approvals – Intellectual Property*” on page 311.



### Safety, Health and Environment

We are committed to complying with applicable health, safety and environmental regulations and other requirements in our operations. To help ensure effective implementation of our safety policies and practices, at the beginning of each project we identify potential material hazards, evaluate all material risks and institute, implement and monitor appropriate risk mitigation measures. We endeavour to achieve no accidents at our project sites through employment of internal safety professionals and adherence to our internal policy in this regard. We believe that accidents and occupational health hazards can be significantly reduced through systematic analysis, risks control mechanisms and training of management, employees, contractors and the labour force.

### Insurance

Our operations are subject to hazards inherent to the real estate industry, such as accidents at work sites. We are also subject to force majeure events such as fires, earthquakes, floods and explosions, including hazards that may cause injury and loss of life, severe damage to and the destruction of property, equipment and environment. We obtain building under construction policy for our sites under construction. We generally maintain insurance covering our assets and operations at levels that we believe to be appropriate. We also ensure that our contractors obtain workmen compensation insurance policy while carrying out any activities on our behalf. We have obtained directors’ and officers’ liability insurance for all our Directors and officers and our employees are covered under group personnel accident policies.



## **Information Technology**

We use information technology systems to enhance our performance and efficiency. We have implemented a human resource management software and a mobile application where employees can apply for leave and mark their attendance using their smart phones. In addition, as part of our administrative operations we use a cloud-based pre-sales, sales, human resource and payroll management software. We also employ an online project controlling and monitoring tool. We have fully implemented the SAP – ERP system across the various business functions in our Company to integrate systems among our departments, including engineering and accounting, and are also in the process of implementing a customer relationship management software. We believe that this system will allow us to streamline our processes while enhancing our monitoring and control functions.

## **Corporate Social Responsibility**

Our Company has adopted a Corporate Social Responsibility (“**CSR**”) policy and our CSR activities are administered by the CSR Committee. As part of our CSR initiatives, we have been associated with the non-governmental organization Child Rights and You (CRY) in their awareness drive for children on processes engaged in construction activities. We have also donated a ‘Poly-fuel’ machine to a Thane based NGO. Additionally, our CSR activities also include maintenance of public spaces.

## **Property**

Our Registered Office and Corporate Office, located at PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane West, Maharashtra, is owned by our Company. We also have various site offices situated across the MMR and the PMR that are owned by us.

## REGULATIONS AND POLICIES

*Given below is a summary of certain relevant laws and regulations applicable to the business and operations of our Company and Subsidiaries. The information detailed in this chapter has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been set out in a manner to provide general information to the investors and is not exhaustive and shall not be treated as a substitute for professional legal advice. The statements below are based on the current provisions of applicable law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.*

*Under the provisions of various Central Government and State Government statutes and legislations, our Company and Subsidiaries are required to obtain, and periodically renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For details, see “Government and Other Approvals” on page 311.*

*The statements below are based on the current provisions of Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by legislative, regulatory, administrative, quasi-judicial or judicial decisions/actions.*

### **Industry Specific Laws**

#### **Central Laws**

##### ***The Transfer of Property Act, 1882 (the “TP Act”)***

The TP Act establishes the general principles relating to transfer of property in India. It deals with the various methods in which transfer of immovable property including transfer of any interest in relation to that property takes place. The TP Act stipulates the general principles relating to the transfer of property including, among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The TP Act also provides for the rights and liabilities of the vendor and purchaser, and the lessor and lessee in a transaction of sale or lease of land, as the case may be. The TP Act also covers provisions with respect to mortgage of property.

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

The Registration Act has been enacted with an objective, amongst other things, to provide a method of public registration of documents so as to give information to people regarding legal rights and obligations arising or affecting a particular property, and to perpetuate documents which may afterwards be of legal importance, and also to prevent fraud. The Registration Act details the formalities for registering an instrument. Further, the Registration Act identifies documents for which registration is compulsory and includes, among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in any immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. A document will not affect the property comprised in it, nor be treated as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance under the Transfer of Property Act, 1882 or as collateral), unless it has been registered.

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

Under the Stamp Act, stamp duty is payable on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. Instruments subject to payment of stamp duty under the Stamp Act include, among other thing, instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. The applicable rates for stamp duty on instruments chargeable with duty are prescribed by state legislations. Instruments chargeable to duty under the Stamp Act, which are not duly stamped, are incapable of being admitted in a court of law as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all. However, the instruments which have not been properly stamped can be admitted in evidence by paying a penalty of up to ten times of the proper duty and the deficient portion thereof payable on such instruments. Pursuant to the Finance Act 2019, the Stamp

Act has been amended for rationalisation of stamp duty and design of zero evasion collection mechanism in respect of securities market instruments.

### ***Indian Easements Act, 1882 (the “Easements Act”)***

An easement is a right which the owner or occupier of land possesses for the beneficial enjoyment of that land and which permits him to do or to prevent something from being done, in or upon, land not his own. Under the Easements Act, a license is defined as a right to use property, which use in the absence of such right would be unlawful. The period and incident upon which a license may be revoked may be provided in the license agreement entered into between the licensee and the licensor.

### ***The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (the “Land Acquisition Act”)***

The Land Acquisition Act has replaced the Land Acquisition Act, 1894 and aims at establishing a participative, informed and transparent process for land acquisition for industrialisation, development of essential infrastructural facilities and urbanisation. While aiming to cause least disturbance to landowners and other affected families, it contains provisions aimed at ensuring just and fair compensation to the affected families whose land has been acquired or is proposed to be acquired. It provides for rehabilitation and resettlement of such affected persons. Under the Land Acquisition Act, various state rules have been notified which frame rules in relation to, *inter alia*, the consent process, the compensation mechanism and rehabilitation and resettlement.

### ***The Real Estate (Regulation and Development) Act, 2016 (the “RERA”) and the rules made thereunder***

The RERA seeks to regulate and promote real estate sector by establishing a specialised forum known as the Real Estate Regulatory Authority (“**Regulatory Authority**”) and to ensure sale of plot, apartment or building, as the case may be, or sale of real estate project, in an efficient and transparent manner and to protect the interest of consumers in the real estate sector and to establish an adjudicating mechanism for speedy dispute redressal. It mandates the registration of residential and commercial projects before booking, selling or offering apartments for sale in such projects. The application for registration must disclose details of the promoter, brief details of the projects launched by the promoter, an authenticated copy of the approval and commencement certificate received from the competent authority, the sanctioned plan, layout plan, specifications of the project, proforma of the allotment letter, number, type and carpet area of the apartments, the names and addresses of the promoter’s real estate agent and a declaration by the promoter stating that he has a legal title to the land and the time period within which he undertakes to complete the project.

The RERA mandates that the promoter shall not accept more than 10% of the cost of the apartment as advance payment without first entering into a written agreement of sale with such person. Further, in case of delay in handing over possession, the promoter shall be liable to return the amount received by him from the allottee with interest and compensation. However, if the allottee does not intend to withdraw from the project, he shall be paid interest by the promoter till the handing over of the possession. The RERA also ensures that the promoter does not make any addition or alteration in the sanctioned plans without the previous consent of the allottees. In case of any structural defect or any other defect in workmanship, quality or provision of services or any other obligations of the promoter, the promoter shall rectify such defect and if he fails to do so, the aggrieved allottee shall be entitled to receive appropriate compensation.

We are also required to comply with the rules, regulations and orders issued under RERA by the State Governments such as Maharashtra has issued, *inter alia*, Real Estate (Regulation and Development) (Registration of Real Estate Projects, Registration of Real Estate Agents, Rates of Interest and Disclosures on Website) Rules, 2017 and Maharashtra Real Estate (Regulation and Development) (Recovery of Interest, Penalty, Compensation, Fine payable, Forms of Complaints and Appeal, etc.) Rules, 2017.

### ***National Building Code of India, 2016 (the “Code”)***

The Code a comprehensive building code, is a national instrument providing guidelines for regulating the building construction activities across the country. It serves as a model code for adoption by all agencies involved in building construction works, including the public works departments, other government construction departments, local bodies or private companies in the field of construction. The Code mainly contains administrative regulations, development control rules and general building requirements; fire safety requirements; stipulations regarding materials, structural design and construction (including safety) and building and plumbing services.

## *State Laws*

### ***Unified Development Control and Promotion Regulations for Maharashtra (“UDCPR”)***

The State Government has introduced the UDCPR, which applies to building activities and development works on land within the jurisdiction of all planning authorities and regional plan areas except the Municipal Corporation of Greater Mumbai and other exclusions as specified in the UDCPR.

Key provisions of the UDCPR include:

- Increase in the floor space index (“FSI”) enabling us to increase the size of units and correspondingly increase the Developable Area available for sale.
- Provisions for deferring payment of approval expenses that were previously required to be paid upfront. The payment of these expenses can now be deferred subject to payment of an interest at the rate of 8.5% per annum.
- A decrease in approval and other premium costs driven by a decrease in staircase premium charges, scrutiny fee, infrastructure charges and premium FSI charges.

### ***The Maharashtra Stamp Act, 1958 (the “MS Act”)***

Stamp duty on instruments in the state of Maharashtra is governed by the MS Act. The MS Act levies stamp duty on documents/instruments which are specified in the schedule to the MS Act and by which any right or liability is or purports to be created, transferred, limited, extended, extinguished or recorded. All instruments chargeable with duty and executed by any person are required to be stamped before or at the time of execution or immediately thereafter on the next working day following the day of execution. It authorises the State Government on receiving information from any source, to call for examination of any instrument to satisfy itself that the market value of the property referred therein has been truly set forth and the duty paid on it is adequate. Instruments not duly stamped are incapable of being admitted in court as evidence of the transaction in question. The State Government has the authority to impound insufficiently stamped documents.

### ***Maharashtra Land Revenue Code, 1966 (the “MLR Code”)***

The MLR Code is a consolidated code governing the sphere of land revenue and powers of revenue officers in the state of Maharashtra. Under the MLR Code, the commissioner is the chief controlling authority in all matters connected with the land revenue for a particular division within the state, subject to the superintendence, direction and control of the State Government. Land revenue has been defined to mean all sums and payments claimable by or on behalf of the State Government on account of any land or interest in or right exercisable over any land held, and any cess or rate authorised by the State Government, any rent, lease money, quit rent or any other payment provided under any law or contract. All land, whether applied for agricultural or other purposes, and wherever situated, is liable for the payment of land revenue to the State Government as provided under the MLR Code, unless otherwise exempted. Further, any arrears of land revenue due on a land shall be a paramount charge on the land and shall have precedence over every other debt, demand or claim. Additionally, the Maharashtra Land Revenue (Conversion of Occupancy Class-II and Leasehold lands into Occupancy Class-I) Rules, 2019 were enacted on March 8, 2019 provides details upon the fees applicable for conversion of the property from Class-II into Class-I for agricultural, industrial and commercial purposes.

### ***Maharashtra Tenancy and Agricultural Lands Act, 1948 (the “MTAL Act”)***

The MTAL Act regulates the concept of tenancy over those areas of the state of Maharashtra within which our projects are situated. A tenancy has been defined in the MTAL Act as the relationship between the landlord and the tenant and recognises a deemed tenancy in favour of a person lawfully cultivating land belonging to another. The MTAL Act lays down provisions with respect to the maximum and minimum rent for a tenancy, and the renewal and termination of a tenancy. The transfer of land to non-agriculturists is barred except in the manner provided under the MTAL Act. Agricultural land tribunals have been constituted under the MTAL Act with an officer not below the rank of a mamlatdar as the presiding officer.

### ***Maharashtra Regional and Town Planning Act, 1966 (the “MRTP Act”)***

The MRTP Act has been enacted with the object of establishing local development authorities in Maharashtra to ensure better town planning and development of lands within their jurisdiction. The MRTP Act provides for the creation of new towns and compulsory acquisition of land required for public purposes. The MRTP Act provides a mechanism for the better preparation of planning proposal and their effective execution.

#### ***Maharashtra Slum Areas (Improvement, Clearance and Redevelopment) Act, 1971 (the “Slums Act”)***

The Slums Act has been enacted with the objective of providing better provisions for the improvement and clearance of slum areas in the State, redevelopment and protection of occupiers from eviction and distress warrants. It establishes a specialised authority known as the Slum Rehabilitation Authority (“SRA”) that is engaged in surveying and reviewing existing position regarding slum areas, formulation of schemes for rehabilitation of slum areas and to get the scheme implemented. The Slums Act provides that provisional slum rehabilitation scheme will be published by the authority to invite the objections and suggestions regarding the general slum rehabilitation scheme that will be implemented for areas as specified by the State Government. The scheme generally lays down the parameters for declaration of any area as the slum rehabilitation area and indicate the manner in which rehabilitation of the area declared as the slum rehabilitation area will be carried out. The SRA is responsible to submit to the State Government each financial year, an annual financial statement and the program of work for the succeeding financial year along with the estimated receipts, expenditures during the succeeding financial year. The SRA can undertake improvement works such as (i) laying of water mains, sewers and storm water drains; (ii) provision of urinals, latrines, community baths, and water taps; (iii) widening, realigning or paving of existing roads, lanes and pathways and constructing new roads, lanes and pathways; (iv) providing street lighting; (v) cutting, filling, levelling and landscaping the area; (vi) partial development of the area with a view to providing land for purposes such as parks, playgrounds, welfare and community centres, schools, dispensaries, hospitals, police stations, fire stations and other amenities run on a non-profit basis; (vii) demolition of obstructive or dilapidated buildings or portions of buildings; (viii) any other matter for which it is expedient to make provision for preventing the area from being or becoming a source of danger to safety or health or a nuisance.

#### ***Maharashtra Fire Prevention and Life Safety Measures Act, 2006 (the “Fire Safety Act”)***

The Fire Safety Act has been enacted to make more effective provisions for fire prevention and life safety measures in various types of buildings in different areas in the State of Maharashtra, imposition of fee and constitution of a special fund. The Director or the Chief Fire Officer or the nominated officer may, after giving three hours’ notice to the occupier, or if there is no occupier, to the owner of any place or building or part thereof, enter and inspect such place or building or part thereof at any time between sunrise and sunset where such inspection appears necessary for ascertaining the adequacy or contravention of fire prevention and life safety measures. If the Director or the Chief Fire Officer is satisfied that due to inadequacy of fire prevention and life safety measures the condition of any place or building or part thereof is in imminent danger to person or property, then notwithstanding anything contained in this Act, or any other law for the time being in force, he shall, by order in writing, require the persons in possession or in occupation of such place or building or part thereof to remove themselves forthwith from such place or building or part thereof.

*Revision in Chief Fire Officer (“CFO”) Norms* – At a meeting of the high rise committee of the Thane Municipal Corporation (“HRC”) dated October 15, 2020, in line with the recommendations of the jurisdictional fire department, the HRC stated that certain general guidelines and requirements that were previously applicable to high rise buildings in Thane, including the requirement of a fire check floor and other ancillary infrastructure such as a break pressure tank and a fire evacuation lift could be amended suitably by the fire department, in order to align such requirements with the provisions of the National Building Code 2016 and the Municipal Corporation of Greater Mumbai Development Control and Promotion Regulations 2034. We therefore anticipate our construction costs per saleable area to reduce in line with fewer mandatory infrastructure requirements under the revised CFO norms.

#### ***The Bombay Village Panchayats Act, 1958 (the “BVP Act”)***

The 73rd Amendment to the Constitution inserted Part IX to the Constitution of India (“**Constitution**”) which provides for the constitution and functioning of panchayats. Article 243-H (a) authorised the panchayats to levy, collect and appropriate such taxes, duties, tolls and fees in accordance with such procedure and subject to such limits. Accordingly, The BVP Act was legislated to empower the panchayat to levy taxes on buildings and lands within the limits of the village, shop keeping and hotel keeping, any trade or calling other than agriculture which

is carried on with the help of machinery run by steam, oil or electric power or by manual labour. The tax is leviable from the occupier or owner of the building or land.

***The Maharashtra Ownership of Flats (Regulation of the Promotion of Construction, Sale, Management and Transfer) Act, 1963 (“Ownership of Flats Act”)***

The Ownership of Flats Act applies throughout the State of Maharashtra. It applies to promoters/developers who intend to construct a block or building of flats on ownership basis. The Ownership of Flats Act requires promoters to make full and true disclosures regarding the nature of title to land on which the construction is to take place and all encumbrances on the land. The promoter/developer is required to enter into a written agreement for the sale of flats with each purchaser and the agreement contains prescribed particulars with relevant copies of documents. These agreements must be compulsorily registered. Any contravention of the provisions of the act may be punishable with imprisonment for a term of up to three years or a fine, or both.

***The Maharashtra Apartment Ownership Act, 1970 (“MAO Act”)***

The MAO Act, as amended, was enacted to provide for the ownership of an individual apartment in a building and to make such apartment heritable and transferable property in the state of Maharashtra. The MAO Act provides for, inter alia, provisions related to ownership of apartments, common areas and facilities, common profits and expenses, bye-laws, insurance, disposition of property etc.

***The Maharashtra Housing and Area Development Act, 1976 (“MHADA”)***

MHADA has been enacted for giving effect to the policy of the state towards securing distribution of ownership and control of the material resources of the community so as best to serve the common good. To give effect to this policy, MHADA provides for execution of proposals, plans or projects, acquisition of lands and buildings and transferring the lands, buildings or tenements to needy persons and cooperative societies of occupiers of such lands or buildings. MHADA consolidated the law relating to housing, repairing and reconstruction of dangerous buildings and carrying out improvement works in slum area. It establishes the Maharashtra Housing and Area Development Authority with a view to integrate the activities and functions of different corporate and statutory bodies.

***Development Control Regulations for Greater Mumbai, 1991 (“Development Control Regulations”)***

The Development Control Regulations apply to building activity and development work in areas under jurisdiction of the municipal corporation of Greater Mumbai. The Development Control Regulations prohibit erection, re-erection or alteration of any building and carrying out any development or redevelopment on any plot or land without obtaining a development permission and a commencement certificate. All construction and development in areas falling within the scope of the Development Control Regulations by us must be in accordance with the requirements and specifications including, *inter alia*, fire protection requirements and structural design specifications provided under the Development Control Regulations.

***The Development Control and Promotional Regulations (DCPR) 2034 (“DCPR 2034”)***

The DCPR 2034 came into effect from September 1, 2018 with some provisions notified November 13, 2018. The DCPR 2034 primarily governs govern all the building development activity and development work in the jurisdiction of Municipal Corporation of Greater Mumbai and covers redevelopment projects that were to obtain completion certificate. The constructions by our Company must be in accordance with the requirements and specifications including safety requirements provided under the regulations and be compliant with the safety requirements provided in the DCPR 2034.

***Incentive for Development of Integrated Industrial Area, 2018 (“Incentive for IIA”)***

The State Government introduced the Incentive for IIA to promote and make integrated industrial areas (“IIA”) in Maharashtra competitive with those in other states. The policy permits relaxations in the minimum area and width of the entry road required for an IIA, subject to the approval of the concerned authority. It also grants concessions in stamp duty and development charges payable for establishing an IIA. Further, if government land is required to maintain contiguity, the policy allows for the land to be transferred to the MIDC and then allotted to the developer.

***Development Control Regulations for Mumbai Metropolitan Region, 1999 (“Development Control Regulations for MMR”)***

The Development Control Regulations for MMR apply to the development of any land situated within the Mumbai Metropolitan Region as defined in the Mumbai Metropolitan Region Development Authority Act, 1974. Under the Development Control Regulations for MMR, no person can carry out any development (except those stated in proviso to Section 43 of the Maharashtra Regional Town Planning Act, 1966) without obtaining permission from the Planning Authority and other relevant authorities including zilla parishads and the pollution control board. The Development Control Regulations for MMR have demarcated the region into various zones for development purposes including urbanisable zones, industrial zone, recreation and tourism development zone, green zones and forest zone.

***Development Control Regulations for Municipal Corporation of The City of Thane, 1994 (“Development Control Regulations for Thane”)***

The Development Control Regulations for Thane apply to all developments and development works in the areas under the jurisdiction of the Municipal Corporation of the City of Thane excluding the area within the jurisdiction of Maharashtra Industrial Development Corporation. Under the Development Control Regulations for Thane, no person can carry out any development, erection, re-erection or alteration or demolition of any building or causing the same to be done without obtaining a separate development permission and commencement certificate from the relevant authorities. All construction and development in areas falling within the scope of the Development Control Regulations for Thane by us must be in accordance with the requirements and specifications including, *inter alia*, fire protection requirements and structural design specifications provided under the Development Control Regulations for Thane.

***Development Control and Promotion Regulations for Regional Plan Areas in Maharashtra (“Development Control and Promotion Regulations”)***

The Development Control and Promotion Regulations which came into force with effect from November 21, 2013, applies to the building activity and development works on lands with the Regional Plans in Maharashtra, including Pune district region. The Development Control and Promotion Regulations prohibit any development work including development of land by laying out into suitable plots or amalgamation of plots or development of any land as group housing scheme or to erect, re-erect or make alterations or demolish any building or cause the same to be done without first obtaining a separate building permit or commencement certificate for each such development work or building from the relevant authority. All construction and development in areas falling within the scope of the Development Control and Promotion Regulations for Pune district region by us must comply with the requirements and specifications including, *inter alia*, fire protection requirements and structural design specifications provided under the Development Control and Promotion Regulations.

***Maharashtra Co-operative Societies Act, 1960 (“Co-operative Societies Act”)***

The Co-operative Societies Act provides for the orderly development of the Co-operative movement in state of Maharashtra in accordance with the relevant directive principles of state policy enunciated in the Constitution of India. The Co-operative Societies Act provides the application process and conditions for registration of co-operative societies. Further, the Co-operative Societies Act specifies the eligibility criteria of and voting by members of co-operative societies. The Co-operative Societies Act permits the state government to subscribe to the shares of a co-operative society with limited liability or provide funds to a co-operative society for the purchase of shares in other co-operative societies. The Co-operative Societies Act, *inter alia*, governs management, audit and liquidation of co-operative societies. Contravention of the provisions of the Co-operative Societies Act is punishable with a fine, imprisonment or both.

**Environment Laws**

We are subject to various environmental regulations as the operation of our establishments might have an impact on the environment. The basic purpose of such statutes is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards (“PCBs”), have been set up in each state and at the central level. Establishments, as prescribed under various regulations may be required to obtain consent orders from the PCBs. These consent orders are required to be renewed periodically.

***The Environment (Protection) Act, 1986 (the “EPA”)***

The EPA has been enacted with the objective of protecting and improving the environment and for matters connected therewith. As per the EPA, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EPA, including the power to direct the closure, prohibition or regulation of any industry, operation or process.

***The Environmental Impact Assessment Notification, 2006 (the “Notification”)***

As per the Notification, any construction of new projects or activities or the expansion or modernisation of existing projects or activities as listed in the Schedule attached to the notification entailing capacity addition with change in process and or technology can be undertaken only after the prior environmental clearance from the Central government or as the case may be, by the State Level Environment Impact Assessment Authority, duly constituted by the Central government under the provisions of the Environment (Protection) Act, 1986, in accordance with the procedure specified in the notification. The environmental clearance process for new projects comprises of four stages viz. screening, scoping, public consultation and appraisal. However, in 2016, MoEF issued a notification for integrating standard and objectively monitorable environmental conditions with building permissions for buildings of different sizes with rigorous monitoring mechanism for implementation of environmental concerns and obligations in building projects. This is in line with the objective of the Central government to streamline the permissions for buildings and construction sector so that affordable housing can be provided to weaker sections in urban area under the scheme ‘Housing for All by 2022’ and is proposing to remove the requirement of seeking a separate environment clearance from the MoEF for individual buildings having a total build up area between 5,000 square metre and 150,000 square metre, apart from adhering to the relevant bye-laws of the concerned State authorities.

***The Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”)***

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set out by the concerned PCB. The Water Act also provides that the consent of the concerned PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent.

***Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)***

The Air Act requires that any industry or institution emitting smoke or gases must apply in a prescribed form and obtain consent from the state PCB prior to commencing any activity. The state PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

***Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”)***

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to obtain an approval from the relevant state pollution control board and to dispose of such waste without harming the environment.

***Municipal Solid Wastes (Management and Handling) Rules, 2000 (“Waste Management Rules, 2000”) as superseded by Solid Waste Management Rules, 2016 (“Waste Management Rules, 2016”)***

The Waste Management Rules, 2000 applied to every municipal authority responsible for collection, segregation, storage, transportation, processing and disposal of municipal solid wastes. Any municipal solid waste generated in a city or a town, was required to be managed and handled in accordance with the compliance criteria and the procedure laid down in Schedule II of the Waste Management Rules, 2000. The Waste Management Rules, 2000 made the persons or establishments generating municipal solid wastes responsible for ensuring delivery of wastes in accordance with the collection and segregation system as notified by the municipal authority. The Waste Management Rules, 2000 have been superseded by the Waste Management Rules, 2016 which stipulate various duties of waste generators which, *inter alia*, include segregation and storage of waste generated by them in the manner prescribed in the Waste Management Rules, 2016; separate storage of construction and demolition waste and payment of user fee for solid waste management as specified in the bye-laws of the local bodies.



## Labour Laws

We are subject to various labour laws for the safety, protection, condition of working, employment terms and welfare of labourers and/or employees of our Company and Subsidiaries. The provisions of shops and establishments legislations, as may be applicable in a state or union territories in which our establishments are set up, regulate the conditions of work and employment and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

In respect of our business and operations, our Company and Subsidiaries are also required to obtain licences and registrations and make timely payments as prescribed under various labour laws and regulations including, *inter alia*,

- Child Labour (Prohibition and Regulation) Act, 1986;
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952;\*\*\*\*
- Employees' State Insurance Act, 1948;\*\*\*\*
- Industrial Disputes Act, 1947 and Industrial Disputes (Central) Rules, 1957;\*\*\*
- Industrial Employment (Standing Orders) Act, 1946;\*\*\*
- Maternity Benefit Act, 1961;\*\*\*\*
- Minimum Wages Act, 1948;\*
- Motor Transport Workers Act, 1961;
- Payment of Bonus Act, 1965;\*
- Payment of Gratuity Act, 1972;\*\*\*\*
- Payment of Wages Act, 1936;\*
- Equal Remuneration Act, 1976;\*
- Employee's Compensation Act, 1923;
- Contract Labour (Regulation and Abolition) Act, 1970.\*\*

\* The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The provisions of this code will be brought into force on a date to be notified by the Central Government.

\*\* The Government of India enacted 'The Occupational Safety, Health and Working Conditions Code, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate 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 Government of India enacted 'The Industrial Relations Code, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946.

\*\*\*\* The Government of India enacted 'The Code on Social Security, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers (Regulation of Employment and Condition of Service) Act, 1996.

## Intellectual Property Laws

Intellectual Property in India enjoys protection under both common law and statute. Under statute, India provides for trademark protection under the Trade Marks Act, 1999 and design protection under the Designs Act, 2000. The above enactments provide for protection of intellectual property by imposing civil and criminal liability for infringement.

## **Foreign Exchange Regulations**

Foreign investment in Indian securities is governed by the provisions of the Foreign Exchange Management Act, 1999 (“**FEMA**”) read with the applicable FEM Rules. FEMA replaced the erstwhile Foreign Exchange Regulation Act, 1973. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the government approval route, depending upon the sector in which foreign investment is sought to be made. The DPIIT makes policy pronouncements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEM Rules. In case of any conflict, the FEM Rules prevail. Therefore, the regulatory framework, over a period of time consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The DPIIT issued the FDI Policy which consolidates the policy framework on FDI issued by DPIIT, in force on October 15, 2020 and reflects the FDI policy as on October 15, 2020. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DPIIT. As per the FDI Policy, 100% FDI is permitted in our Company under the automatic route, subject to compliance with prescribed conditions. In this Issue, foreign investment is limited to investments by FPIs and NRIs. For further details, see “*Issue Procedure*” on page 335.

## **Other Laws**

As per notice dated June 28, 2017 by the Ministry of Finance, with effect from July 1, 2017, Goods and Services Tax legislations (including Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, States Goods and Services Tax Act, 2017 and Union Territory Goods and Services Tax Act, 2017) are applicable to us. In addition to the above, we are required to comply with the provisions of the Companies Act, the Competition Act, 2002, different state laws and other applicable statutes for our day-to-day operations. Additionally, the GST Council on their 34<sup>th</sup> Meeting on March 19, 2019 deliberated upon and decided new GST rate structure for the real estate sector, which has become effective from April 1, 2019.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

Our Company was incorporated as ‘Puranik Builders Private Limited’, a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated May 8, 1990 issued by the RoC. Thereafter, our Company was converted into a public limited company pursuant to a special resolution passed in the extraordinary general meeting of the Shareholders of our Company held on April 27, 2018. Consequently, the name of our Company was changed to its present name ‘Puranik Builders Limited’, pursuant to a fresh certificate of incorporation issued by the RoC on May 10, 2018.

### Changes in registered office of our Company

The details of change in the registered office of our Company since incorporation are given below:

Effective date	Details of change	Reasons for change
April 10, 2012	The registered office of our Company was shifted from 15, Bhagya Vroodhi, Nayakwadi, Thane - 400 602 to PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West)-400 615	Administrative convenience

### Changes in name of our Company

The details of change in the name of our Company since incorporation are given below:

Effective date	Details of change	Reasons for change
May 10, 2018	The name of our Company was changed from Puranik Builders Private Limited to Puranik Builders Limited	Conversion from a private limited company to a public limited company

### Main objects as set out in the Memorandum of Association of our Company

The main objects contained in the Memorandum of Association of our Company are:

- To acquire, buy, purchase, lease, develop, renovate, improve, maintain, exchange or otherwise own property, estate, lands, buildings, hereditaments flats, garages, houses, halls, godowns, shops, warehouses, office premises, mills, factories, chawls, dwelling houses, residential accommodation, bridges or other immovable properties and to turn the same to account as may be expedient and in particular by laying out and preparing lands for building purposes and preparing building site by planting, paving, draining and cultivating lands by demolishing, constructing, reconstructing, altering, improving, furnishing, maintaining, administering, equipping or subdividing properties by leasing or otherwise disposing off the same and to advance money and to enter into contracts and agreements of all lands wit builders, tenants, occupiers, either in India to purchase, sell, deal inlands, estates, houses or other landed properties of any tenure whether freehold, leasehold or otherwise and to act as Promoters, Organisers and Developers of land, estates, property, Co-op Housing Societies, Residential housing schemes, Shopping Centers, Commercial Complex, Farm Houses, Holiday Resorts, Hotels, Swimming Pools, Amusement Parlous parks and to deals with and improve such properties either as owner or as agents and to join with any other person, partnership firm or company in carrying the above objects.*
- To undertake construction and management of properties of any person or governmental authorities for the construction of buildings of all descriptions, roads, bridges, earthwork, sewers, tanks, drain culverts, channels, sewerage or other works or things that may be necessary or convenient for any of the objects of the Company and to carry on the business in India architects, designers, draughts men, decorators, surveyors, valuers, estate agents, town planners, Coordinators, civil engineers, constructional engineers, furnishers, structural engineers, estate agents and land brokers.*

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out, and the activities for which the loans were taken, which are proposed to be repaid from the Fresh Issue Proceeds. For further details, see “Objects of the Issue” on page 92.

## Amendments to the Memorandum of Association

Set out below are the amendments that have been made to our Memorandum of Association, in the ten years preceding the date of this Draft Red Herring Prospectus:

Date of change/shareholders' resolution	Nature of amendment
February 26, 2014	Clause V of the Memorandum of Association was amended to reflect the cancellation and reclassification of the authorised share capital from ₹100,000,000 divided into 1,000,000 Equity Shares of ₹100 each to ₹100,000,000 divided into 1,000,000 Equity Shares of ₹100 each and 900,000 Preference Shares of ₹100 each
December 22, 2014	Clause V of the Memorandum of Association was amended to be divided into Clause V(a) and Clause V(b). Amended Clause V(a) reflects the increase in authorised share capital from ₹100,000,000 divided into 1,000,000 Equity Shares of ₹100 each to ₹254,000,000 divided into 1,640,000 Equity Shares of ₹100 each and 900,000 Preference Shares of ₹100 each. Clause V(b) reflects that the minimum paid up capital is ₹100,000
June 29, 2015	Clause V(a) of the Memorandum of Association was amended to reflect the split/sub-division of each Equity Share of face value ₹100 each fully paid up into 10 Equity Shares of nominal face value of ₹10 each and to reflect the split/sub-division of shares of face value ₹100 each to ₹10 each fully paid up. Accordingly, the authorised share capital of ₹254,000,000 divided into 1,640,000 Equity Shares of ₹100 each and 900,000 Preference Shares of ₹100 each was amended to ₹254,000,000 divided into 16,400,000 Equity Shares of ₹10 each and 9,000,000 Preference Shares of ₹10 each
	Clause V(a) of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹254,000,000 divided into 16,400,000 Equity Shares of ₹10 each and 900,000 Preference Shares of ₹100 each to ₹500,000,000 divided into 41,000,000 Equity Shares of face value of ₹10 each and 9,000,000 Preference Shares of ₹10 each
	<p>Clause 6 under Clause III.B of the Memorandum of Association-'<i>The objects incidental or ancillary to the attainment of the main object clause</i>', was substituted with the following clause:</p> <p><i>"6. To erect, construct hotels, motels, malls, schools, hospitals and other necessary buildings and works, and to use, manage, furnish, convert, adapt and maintain premises of the Company to and for the purpose of hotels, lodging and/or boarding houses, guest houses, with any usual or necessary adjuncts and to carry on lease or otherwise apartments therein, and to provide for the tenants and occupiers thereof all or any of the conveniences commonly provided in hotels, clubs, lodging and/or boarding and/or guest houses, malls, schools and hospitals.</i></p> <p>Clause III.B of the Memorandum of Association-'<i>The objects incidental or ancillary to the attainment of the main object clause</i>' was altered to include the following clauses after Clause 69:</p> <p><i>70. To do, carry on, manage, supervise and control the business of transmitting, manufacturing, supplying, generating, distributing and dealing in electricity and all forms of energy and power generated by any source whether nuclear, steam, hydro or tidal, water, wind, solar, hydrocarbon fuel or any other form, kind or description and establishing, commissioning, setting up, operating and maintaining electric power transmission systems/networks, power systems, generating stations based on conventional/non-conventional resources for evacuation, transmission, distribution, trading or supply of power through establishing or using stations, tie-lines, sub-stations and transmission or distribution lines in any manner including build, own and transfer (BOT), and/or build, own, operate (BOO) and/or build, own and transfer (BOT) and/or build own, operate and transfer (BOOT) basis or otherwise and to do all the ancillary, related or connected activities as may be considered necessary or beneficial or desirable for or along with any or all of the aforesaid purposes which can be conveniently carried on these systems, networks or platforms for the properties constructed by the Company.</i></p> <p><i>71. To get engaged in backward and forward integration with respect to the main activity of the Company, by way of production, manufacture, processing of bricks, sand, stone, marbles, tiles, pipes, tubes tubular structures, cements, paints, adhesive, sheets, roofing, glass, furniture, fittings, electrical goods, water supply or storage equipment, floor polish, door closures, concrete mixtures, elevators, hardware, lubricant oils, building materials, forest products and any other building or decorative materials made of cement, stone, timber, teak, board, fiber, glass, rubber, plastic or other natural or synthetic substance or chemical.</i></p>

Date of change/shareholders' resolution	Nature of amendment
	<p>72. <i>To establish and support or aid in the establishment and support of associations, institutions, funds, trusts, and conveniences calculated to benefit employees or directors or past employees or directors of the Company or of its predecessors in business, or the dependents or connections of any such persons and to grant any pensions and allowances; and to make payments towards insurance; and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition, or for any public, general or useful object.</i>"</p> <p>Further, the existing clauses 70 to 113 were re-numbered as 73 to 116</p>
March 31, 2017	Clause V(a) of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹500,000,000 divided into 41,000,000 Equity Shares of face value of ₹10 each and 9,000,000 Preference Shares of ₹10 each to ₹750,000,000 divided into 66,000,000 Equity Shares of face value of ₹10 each and 9,000,000 Preference Shares of ₹10 each
March 20, 2018	Clause V(a) of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹750,000,000 divided into 66,000,000 Equity Shares of face value of ₹10 each and 9,000,000 Preference Shares of ₹10 each to ₹1,150,000,000 divided into 106,000,000 Equity Shares of face value of ₹10 each and 9,000,000 Preference Shares of ₹10 each
April 27, 2018	<p>Clause I of the Memorandum of Association was amended to reflect the new name of our Company pursuant to the conversion of our Company from a private limited company to a public limited company, 'Puranik Builders Limited' and to reflect the applicability of the Companies Act, 2013</p> <p>Clause III(B) of the Memorandum of Association was amended from 'The objects incidental or ancillary to the attainment of the main object clause' to 'Matters which are necessary for furtherance of the objects specified in Clause III(A)'</p> <p>The heading of Clause III(C) 'Other Objects' of the Memorandum of Association was omitted, and the numbering of the objects was continued</p> <p>Omission of the following paragraph in the Memorandum of Association:</p> <p><i>"AND IT IS HEREBY DECLARED THAT To do all or any of the above things and to do all such other things as may appear to the Directors of the Company to be incidental or conducive to the attainment of the above objects or any of them. And it is hereby declared that the word "Company" in this memorandum when applied otherwise than to this company shall wherever the context so requires or admits, be deemed to include any authority, person, partnership of other body or persons whether incorporated or not, and whether domiciled in India or elsewhere and that the intention is that the objects specified in the several paragraphs an clauses of this memorandum shall have the widest possible construction and shall be in no way limited or restricted in its application by reference to or inference from the terms of any other paragraph or clause or the name of Company."</i></p>

## Major events and milestones of our Company

The table below sets forth some of the major events in the history of our Company:

Year	Particulars
1990	Our Company was incorporated as a private limited company
1998	Our Company received completion certificates in relation to a project named 'Durgesh Deep' located in Kalher, Thane
2001	Our Company received a completion certificate in relation to a project named 'Neel Shilp' located in Kalher, Thane
2011	Our Company received a completion certificate in relation to a project named 'Kanchanpushpa' located in Kavesar, Thane
2013	Our Company received a completion certificate in relation to a project named 'Aldea Espanola Phase I' located in Pune
2014	<p>Our Company received a completion certificate in relation to a project named 'Puranik City' located in Kasarvadavali, Thane</p> <p>Our Company received a completion certificate in relation to a project named 'Aldea Espanola Phase II' located in Pune</p>
2016	Our Company received a completion certificate in relation to a project named 'Aldea Espanola Phase III' located in Pune
2017	Our Company received a completion certificate in relation to a project named 'Rumah Bali' located in Bhayander, Thane

Year	Particulars
2018	Our Company has received permission to convert an agricultural land for non-agricultural purposes in relation to a project named 'Neral-1' located in Pimpoli, Karjat
2019	Our Company received a completion certificate in relation to a project named 'Rumah Bali Phase 2 (B3)' located in Thane
	Our Company received a completion certificate in relation to a project named 'Aldea Espanola Phase V-I, J1 and J2' located in Pune

### Key awards, recognitions and accreditations

The table below sets forth some of the awards and accreditations received by our Company:

Calendar year	Award and accreditation
2005	Our Company was awarded the 'Best Business Practice' by Accommodation Times
2006	Our Company was awarded the 'Project of the Year-Thane' for Kanchan Pushp by Accommodation Times
2012	Our Company was awarded the 'Rising Star Award' by Powerbrands
2014	Our Company was awarded the 'Best Residential Project-Mid Segment-MMR (Mumbai)' for 'Puraniks City' by CNBC Awaaz at 9 <sup>th</sup> Real Estate Awards
2018	Our Company was awarded the 'Trendsetting Developer of the Year' by Hindustan Times at the Real Estate Awards 2018 Mumbai
2020	Our Company was awarded a certificate of recognition in the "Top Signature Lifestyle Project" category at the Times Real Estate Icons West India 2020, for our project Puraniks Abitante, Pune
	Our Company was awarded a certificate of recognition in the "Top Thematic Project" category at the Times Real Estate Icons West India 2020, for our project Rumah Bali, Thane

### Other details regarding our Company

#### *Time and cost overruns*

For details of time and cost overruns in developing our projects, see "*Risk Factors - Significant increases in prices (including for increase in taxes and levies) or shortage of or delay or disruption in supply of, construction materials, contract labour and equipment could adversely affect our estimated construction cost and timelines resulting in cost overruns.*" on page 36.

#### *Defaults or rescheduling or restructuring of borrowings with financial institutions/banks and conversion of loans into equity*

- (i) Our Company has not defaulted on repayment of any loan availed from any bank or financial institution;
- (ii) The tenure of repayment of any loan availed by our Company from banks or financial institutions have not been rescheduled or restructured; and
- (iii) None of the loans availed by our Company have been converted into Equity Shares.

#### *Details regarding material acquisition/divestments of business/undertakings, mergers and amalgamation*

Except as disclosed below, our Company has not acquired any material business or undertaking, and has not undertaken any merger and/or amalgamation in the ten years preceding the date of this Draft Red Herring Prospectus:

#### *Material Acquisitions and divestments*

1. Our Company acquired Fortune Infracreators Private Limited by purchasing its equity shares on September 14, 2015.
2. Our Company acquired Shree Riddhi Siddhi Vinayak Developers Private Limited by purchasing its equity shares in tranches on February 18, 2005 and April 22, 2013, February 28, 2015 and March 26, 2015.
3. Our Company became a partner of Annapurna Lifespaces LLP by entering into a deed of retirement cum admission on September 27, 2014.

4. Our Company became a partner of Sai Shraddha Developers by entering into a deed of retirement cum admission on September 3, 2014.
5. Our Company became a partner of Sai Pushp Enterprises by entering into a deed of retirement cum admission on August 22, 2014.
6. Maitrey Builders & Developers ceased to be a subsidiary of our Company with effect from December 1, 2020, further to a deed of dissolution dated December 1, 2020.

For further details, see “*Our Subsidiaries*” on page 176.

### ***Mergers and amalgamation***

#### ***Scheme of Amalgamation between our Company, Puranik Buildwell Private Limited and Shree Riddhi Siddhi Vinayak Developers Private Limited***

A scheme of amalgamation was filed by Puranik Buildwell Private Limited (“**PBPL**”), Shree Riddhi Siddhi Vinayak Developers Private Limited (“**SRSVDPL**”) (PBPL and SRSVDPL together the “**Transferors**”) and our Company (the “**Transferee**”) before the National Company Law Tribunal (Mumbai bench) (“**NCLT**”) under Sections 230 to 232, and other applicable provisions of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 (“**Scheme**”), seeking approval for the amalgamation of the Transferors with the Transferee. The appointed date for the Scheme is April 1, 2020 (“**Appointed Date**”). The Scheme seeks to achieve *inter alia*, a streamlined group structure in the Puranik group by reducing the number of legal entities in the Puranik group, reducing the multiplicity of legal and regulatory compliances presently required, cost rationalisation and efficiency. The NCTL, at its hearing held on July 26, 2021, approved the Scheme with the appointed date of April 1, 2020, however a certified copy of the order is awaited by our Company.

### **Our Holding Company**

As on the date of this Draft Red Herring Prospectus, we do not have a holding company.

### **Our Subsidiaries**

As on the date of this Draft Red Herring Prospectus, our Company has 19 Subsidiaries. For details, see “*Our Subsidiaries*” on page 176.

### **Guarantees given by Promoters offering its shares in the Offer for Sale**

Our Promoters are not participating in the Offer for Sale.

## OUR SUBSIDIARIES

*Ind AS 110 (Consolidated Financial Statements) requires all entities, including partnerships, which are controlled by an entity to be classified as its subsidiaries for the purposes of preparation and presentation of its consolidated financial statements. However, these entities have operated as and continue to operate under the joint venture model of development. Accordingly, their business activities are referred to as being under the joint venture model in this section of this Draft Red Herring Prospectus although all such entities are classified as subsidiaries and not joint ventures in the Restated Consolidated Financial Statements. For details, see “Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation”.*

As on the date of this Draft Red Herring Prospectus, our Company has the following Subsidiaries:

**(a) Subsidiaries under Companies Act, 2013:**

1. Puranik Buildcon Private Limited;
2. Puranik Buildwell Private Limited<sup>^</sup>;
3. Fortune Infracreators Private Limited;
4. SYNS Builders Private Limited;
5. Shree Riddhi Siddhi Vinayak Developers Private Limited<sup>^</sup>;
6. NRP Real Estates Private Limited<sup>#</sup>;
7. S.G.P Real Estates Private Limited;
8. SHP Real Estates Private Limited;
9. Y.G.P Realities Private Limited<sup>#</sup>;
10. Ekdant Constructions and Developers Private Limited;
11. Puranik Constructions Private Limited<sup>\*</sup>; and
12. Swapnadhara Project Private Limited<sup>\*</sup>.

**(b) Subsidiaries under Ind AS 110 (applicable accounting standard)<sup>§</sup>:**

1. Annapurna Lifespaces LLP;
2. Sai Pushp Enterprises;
3. Sai Shiva Infra Developers;
4. Kaushalya Real Estates;
5. Puraniks Supreme Enterprises;
6. Puranik Megatowns; and
7. Sai Shraddha Developers.

*\*Note: Our Company does not have any direct or indirect holding in this company. Although this company has been consolidated as per Ind AS 110, our Company exercises control over it through its directors and their relatives (entities controlled by directors or relatives of directors)*

*<sup>^</sup>Pursuant to a scheme of amalgamation presently pending before the NCLT Mumbai Bench, these entities are in the process of being amalgamated into our Company. The final order from the NCLT Mumbai Bench in this regard, is awaited. For further details please see “History and Certain Corporate Matters” on page 171.*

*<sup>#</sup>Presently in the process of strike-off. The final order from the RoC in this respect, is awaited.*

*<sup>§</sup>Maitrey Builders & Developers (“Maitrey”) was dissolved and ceased to exist as a subsidiary w.e.f. December 1, 2020.*

### Details regarding our Subsidiaries

Unless stated otherwise, the details in relation to our Subsidiaries, provided below, are as on the date of this Draft Red Herring Prospectus:

#### 1. Puranik Buildcon Private Limited (“Puranik Buildcon”)

Puranik Buildcon is our Company’s material unlisted subsidiary, as defined under the SEBI Listing Regulations. For details of the common Independent Director appointed to the board of Puranik Buildcon, see “Our Management – Corporate Governance” on page 197.

*Corporate Information*



Puranik Buildcon was incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated April 30, 2007 issued by the RoC. Its CIN is U45400MH2007PTC170399 and its registered office is situated at PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West) - 400 615.

Puranik Buildcon is engaged in the business of construction and development of residential and commercial buildings as authorized under the objects clause of its memorandum of association.

#### *Capital Structure*

Particulars	Equity shares of face value of ₹10 each
Authorised capital	4,600,000
Issued, subscribed and paid-up capital	4,515,308

#### *Shareholding of our Company*

Our Company holds 4,515,308 equity shares of face value of ₹10 each of Puranik Buildcon (including one equity share held by Shailesh Puranik as a nominee of our Company), which is 100% of the total issued, subscribed and paid-up capital of Puranik Buildcon.

### **2. Puranik Buildwell Private Limited (“Puranik Buildwell”)**

#### *Corporate Information*

Puranik Buildwell was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated April 29, 2015 issued by the RoC. Its CIN is U45201MH2015PTC263927 and its registered office is situated at PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West)-400 615.

Puranik Buildwell is engaged in the business of construction and development of residential and commercial buildings as authorized under the objects clause of its memorandum of association. Pursuant to a scheme of amalgamation presently pending before the NCLT Mumbai Bench, Puranik Buildwell is in the process of being amalgamated into our Company. The appointed date for the scheme is April 1, 2020. The final order from the NCLT Mumbai Bench in this regard, is awaited. For further details please see “*History and Certain Corporate Matters- Mergers and Amalgamations*” on page 175.

#### *Capital Structure*

Particulars	Equity shares of face value of ₹10 each
Authorised capital	10,000
Issued, subscribed and paid-up capital	10,000

#### *Shareholding of our Company*

Our Company holds 10,000 equity shares of face value of ₹10 each of Puranik Buildwell (including one equity share held by Shailesh Puranik as a nominee of our Company), which is 100% of the total issued, subscribed and paid-up capital of Puranik Buildwell.

### **3. Fortune Infracreators Private Limited (“Fortune Infracreators”)**

#### *Corporate Information*

Fortune Infracreators was incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated July 3, 2012 issued by the RoC. Its CIN is U45400MH2012PTC232897 and its registered office is situated at PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West)-400 615.

Fortune Infracreators is engaged in the business of construction and development of residential and commercial buildings as authorized under the objects clause of its memorandum of association.

#### *Capital Structure*

Particulars	Equity shares of face value of ₹10 each
Authorised capital	50,000
Issued, subscribed and paid-up capital	10,000

#### *Shareholding of our Company*

Our Company holds 10,000 equity shares of face value of ₹10 each of Fortune Infracreators (including one equity share held by Shrikant Puranik as a nominee of our Company), which is 100% of the total issued, subscribed and paid-up capital of Fortune Infracreators.

#### **4. SYNS Builders Private Limited (“SYNS Limited”)**

##### *Corporate Information*

SYNS Limited was incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated April 5, 2011 issued by the RoC. Its CIN is U45201MH2011PTC215773 and its registered office is situated at PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West)-400 615.

SYNS Limited is engaged in the business of construction and development of residential and commercial buildings as authorized under the objects clause of its memorandum of association.

##### *Capital Structure*

Particulars	Equity shares of face value of ₹10 each
Authorised capital	10,000
Issued, subscribed and paid-up capital	10,000

#### *Shareholding of our Company*

Our Company 10,000 equity shares of face value of ₹10 each of SYNS Limited (including one equity share held by Shailesh Puranik as a nominee of our Company), which is 100% of the total issued, subscribed and paid-up capital of SYNS Limited.

#### **5. Shree Riddhi Siddhi Vinayak Developers Private Limited (“Riddhi Limited”)**

##### *Corporate Information*

Riddhi Limited was incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated October 3, 2003 issued by the RoC. Its CIN is U70101MH2003PTC142509 and its registered office is situated at PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West)-400 615.

Riddhi Limited is engaged in the business of construction and development of residential and commercial buildings as authorized under the objects clause of its memorandum of association. Pursuant to a scheme of amalgamation presently pending before the NCLT Mumbai Bench, Riddhi Limited is in the process of being amalgamated into our Company. The final order from the NCLT Mumbai Bench in this regard, is awaited. For further details please see “*History and Certain Corporate Matters- Mergers and Amalgamations*” on page [●].

##### *Capital Structure*

Particulars	Equity shares of face value of ₹10 each
Authorised capital	10,000
Issued, subscribed and paid-up capital	10,000

#### *Shareholding of our Company*

Our Company holds 10,000 equity shares of face value of ₹10 each of Riddhi Limited (including one equity share held by Shrikant Puranik as a nominee of our Company), which is 100% of the total issued, subscribed and paid-up capital of Riddhi Limited.

## 6. NRP Real Estates Private Limited (“NRP Limited”)

### Corporate Information

NRP Limited was incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated April 15, 2011 issued by the RoC. Its CIN is U45202MH2011PTC216339 and its registered office is situated at PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West)-400 615.

NRP Limited is engaged in the business of construction and development of residential and commercial buildings as authorized under the objects clause of its memorandum of association.

### Reasons for striking off

Due to the non-operational nature of NRP Limited, together with its deteriorating financial position, the board of directors, on September 30, 2020, and the shareholders, on October 30, 2020, authorised the removal of NRP Limited from the register of companies. Pursuant to the resolutions passed, an application for striking off the name was filed with the RoC on December 16, 2020. The final order from the RoC is pending.

### Capital Structure

Particulars	Equity shares of face value of ₹10 each
Authorised capital	10,000
Issued, subscribed and paid-up capital	10,000

### Shareholding of our Company

Our Company does not hold any equity shares of NRP Limited. However, SYNS Builders Private Limited, one of the Subsidiaries of our Company, holds 10,000 equity shares of face value of ₹10 each of NRP Limited (including one equity share held by Shailesh Puranik as a nominee of SYNS Builders Private Limited), which is 100% of the total issued, subscribed and paid-up capital of NRP Limited.

## 7. S.G.P Real Estates Private Limited (“SGP Limited”)

### Corporate Information

SGP Limited was incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated April 18, 2011 issued by the RoC. Its CIN is U45400MH2011PTC216374 and its registered office is situated at PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West) - 400 615.

SGP Limited is engaged in the business of construction and development of residential and commercial buildings as authorized under the objects clause of its memorandum of association.

### Capital Structure

Particulars	Equity shares of face value of ₹10 each
Authorised capital	10,000
Issued, subscribed and paid-up capital	10,000

### Shareholding of our Company

Our Company does not hold any equity shares of SGP Limited. However, SYNS Builders Private Limited, one of the Subsidiaries of our Company, holds 10,000 equity shares of face value of ₹10 each of SGP Limited (including one equity share held by Shailesh Puranik as a nominee of SYNS Builders Private Limited), which is 100% of the total issued, subscribed and paid-up capital of SGP Limited.

## 8. SHP Real Estates Private Limited (“SHP Limited”)

### Corporate Information

SHP Limited was incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated April 18, 2011 issued by the RoC. Its CIN is U45400MH2011PTC216387 and its registered office is situated at PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West)-400 615.

SHP Limited is engaged in the business of construction and development of residential and commercial buildings as authorized under the objects clause of its memorandum of association.

#### *Capital Structure*

<b>Particulars</b>	<b>Equity shares of face value of ₹10 each</b>
Authorised capital	10,000
Issued, subscribed and paid-up capital	10,000

#### *Shareholding of our Company*

Our Company does not hold any equity shares of SHP Limited. However, SYNS Builders Private Limited, one of the Subsidiaries of our Company, holds 10,000 equity shares of face value of ₹10 each of SHP Limited (including one equity share held by Shailesh Puranik as a nominee of SYNS Builders Private Limited), which is 100% of the total issued, subscribed and paid-up capital of SHP Limited.

### **9. Y.G.P Realities Private Limited (“YGP Limited”)**

#### *Corporate Information*

YGP Limited was incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated April 18, 2011 issued by the RoC. Its CIN is U45400MH2011PTC216390 and its registered office is situated at PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West)-400 615.

YGP Limited is engaged in the business of construction and development of residential and commercial buildings as authorized under the objects clause of its memorandum of association.

#### *Reasons for striking off*

Due to the non-operational nature of YGP Limited, together with its deteriorating financial position, its board of directors, on September 30, 2020, and the shareholders, on October 30, 2020, authorised the removal of YGP Limited from the register of companies. Pursuant to the resolutions passed, an application for striking off the name was filed with the RoC on December 16, 2020. The final order from the RoC is pending.

#### *Capital Structure*

<b>Particulars</b>	<b>Equity shares of face value of ₹10 each</b>
Authorised capital	10,000
Issued, subscribed and paid-up capital	10,000

#### *Shareholding of our Company*

Our Company does not hold any equity shares of YGP Limited. However, SYNS Builders Private Limited, one of the Subsidiaries of our Company, holds 10,000 equity shares of face value of ₹10 each of YGP Limited (including one equity share held by Shailesh Puranik as a nominee of SYNS Builders Private Limited), which is 100% of the total issued, subscribed and paid-up capital of YGP Limited.

### **10. Ekdant Constructions and Developers Private Limited (“Ekdant Limited”)**

#### *Corporate Information*

Ekdant Limited was incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated August 13, 2008 issued by the RoC. Its CIN is U45400MH2008PTC185817 and its registered office is situated at PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West)-400 615.

Ekdant Limited is engaged in the business of construction and development of residential and commercial buildings as authorized under the objects clause of its memorandum of association.

#### *Capital Structure*

Particulars	Equity shares of face value of ₹10 each
Authorised capital	30,000
Issued, subscribed and paid-up capital	30,000

#### *Shareholding of our Company*

Our Company does not hold any equity shares of Ekdant Limited. However, Fortune Infracreators Private Limited, one of the Subsidiaries of our Company, holds 30,000 equity shares of face value of ₹10 each of Ekdant Limited (including one equity share held by Shailesh Puranik as a nominee of Fortune Infracreators Private Limited), which is 100% of the total issued, subscribed and paid-up capital of Ekdant Limited.

### **11. Puranik Constructions Private Limited (“Puranik Constructions”)**

#### *Corporate Information*

Puranik Constructions was originally incorporated as ‘Puranik Hotels Private Limited’, a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated December 17, 1998 issued by the RoC. Subsequently, the name of Puranik Constructions was changed to its present name on June 7, 2002, pursuant to a fresh certificate of incorporation consequent upon change of name issued by the RoC. Its CIN is U55200MH1998PTC117512 and its registered office is situated at PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West)-400 615.

Puranik Constructions is engaged in the business of construction and development of residential and commercial buildings as authorized under the objects clause of its memorandum of association.

#### *Capital Structure*

Particulars	Equity shares of face value of ₹10 each
Authorised capital	10,000
Issued, subscribed and paid-up capital	10,000

#### *Shareholding Pattern*

Our Company does not hold any equity shares of Puranik Constructions. The shareholding pattern of Puranik Constructions as on date of this Draft Red Herring Prospectus is set out in the table below:

Sr. No.	Name of the shareholder	No. of equity shares (of face value of ₹10 each)	Percentage of shareholding (%)
1.	Gopal Puranik	800	8.00
2.	Shailesh Puranik	900	9.00
3.	Sulbha Puranik	800	8.00
4.	Trupti Puranik	800	8.00
5.	Shrikant Puranik	800	8.00
6.	Yogesh Puranik	800	8.00
7.	Varsha Puranik	600	6.00
8.	Rhujuta Puranik	600	6.00
9.	Govind Puranik	600	6.00
10.	Ravindra Puranik	800	8.00
11.	Sunanda Puranik	800	8.00
12.	Nilesh Puranik	900	9.00
13.	Namrata Puranik	800	8.00
<b>Total</b>		<b>10,000</b>	<b>100.00</b>

### **12. Swapnadhara Project Private Limited (“Swapnadhara Limited”)**

#### *Corporate Information*

Swapnadhara Limited was incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated December 17, 2002 issued by the RoC. Its CIN is U45200MH2002PTC138282 and its registered office is situated at PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West)-400 615.

Swapnadhara Limited is engaged in the business of construction and development of residential and commercial buildings as authorized under the objects clause of its memorandum of association.

#### *Capital Structure*

Particulars	Equity shares of face value of ₹10 each
Authorised capital	10,000
Issued, subscribed and paid-up capital	10,000

#### *Shareholding Pattern*

Our Company does not hold any equity shares of Swapnadhara Limited. The shareholding pattern of Swapnadhara Limited as on date of this Draft Red Herring Prospectus is set out in the table below:

Sr. No.	Name of the shareholder	No. of equity shares (of face value of ₹10 each)	Percentage of shareholding (%)
1.	Govind Puranik	3,334	33.34
2.	Trupti Puranik	3,333	33.33
3.	Namrata Puranik	3,333	33.33
<b>Total</b>		<b>10,000</b>	<b>100.00</b>

### **13. Annapurna Lifespaces LLP (“Annapurna”)**

#### *Corporate Information*

Annapurna, a limited liability partnership firm, was incorporated under the provisions of the Limited Liability Partnership Act, 2008 pursuant to a certificate of incorporation dated July 1, 2013 issued by the RoC and carrying its business in accordance with the terms of the agreement to the limited liability partnership dated July 2, 2013, modified by retirement cum reconstitution limited liability partnership deed dated January 13, 2014. Annapurna has been reconstituted and deemed to commence its business as a new firm in terms of the deed of retirement cum admission dated September 27, 2014. Its registration number is AAB-6180 and its registered office is situated at PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West) - 400 615.

Annapurna is engaged in the business operations as builders and developers by acquiring parcels of land and developing the land and selling the premises constructed thereon either on ownership basis or by grant of lease or leave and license as authorized under the objects clause of its limited liability partnership deed.

#### *Capital Contribution*

Annapurna has a fixed capital of ₹0.10 million, wherein ₹0.05 million is contributed by our Company and the remaining capital amount is contributed by the remaining partners in accordance with the profit/loss sharing ratio, as specified below, and thereafter as and when required in mutually agreed proportion.

#### *Partners*

The partners of Annapurna are:

1. Jagdish Khetwani;
2. Naresh Khetwani;
3. Suresh Mehta;
4. Manoj Khetwani;
5. Jayesh Malde;
6. Manoj Matlani;
7. Dhairya Shah;
8. Mahir Khetwani; and

## 9. Puranik Builders Limited

The designated partners of Annapurna are:

1. Puranik Builders Limited through Shailesh Puranik and Yogesh Puranik;
2. Jagdish Khetwani; and
3. Jayesh Malde

### *Profit/Loss Sharing Ratio*

<b>Name</b>	<b>Profit and loss sharing (%)</b>
Jagdish Khetwani	20.00
Naresh Khetwani	5.00
Suresh Mehta	5.00
Manoj Matlani	3.00
Manoj Khetwani	3.50
Jayesh Malde	6.00
Dhairya Shah	2.50
Mahir Khetwani	5.00
Puranik Builders Limited	50.00
<b>Total</b>	<b>100.00</b>

### *Interest of our Company*

Our Company shares 50% of the net profit and loss of Annapurna.

## 14. Sai Pushp Enterprises (“Sai Pushp”)

### *Corporate Information*

Sai Pushp, a partnership firm, was set up pursuant to the Deed of Partnership dated March 9, 2012. Sai Pushp has been reconstituted and deemed to commence its business as a new firm in terms of deed of retirement cum admission dated August 22, 2014. Its place of business is situated at PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West)-400 615.

Sai Pushp is engaged in the business operations as builders and developers by acquiring parcels of land and developing the land and selling the premises constructed thereon either on ownership basis or by grant of lease or leave and license as authorized under the partnership deed.

### *Capital Contribution*

Sai Pushp has a fixed capital of ₹0.10 million, wherein ₹0.05 million is contributed by our Company and the remaining capital amount is contributed by the remaining partners in accordance with the profit/loss sharing ratio, as specified below, and thereafter as and when required in mutually agreed proportion.

### *Partners*

The partners of Sai Pushp are:

1. Jagdish Khetwani;
2. Naresh Khetwani;
3. Suresh Mehta;
4. Manoj Khetwani;
5. Jayesh Malde;
6. Manoj Matlani;
7. Dhairya Shah;
8. Mahir Khetwani; and
9. Puranik Builders Limited

### *Profit/Loss Sharing Ratio*

<b>Name</b>	<b>Profit and loss sharing (%)</b>
Jagdish Khetwani	20.00
Naresh Khetwani	5.00
Suresh Mehta	5.00
Manoj Khetwani	3.50
Jayesh Malde	6.00
Manoj Matlani	3.00
Dhairya Shah	2.50
Mahir Khetwani	5.00
Puranik Builders Limited	50.00
<b>Total</b>	<b>100.00</b>

#### *Interest of our Company*

Our Company shares 50% of the net profit and loss of Sai Pushp.

### **15. Sai Shiva Infra Developers (“Sai Shiva”)**

#### *Corporate Information*

Sai Shiva, a partnership firm, was set up pursuant to the deed of partnership dated July 1, 2010. Sai Shiva was reconstituted in terms of deed of admission, retirement and reconstitution of partnership firm dated October 28, 2013, and subsequently in terms of deed of admission dated March 15, 2016, wherein Fortune Infracreators Private Limited became a partner of Sai Shiva. Sai Shiva thereafter reconstituted in terms of deed of retirement dated July 13, 2016, wherein Anita Mutha and Fortune Infracreators Private Limited continued to be the partners of Sai Shiva. The partners of Sai Shiva entered into a deed of rectification cum confirmation dated June 20, 2018 wherein, the partners of Sai Shiva confirmed the capital contribution by each partner in Sai Shiva. Its place of business is situated at PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West)-400 615.

Sai Shiva is engaged in the business of builders and developers of immovable property by acquiring parcels of land and developing the said land as may be agreed by all partners and selling the premises constructed thereon on either ownership basis or by grant of lease or leave and license as authorized under the partnership deed or as may be decided by all the partners from time to time.

#### *Capital contribution*

Sai Shiva has a combined capital of ₹0.03 million and each of the partners of Sai Shiva have contributed equally in the capital.

#### *Partners*

The partners of Sai Shiva are:

1. Anita Mutha; and
2. Fortune Infracreators Private Limited

#### *Profit/Loss Sharing Ratio*

<b>Name</b>	<b>Profit and loss sharing (%)</b>
Anita Mutha	50.00
Fortune Infracreators Private Limited	50.00
<b>Total</b>	<b>100.00</b>

#### *Interest of our Company*

Fortune Infracreators Private Limited, one of the Subsidiaries of our Company, shares 50% of the net profit and loss of Sai Shiva.

### **16. Kaushalya Real Estates (“Kaushalya”)**



### *Corporate Information*

Kaushalya, a partnership firm, was set up pursuant to the deed of partnership dated October 29, 2009. Its registered office is situated at 61, Sanskruti Prasad, Thane – 400 601.

Kaushalya is engaged in the business of operations as land developers and builders or any other business as authorized under its partnership deed or as may be mutually agreed upon.

### *Capital contribution*

Kaushalya has a combined capital of ₹0.05 million and shall be contributed by the partners, as and when required, as mutually agreed upon from time to time.

### *Partners*

The partners of Kaushalya are:

1. Puranik Builders Limited; and
2. Sandesh Ambre

### *Profit/Loss Sharing Ratio*

<b>Name</b>	<b>Profit and loss sharing (%)</b>
Puranik Builders Limited	99.00
Sandesh Ambre	1.00
<b>Total</b>	<b>100.00</b>

### *Interest of our Company*

Our Company shares 99% of the net profit and loss of Kaushalya.

## **17. Puraniks Supreme Enterprises (“Puranik Supreme”)**

### *Corporate Information*

Puranik Supreme, a partnership firm, was set up pursuant to the deed of partnership dated January 14, 2006. Puranik Supreme has been reconstituted in terms of deed of retirement dated July 13, 2007, wherein some of its partners namely, Sanjay Chowdhari, Suyash Patankar and Manjiri Puranik retired from Puranik Supreme and the rest of the partners namely, Gopal Puranik, Shailesh Puranik, Shrikant Puranik, Yogesh Puranik, Ravindra Puranik, Nilesh Puranik and our Company continued to be the partners of Puranik Supreme. The partners of Puranik Supreme entered into a deed of rectification cum confirmation dated June 8, 2018 wherein, the partners of Puranik Supreme confirmed the profit and loss sharing ratio and capital contribution by each partner in Puranik Supreme. Its place of business is situated at 21, Bhagyawruddhi, Naki Wadi, Behind Hotel Alok, Ambedkar Chowk, Thane - 400 601.

Puranik Supreme is engaged in the business operations as land developers and builders or any other business as authorized under the objects clause of partnership deed or as may be mutually agreed upon.

### *Capital contribution*

Puranik Supreme has a combined capital of ₹3.80 million and the partners of Puranik Supreme are contributing in the following manner:

<b>Name</b>	<b>Capital contribution (in ₹ million)</b>
Gopal Puranik	0.50
Nilesh Puranik	0.50
Ravindra Puranik	0.50
Shailesh Puranik	0.50
Shrikant Puranik	0.50
Yogesh Puranik	0.50
Puranik Builders Limited	0.80
<b>Total</b>	<b>3.80</b>

### *Partners*

The partners of Puranik Supreme are:

1. Gopal Puranik;
2. Nilesh Puranik;
3. Ravindra Puranik;
4. Shailesh Puranik;
5. Shrikant Puranik;
6. Yogesh Puranik; and
7. Puranik Builders Limited

### *Profit/Loss Sharing Ratio*

<b>Name</b>	<b>Profit and loss sharing (%)</b>
Gopal Puranik	14.00
Nilesh Puranik	14.00
Ravindra Puranik	14.00
Shailesh Puranik	14.00
Shrikant Puranik	14.00
Yogesh Puranik	14.00
Puranik Builders Limited	16.00
<b>Total</b>	<b>100.00</b>

### *Interest of our Company*

Our Company shares 16% of the net profit and loss of Puranik Supreme.

## **18. Puranik Megatowns**

### *Corporate Information*

Puranik Megatowns, a partnership firm, was set up pursuant to the deed of partnership dated January 5, 2013. Its place of business is situated at PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West)-400 615.

Puranik Megatowns is engaged in the business of developing and trading in agricultural and non-agricultural lands, plots and other kinds of real estates and to undertake construction of residential, commercial and industrial establishments and other trading as authorized under the partnership deed or as the partners may agree upon to do from time to time.

### *Capital contribution*

Puranik Megatowns has a combined capital of ₹0.05 million and shall be contributed by the partners in proportion to their respective profit/loss sharing ratio, as specified below, from time to time, and thereafter as and when required, as mutually agreed from time to time.

### *Partners*

The partners of Puranik Megatowns are:

1. Puranik Builders Limited; and
2. Shailesh Puranik

### *Profit/Loss Sharing Ratio*

<b>Name</b>	<b>Profit and loss sharing (%)</b>
Puranik Builders Limited	99.99
Shailesh Puranik	0.01
<b>Total</b>	<b>100.00</b>

### *Interest of our Company*

Our Company shares 99.99% of the net profit and loss of Puranik Megatowns.

### **19. Sai Shraddha Developers (“Sai Shraddha”)**

#### *Corporate Information*

Sai Shraddha, a partnership firm, was set up pursuant to the deed of partnership dated July 23, 2013. Sai Shraddha was reconstituted and deemed to commence its business as a new firm in terms of deed of retirement cum admission dated September 3, 2014, wherein Jayantilal Sanghavi retired from the partnership of Sai Shraddha and Mahir Khetwani and our Company were admitted into the partnership of Sai Shraddha. The partners of Sai Shraddha and Jayantilal Sanghavi entered into a deed of rectification dated November 4, 2016, to rectify and confirm the profit/loss sharing ratio of the partners of Sai Shraddha, as provided below. Its place of business is situated at PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West)-400 615.

Sai Shraddha is engaged in the business of builders and developers of immovable property by acquiring parcels of land and developing the land as may be agreed by all partners and selling the premises constructed thereon on either ownership basis or by grant of lease or leave and license as authorized under the partnership deed or any other manner as may be decided by all the partners from time to time.

#### *Capital Contribution*

Sai Shraddha has a fixed capital of ₹0.05 million, which shall be contributed by the partners in accordance with the profit/loss sharing ratio, as specified below, and thereafter as and when required in mutually agreed proportion.

#### *Partners*

The partners of Sai Shraddha are:

1. Jagdish Khetwani;
2. Naresh Khetwani;
3. Suresh Mehta;
4. Manoj Matlani;
5. Manoj Khetwani;
6. Jayesh Malde;
7. Dhairya Shah;
8. Mahir Khetwani; and
9. Puranik Builders Limited

#### *Profit/Loss Sharing Ratio*

<b>Name</b>	<b>Profit and loss sharing (%)</b>
Jagdish Khetwani	22.00
Naresh Khetwani	5.00
Suresh Mehta	5.00
Manoj Matlani	3.00
Manoj Khetwani	3.50
Jayesh Malde	6.00
Dhairya Shah	2.50
Mahir Khetwani	3.00
Puranik Builders Limited	50.00
<b>Total</b>	<b>100.00</b>

### *Interest of our Company*

Our Company shares 50% of the net profit and loss of Sai Shraddha.

### **Other details regarding our Subsidiaries**

### ***Common Pursuits***

All of our Subsidiaries are engaged in business activities similar to that of our Company. Our Subsidiaries have been incorporated/acquired to undertake various projects in line with our business strategies. Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they arise. For details of related business transactions between our Company and our Subsidiaries, see “*Related Party Transactions*” on page 175.

### ***Business interest between our Company and our Subsidiaries***

Except in the ordinary course of business and as stated in “*Our Business*” and “*Related Party Transactions*” on pages 132 and 217, respectively, none of our Subsidiaries have any business interest in our Company.

### ***Outstanding litigations***

For details regarding the outstanding litigations against our Subsidiaries, see “*Outstanding Litigation and Material Developments*” on page 302

## OUR MANAGEMENT

Subject to the provisions of the Companies Act, 2013 and our Articles of Association, the number of Directors on our Board shall not be less than three (3) and not more than 15, provided that our Company may appoint more than 15 Directors after passing a special resolution.

As on the date of this Draft Red Herring Prospectus, our Board comprises of eight (8) Directors, out of which four (4) are Independent Directors, including a woman Director. The Chairman of our Board is an Executive Director.

Our Board has been constituted in compliance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and in accordance with best practices in corporate governance. Our Board functions either as a full board, or through various committees constituted to oversee specific operational areas. The executive management of our Company provides the Board of Directors periodic reports on the performance of our Company.

### Board of Directors

The following table sets forth the details of our Board as on the date of filing of this Draft Red Herring Prospectus with SEBI:

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (in years)	Other directorships
<p><b>Shailesh Puranik</b></p> <p><i>Designation:</i> Chairman and Managing Director</p> <p><i>Date of birth:</i> July 1, 1970</p> <p><i>Address:</i> 171/172, Sharmishtha-2, 17th Floor, Tarangan, Cadbury Compound, Thane - 400 602</p> <p><i>Occupation:</i> Business</p> <p><i>Current term:</i> For a period of 5 years with effect from April 1, 2018 up to March 31, 2023</p> <p><i>Period of Directorship:</i> Director since May 8, 1990</p> <p><i>DIN:</i> 00097987</p>	51	<ol style="list-style-type: none"> <li>1. Fortune Infracreators Private Limited;</li> <li>2. Insta Sculpt Clinics Private Limited;</li> <li>3. Mahavatar Babaji Entertainment Private Limited;</li> <li>4. NRP Real Estates Private Limited*;</li> <li>5. Puranik Buildcon Private Limited;</li> <li>6. Puranik Buildwell Private Limited*;</li> <li>7. Puranik Constructions Private Limited;</li> <li>8. Puranik Homes Private Limited*;</li> <li>9. S.G.P Real Estates Private Limited;</li> <li>10. SHP Real Estates Private Limited;</li> <li>11. SYNS Builders Private Limited; and</li> <li>12. Y.G.P Realities Private Limited*.</li> </ol>
<p><b>Shrikant Puranik</b></p> <p><i>Designation:</i> Whole Time Director</p> <p><i>Date of birth:</i> August 20, 1964</p> <p><i>Address:</i> 142, Sharmishtha Tower, Tarangan Complex, Samata Nagar, Thane - 400 606</p> <p><i>Occupation:</i> Business</p> <p><i>Current term:</i> Liable to retire by rotation</p> <p><i>Period of directorship:</i> Director since May 8, 1990</p> <p><i>DIN:</i> 00098024</p>	57	<ol style="list-style-type: none"> <li>1. Fortune Infracreators Private Limited;</li> <li>2. NRP Real Estates Private Limited*;</li> <li>3. Puranik Buildcon Private Limited;</li> <li>4. Puranik Buildwell Private Limited*;</li> <li>5. Puranik Constructions Private Limited;</li> <li>6. S.G.P Real Estates Private Limited;</li> <li>7. SHP Real Estates Private Limited;</li> <li>8. SYNS Builders Private Limited; and</li> <li>9. Y.G.P Realities Private Limited*.</li> </ol>
<p><b>Yogesh Puranik</b></p> <p><i>Designation:</i> Whole Time Director</p> <p><i>Date of birth:</i> July 6, 1971</p> <p><i>Address:</i> 141, Sharmishtha, Tarangan Tower Co-Op Housing Society, Eastern Express Highway, Thane - 400 606</p>	50	<ol style="list-style-type: none"> <li>1. Fortune Infracreators Private Limited;</li> <li>2. NRP Real Estates Private Limited*;</li> <li>3. Puranik Buildcon Private Limited;</li> <li>4. Puranik Buildwell Private Limited*;</li> <li>5. Puranik Constructions Private Limited;</li> <li>6. S.G.P Real Estates Private Limited;</li> <li>7. SHP Real Estates Private Limited;</li> <li>8. SYNS Builders Private Limited; and</li> <li>9. Y.G.P Realities Private Limited*.</li> </ol>

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (in years)	Other directorships
<p><i>Occupation:</i> Business</p> <p><i>Current term:</i> Liable to retire by rotation</p> <p><i>Period of directorship:</i> Director since May 8, 1990</p> <p><i>DIN:</i> 00098063</p>		
<p><b>Nilesh Puranik</b></p> <p><i>Designation:</i> Whole Time Director</p> <p><i>Date of birth:</i> May 25, 1970</p> <p><i>Address:</i> 72, Sharmistha, Tarangan-II, Off Eastern Highway Nr Korum Mall, Samata Nagar, Thane-4006006, Maharashtra, India</p> <p><i>Occupation:</i> Business</p> <p><i>Current term:</i> Liable to retire by rotation</p> <p><i>Period of directorship:</i> Director since May 8, 1990</p> <p><i>DIN:</i> 00098105</p>	51	<ol style="list-style-type: none"> <li>1. Fortune Infracreators Private Limited;</li> <li>2. NRP Real Estates Private Limited*;</li> <li>3. Puranik Buildcon Private Limited;</li> <li>4. Puranik Buildwell Private Limited^;</li> <li>5. Puranik Constructions Private Limited;</li> <li>6. S.G.P Real Estates Private Limited;</li> <li>7. SHP Real Estates Private Limited;</li> <li>8. SYNS Builders Private Limited; and</li> <li>9. Y.G.P Realities Private Limited* .</li> </ol>
<p><b>Amol Shimpi</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> October 14, 1970</p> <p><i>Address:</i> 132, Sharmishtha, Tarangan Towers, NR Korum Mall, Shahid Mangal Pandey Road, Thane-400 606</p> <p><i>Occupation:</i> Service</p> <p><i>Current term:</i> For a period of 5 years with effect from May 14, 2018 up to May 13, 2023</p> <p><i>Period of directorship:</i> Director since May 14, 2018</p> <p><i>DIN:</i> 00644431</p>	50	<ol style="list-style-type: none"> <li>1. Puranik Buildcon Private Limited;</li> <li>2. L S Raheja School of Architecture Alumniassociation</li> </ol>
<p><b>Satyendra J Sonar</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> September 1, 1965</p> <p><i>Address:</i> C-604, 6<sup>th</sup> Floor, Kanti Apartments, Mount Mary Road, Bandra (West), Mumbai-400 050</p> <p><i>Occupation:</i> Self-employed</p> <p><i>Current term:</i> For a period of 5 years with effect from May 14, 2018 up to May 13, 2023</p> <p><i>Period of directorship:</i> Director since May 14, 2018</p> <p><i>DIN:</i> 01268881</p>	56	<ol style="list-style-type: none"> <li>1. Matrix Corporate Solutions Limited</li> </ol>

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (in years)	Other directorships
<p><b>Sneha Khandekar</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> November 24, 1964</p> <p><i>Address:</i> A-8, Aparna Apartment, 78 S.V. Road, Irla Bridge, Andheri (West), Mumbai-400 058</p> <p><i>Occupation:</i> Self-employed</p> <p><i>Current term:</i> For a period of 5 years with effect from May 14, 2018 up to May 13, 2023</p> <p><i>Period of directorship:</i> Director since May 14, 2018</p> <p><i>DIN:</i> 06729350</p>	56	1. CSPACE Web Solutions Private Limited
<p><b>Manikandan Ramasamy</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> August 4, 1972</p> <p><i>Address:</i> 98, Prestige Oasis, Adde Vishwanathapura Road Rajanakunte, Behind Angasana Resort, Raj Anukunte, Bengaluru - 560 064</p> <p><i>Occupation:</i> Service</p> <p><i>Current term:</i> For a period of 5 years with effect from May 14, 2018 up to May 13, 2023</p> <p><i>Period of directorship:</i> Director since May 14, 2018</p> <p><i>DIN:</i> 08124188</p>	49	Nil.

\* Presently in the process of strike-off. The final order from the RoC in this respect, is awaited.

^ Pursuant to a scheme of amalgamation presently pending before the NCLT Mumbai Bench, this entity is in the process of being amalgamated into our Company. The final order from the NCLT Mumbai Bench in this regard, is awaited. For further details please see "History and Certain Corporate Matters- Mergers and Amalgamations" on page 171.

### Brief profiles of our Directors

**Shailesh Puranik**, the Chairman and Managing Director of our Company, holds a bachelor's degree in architecture from the University of Bombay. He has completed the postgraduate certificate course in management studies from Robert Kennedy College, University of Cumbria. He has been associated with our Company since its incorporation. He has been awarded the 'Best CEO of the Year' in 2015 award by Construction Times and 'Brand Builder of the Year' at Lokmat Corporate Excellence Awards by XRBIA-Building 100 Future Ready Cities on November 28, 2015. He has over 31 years of experience in various aspects of real estate business.

**Shrikant Puranik**, a Whole Time Director of our Company, has completed a certificate course of training in trade of building construction from Industrial Training Institute, Ambarnath, Thane. He has been associated with our Company since its incorporation. In the past, he has been associated with The Vivekanand Housing Corporation and has over 35 years of experience in various aspects of real estate business.

**Yogesh Puranik**, a Whole Time Director of our Company, holds a diploma in family-managed business administration from NMIMS University and a certificate of completion of the post graduate programme in management for senior executives from the Indian School of Business. He has been associated with our Company since its incorporation and has over 31 years of experience in various aspects of real estate business.

**Nilesh Puranik**, a Whole Time Director of our Company, holds a diploma in civil engineering from the Board of Technical Examinations, Maharashtra. He has been associated with our Company since its incorporation and has over 31 years of experience in various aspects of real estate business.

**Amol Shimpi**, an Independent Director of our Company, holds a master’s degree in financial management from the University of Mumbai, a post graduate diploma in planning, specialisation in urban and regional planning, from the Centre for Environmental Planning and Technology, Ahmedabad and a diploma in architecture from L.S. Raheja School of Architecture. He has been associated with our Company since May 14, 2018. In the past, he has been associated with Lavasa Corporation Limited and HCC Real Estate Limited and is currently the Associate Dean and Director School of Real Estate, Mumbai at RICS School of Built Environment, Mumbai. He has experience in real estate sector.

**Satyendra J Sonar**, an Independent Director of our Company, hold a bachelor’s degree of engineering in production from the University of Bombay. He has been associated with our Company since May 14, 2018. He has over 27 years of experience in fund raising, investment banking, providing management and financial advisory services.

**Sneha Khandekar**, an Independent Director of our Company, holds a master’s degree of social work from the University of Bombay. She has been associated with our Company since May 14, 2018. In the past, she has been affiliated with educational institutions and other organisations involved in social welfare activities. She has also been a member of various committees, constituted under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, of companies including but not limited to, Saregama India Limited and TATA Business Support Services Limited.

**Manikandan Ramasamy**, an Independent Director of our Company, holds a bachelor’s degree of science from the University of Madras and a master’s degree in business administration from Indira Gandhi National Open University. He has been associated with our Company since May 14, 2018. In the past, he has been associated with Hitech Software Private Limited, Mitec Software Private Limited, Index Computing Private Limited, ANZ Information Technology Private Limited, Infosys Technologies Limited, Philips India Limited, YouGoTag Technology Solutions Private Limited and Evaluationz India Private Limited and has experience in information technology.

#### **Relationship between our Directors**

Except, Yogesh Puranik and Shrikant Puranik, who are brothers and Shailesh Puranik and Nilesh Puranik, who are their cousins and each other’s, none of our other Directors are related to each other.

#### **Details of directorship in companies delisted**

Except as disclosed below, none of our Directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange:

Certain of our Directors, namely Shailesh Puranik, Shrikant Puranik, Yogesh Puranik, Nilesh Puranik and Amol Shimpi, are on the board of directors of one of our Subsidiaries, namely Puranik Buildcon Private Limited, which had issued 850 listed, senior, secured, redeemable, non-convertible debentures of face value of ₹1.00 million each (“**Buildcon NCDs**”). The Buildcon NCDs were listed on the BSE. Subsequently, Puranik Buildcon Private Limited redeemed the Buildcon NCDs on May 10, 2018, prior to its maturity date and surrendered the ISIN code to NSDL on May 15, 2018. Puranik Buildcon Private Limited had filed an application dated May 26, 2018 to BSE for delisting the Buildcon NCDs from BSE and BSE, vide a notice dated November 14, 2018, approved the delisting of the Buildcon NCDs with effect from November 15, 2018.

The term of Shailesh Puranik, Shrikant Puranik, Yogesh Puranik, Nilesh Puranik and Amol Shimpi on the board of Puranik Buildcon Private Limited is as follows:

<b>Sr. No.</b>	<b>Name of the director</b>	<b>Tenure of directorship</b>
1.	Shailesh Puranik	Liabile to retire by rotation
2.	Shrikant Puranik	Liabile to retire by rotation
3.	Yogesh Puranik	Liabile to retire by rotation
4.	Nilesh Puranik	Liabile to retire by rotation
5.	Amol Shimpi	May 30, 2018 to May 29, 2023



## Service contracts with Directors

Our Company has not entered into any service contract with our Directors which provides for benefits upon termination of directorship.

## Terms of appointment of our Executive Directors

### 1. Shailesh Puranik

Our Board of Directors in its meeting held on March 5, 2018 and our Shareholders in their extraordinary general meeting held on March 20, 2018 approved the re-appointment of Shailesh Puranik as the Chairman and Managing Director of our Company for a period of five (5) years with effect from April 1, 2018. The following table sets forth the terms of appointment:

Salary inclusive of all allowances and incentives	Up to ₹24 million per annum and shall be entitled to such increment from time to time as the board may by its discretion determine, applicable for three (3) years with effect from April 1, 2021.
Perquisites and allowances in addition to salary	Perquisites shall be evaluated as per income tax rules wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost.
Retirement benefits	Gratuity shall be payable in accordance with the rules of the Companies Act and gratuity rules. Earned leave on full pay and allowances shall be in accordance with the rules of our Company; leave accumulated leave shall be re-cashable of leave at the end of tenure, if any, and will not be included in the computation of the ceiling on perquisites.
Other benefits	Reimbursement of expenses shall be on actuals pertaining to electricity, gas, water, telephone and other reasonable expenses for the upkeep and maintenance, in respect of such accommodation.  Reimbursement of entertainment, travelling and all other expenses incurred for the business of our Company.  Medical expenses reimbursement for self and his family: Reimbursement of all expenses incurred for self and family at actuals (including domiciliary and medical expenses and insurance premium for medical and hospitalization policy, as applicable).
Minimum remuneration	The aggregate of the remuneration and perquisites as stated aforesaid, in any financial year, shall not exceed the limit set out under Sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 or any statutory modifications or re-enactments thereof for the time being in force, or otherwise as may be permissible at law.  Provided that where in any financial year, our Company has no profits or its profits are inadequate, our Company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to the Chairman and Managing Director as and by way of minimum remuneration, subject to the applicable provisions of Schedule V of the Companies Act, 2013 and the approval of the Central Government, if required, or any other approvals as may be required under law.

### 2. Shrikant Puranik

Our Board of Directors in its meeting held on March 5, 2018 and our Shareholders in their extraordinary general meeting held on March 20, 2018 approved the re-appointment of Shrikant Puranik as the Whole Time Director of our Company for a period of five (5) years with effect from April 1, 2018. The Board, with a view to distribute the cost of remuneration of the Executive Directors proportionately amongst the group, vide a resolution dated February 7, 2020, authorised that remuneration to Shrikant Puranik be paid by Fortune Infracreators Private Limited. Subsequently, the board of directors of Fortune Infracreators Private Limited vide a resolution dated July 31, 2020, amended the terms of appointment, including the remuneration payable, for Shrikant Puranik which was also approved by the shareholders of Fortune Infracreators Private Limited vide a resolution passed in their meeting held on July 31, 2020. The following table sets forth the terms of appointment of Shrikant Puranik:

Salary inclusive of all allowances and incentives	Up to ₹24 million per annum and shall be entitled to such increment from time to time as the board may by its discretion determine, applicable for three (3) financial years with effect from August 1, 2020 till March 31, 2023.
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Perquisites and allowances in addition to salary	Perquisites shall be evaluated as per income tax rules wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost.
Retirement benefits	Gratuity payable shall be in accordance with the rules of the Companies Act and gratuity rules. Earned leave on full pay and allowances as per the rules of the company, leave accumulated shall be encashable at the end of the tenure, if any, will not be included in the computation of the ceiling on perquisites.
Other benefits	Reimbursement of actuals expenses like vehicle, guest entertainment, travelling expenses, actually and properly incurred during the course of doing legitimate business of the company. Eligible for housing, education and medical loan and other loans or facilities as applicable in accordance with the rules of the company and in compliance with the provisions of the Companies Act.
Minimum remuneration	The aggregate of the remuneration and perquisites as aforesaid, in any financial year, shall not exceed the limit set out under Section 187 and 198 read with Schedule V and other applicable provisions of the Companies Act 2013 or any statutory modifications or re-enactments thereof for the time being in force, or otherwise as may be permissible at law.

### 3. Yogesh Puranik

Our Board of Directors in its meeting held on March 5, 2018 and our Shareholders in their extraordinary general meeting held on March 20, 2018 approved the re-appointment of Yogesh Puranik as the Whole Time Director of our Company for a period of five (5) years with effect from April 1, 2018. The Board, with a view to distribute the cost of remuneration of the Executive Directors proportionately amongst the group, vide a resolution dated February 7, 2020, authorised that remuneration to Yogesh Puranik be paid by Puranik Buildcon Private Limited. Subsequently, the board of directors of Puranik Buildcon Private Limited vide a resolution dated July 31, 2020, amended the terms of appointment, including the remuneration payable, for Yogesh Puranik which was also approved by the shareholders of Puranik Buildcon Private Limited vide a resolution passed in their meeting held on July 31, 2020. The following table sets forth the terms of appointment of Yogesh Puranik:

Salary inclusive of all allowances and incentives	Up to ₹24 million per annum and shall be entitled to such increment from time to time as the board may by its discretion determine, applicable for three (3) financial years with effect from August 1, 2020 till March 31, 2023.
Perquisites and allowances in addition to salary	Perquisites shall be evaluated as per income tax rules wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost.
Retirement benefits	Gratuity shall be payable in accordance with the rules of the Companies Act and gratuity rules. Earned leave on full pay and allowances as per the rules of the company, leave accumulated shall be encashable at the end of tenure, if any, and will not be included in the computation of the ceiling on perquisites.
Other benefits	The Director shall be entitled to reimbursement of actual expenses like vehicle, guest entertainment, travelling expenses actually and properly incurred during the course of doing legitimate business of the company. The appointee shall be eligible for housing, education and medical loan and other loans or facilities as applicable in accordance with the rules of the Company and in compliance with the provisions of Companies Act.
Minimum remuneration	The aggregate of the remuneration and perquisites as aforesaid, in any financial year, shall not exceed the limit set out under Sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 or any statutory modifications or re-enactments thereof for the time being in force, or otherwise as may be permissible at law.

### 4. Nilesh Puranik

Our Board of Directors in its meeting held on March 5, 2018 and our Shareholders in their extraordinary general meeting held on March 20, 2018 approved the re-appointment of Nilesh Puranik as the Whole Time Director of our Company for a period of five (5) years with effect from April 1, 2018. The Board, with a view to distribute the cost of remuneration of the Executive Directors proportionately amongst the group, vide a resolution dated February 7, 2020, authorised that remuneration to Nilesh Puranik be paid by Sai Pushp Enterprises. Subsequently, Sai Pushp Enterprises amended the terms of reference, including the remuneration payable, for Nilesh Puranik vide its letter dated July 31, 2020. The following table sets forth the terms of appointment of Nilesh Puranik:

Salary inclusive of all allowances and incentives	Up to ₹24 million per annum and shall be entitled to such increment from time to time as the firm may by its discretion determine, applicable for three (3) financial years with effect from August 1, 2020 till March 31, 2023.
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Perquisites and allowances in addition to salary	Perquisites shall be evaluated as per income tax rules wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost.
Retirement benefits	Gratuity payable shall be in accordance with gratuity rules. Earned Leave on full pay and allowances as per the rules of the firm, leave accumulated shall be encashable at the end of the tenure, if any, will not be included in the computation of the ceiling on perquisites.
Other benefits	Reimbursement of actual expenses like vehicle, guest entertainment, travelling expenses actually and properly incurred during the course of doing legitimate business of the firm. Eligible for housing, education, medical loan and other loans or facilities as applicable in accordance with the rules of the company and in compliance with the relevant act.

### Remuneration of our Directors from our Company

#### (a) Executive Directors

The following table sets forth the details of the remuneration paid by our Company to our Executive Directors for the Fiscal 2021:

Sr. No.	Name of the Executive Director	Remuneration (in ₹ million)
1.	Shailesh Puranik	4.91
2.	Shrikant Puranik	0.77
3.	Yogesh Puranik	0.77
4.	Nilesh Puranik	0.77

#### (b) Independent Directors

Pursuant to a resolution of the Board dated October 3, 2019, our Independent Directors are entitled to receive sitting fees of ₹20,000 for attending each meeting of our Board and ₹10,000 for attending the meetings of committees constituted of the Board.

The following table sets forth the details of the sitting fees paid by our Company to our Independent Directors for the Fiscal 2021:

Sr. No.	Name of the Independent Director	Sitting Fees (in ₹ million)
1.	Amol Shimpi	0.17
2.	Satyendra J Sonar	0.10
3.	Sneha Khandekar	0.11
4.	Manikandan Ramasamy	0.13

### Remuneration of our Directors from our Subsidiaries

Except as disclosed below, no remuneration has been paid to our Directors by any of our Subsidiaries in Fiscal 2021:

Sr. No.	Name of Director	Name of Subsidiary	Total remuneration (in ₹ million)
1.	Amol Shimpi	Puranik Buildcon Private Limited	0.02
2.	Nilesh Puranik	Sai Pushp Enterprises	4.14
3.	Yogesh Puranik	Puranik Buildcon Private Limited	4.14
4.	Shrikant Puranik	Fortune Infracreators Private Limited	4.14

### Shareholding of our Directors in our Company

Our Articles do not require our Directors to hold any qualification shares.

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, none of our Directors hold any Equity Shares in our Company:

Sr. No.	Name of the Director	No. of Equity Shares held
1.	Shailesh Puranik	6,376,270
2.	Shrikant Puranik	2,941,277
3.	Yogesh Puranik	2,940,775
4.	Nilesh Puranik	6,267,356

### **Borrowing Powers**

In accordance with our Articles of Association and subject to the provisions of the Companies Act, 2013, and pursuant to a resolution of the Shareholders of our Company passed in their extraordinary general meeting held on May 14, 2018, in accordance with Section 180 of the Companies Act, 2013, our Board is authorised to borrow such sums of money from time to time, with or without security, on such terms and conditions as it may consider fit notwithstanding that the amount to be borrowed together with the amount already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) exceeds the aggregate of the paid up capital and free reserves of our Company provided that the total amount borrowed by the Board and outstanding at any point of time shall not exceed ₹25,000 million.

### **Interest of Directors**

All our Directors, including Independent Directors, may be deemed to be interested to the extent of fees and commission, if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration, commission and reimbursement of expenses payable to them.

The Directors, including Independent Directors, may also be regarded as interested in Equity Shares held by them, if any, or that may be subscribed by and allotted to their relatives, or the entities with which they are associated as promoters, directors, partners, proprietors or trustees or to the companies, firms and trust, in which they are interested as directors, promoters, members, partners and trustees, pursuant to the Issue and to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.

The Directors may also be regarded as interested in the securities, if any, held by them in the Subsidiaries, and also to the extent of any dividend payable to them and other distributions in respect of such securities and the securities of the Subsidiaries that may be subscribed by or allotted to them or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters. Certain of our Directors may also be regarded to be interested to the extent of fees and commission, if any, payable to them for attending meetings of the board of directors or a committee thereof of the Subsidiaries as well as to the extent of other remuneration, commission and reimbursement of expenses payable to them by our Subsidiaries.

The Directors may also be regarded as interested in the Subsidiaries of our Company (which are entities formed under the Indian Partnership Act, 1932 or The Limited Liability Partnership Act, 2008, each as amended), to the extent of capital contribution or having certain share in the profit/loss sharing ratio of such Subsidiaries, and/or to the extent of being partners or designated partners of such Subsidiaries as the case may be, and/or any other related benefits.

Certain of our Directors may be deemed to be interested in the contracts, transactions, agreements or arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firm in which they are partners as declared in their respective capacity.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which our Directors may be members, in cash or shares or otherwise, by any person either to induce her/him to become, or to qualify her/him as a director or otherwise for services rendered by her/him or by such firm or company, in connection with the promotion or formation of our Company.

Certain of our Directors, namely Shailesh Puranik, Shrikant Puranik, Yogesh Puranik and Nilesh Puranik, are also acting as trustees to Puranik Business Trust and Puranik Family Trust. For further details, see "*Our Promoters and Promoter Group*" on page 209.

Other than certain of our Group Companies, Subsidiaries and members of Promoter Group, none of our Directors have any interest in any venture that is involved in activities similar to those conducted by our Company.

*Interest of Directors in the promotion and formation of our Company*

As on the date of this Draft Red Herring Prospectus, except for Shailesh Puranik, Shrikant Puranik, Yogesh Puranik, Nilesh Puranik, none of our other Directors are interested in the promotion of our Company. For further details, see “*Our Promoters and Promoter Group*” on page 209.

### **Changes to the Board in the last three years**

There is no change in the Board in the last three years from the date of Draft Red Herring Prospectus.

### **Corporate Governance**

The provisions relating to corporate governance prescribed under the SEBI Listing Regulations will be applicable to us immediately upon listing of the Equity Shares on the Stock Exchanges. We are in compliance with the requirements of applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and the SEBI ICDR Regulations, in respect of corporate governance including constitution of the Board and committees thereof.

Further, in compliance with the SEBI Listing Regulations, Amol Shimpi, an Independent Director on the Board of our Company has been appointed as an independent director on the board of directors of Puranik Buildcon Private Limited, a material unlisted Subsidiary of our Company.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act, 2013.

### ***Committees of the Board***

In addition to the committees of our Board detailed below, our Board may, from time to time, constitute other committees for various functions.

- (i) Audit Committee;
- (ii) Nomination and Remuneration Committee;
- (iii) Stakeholders’ Relationship Committee;
- (iv) Corporate Social Responsibility Committee;
- (v) Risk Management Committee; and
- (vi) IPO Committee

#### ***(i) Audit Committee***

The members of the Audit Committee are:

<b>Name of Director</b>	<b>Position in the Committee</b>	<b>Designation</b>
Satyendra J Sonar	Chairman	Independent Director
Manikandan Ramasamy	Member	Independent Director
Amol Shimpi	Member	Independent Director
Shailesh Puranik	Member	Chairman and Managing Director

The Audit Committee was constituted by a meeting of the Board held on May 31, 2018. The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The terms of reference of the Audit Committee are as follows:

#### **A. Powers of Audit Committee**

The Audit Committee shall have powers, including the following:

- (1) to investigate any activity within its terms of reference
- (2) to seek information from any employee
- (3) to obtain outside legal or other professional advice; and

- (4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and
- (5) such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

### **Role of Audit Committee**

The role of the Audit Committee shall include the following:

- (1) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
- (2) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) formulation of a policy on related party transactions, which shall include materiality of related party transactions;
- (5) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
- (6) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - 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; and
  - g. Modified opinion(s) in the draft audit report.
- (7) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- (8) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (9) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (10) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed

***Explanation:*** The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.

- (11) scrutiny of inter-corporate loans and investments;

- (12) valuation of undertakings or assets of the Company, wherever it is necessary;
- (13) evaluation of internal financial controls and risk management systems;
- (14) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (15) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (16) discussion with internal auditors of any significant findings and follow up there on;
- (17) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (18) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (19) recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
- (20) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (21) reviewing the functioning of the whistle blower mechanism;
- (22) monitoring the end use of funds raised through public offers and related matters;
- (23) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
- (24) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (25) reviewing the utilization of loans and/or advances from / investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing;
- (26) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders. and
- (27) carrying out any other functions required to be carried out by the Audit Committee as contained in the Companies Act, SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The Audit Committee shall mandatorily review the following information:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses;

- e) The appointment, removal and terms of remuneration of the chief internal auditor;
- f) Statement of deviations in terms of the SEBI Listing Regulations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations; and
  - b. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.
- g) review the financial statements, in particular, the investments made by any unlisted subsidiary.

(ii) ***Nomination and Remuneration Committee***

The members of the Nomination and Remuneration Committee are:

Name of Director	Position in the Committee	Designation
Sneha Khandekar	Chairman	Independent Director
Amol Shimpi	Member	Independent Director
Manikandan Ramasamy	Member	Independent Director

The Nomination and Remuneration Committee was constituted by a meeting of the Board held on May 31, 2018. The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. The terms of reference of the Nomination and Remuneration Committee are as follows:

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the “**Board**” or “**Board of Directors**”) a policy relating to the remuneration of the directors, key managerial personnel and other employees (“**Remuneration Policy**”).

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
  - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.
- (2) Formulation of criteria for evaluation of independent directors and the Board;
  - (3) Devising a policy on Board diversity;
  - (4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director’s performance (including independent director);
  - (5) Analysing, monitoring and reviewing various human resource and compensation matters;
  - (6) Deciding 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) Determining the Company’s policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;



- (8) Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;
- (9) Reviewing and approving the Company's compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- (10) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, if applicable and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021;
- (11) Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
  - (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
- (12) Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act to the extent notified and effective, as amended or by the SEBI Listing Regulations, as amended or by any other applicable law or regulatory authority.

**(iii) Stakeholders' Relationship Committee**

The members of the Stakeholders' Relationship Committee are:

<b>Name of Director</b>	<b>Position in the Committee</b>	<b>Designation</b>
Sneha Khandekar	Chairman	Independent Director
Shrikant Puranik	Member	Whole Time Director
Shailesh Puranik	Member	Chairman and Managing Director

The Stakeholders' Relationship Committee was constituted by a meeting of the Board held on May 31, 2018. The scope and functions of the Stakeholders' Relationship Committee are in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The terms of reference of the Stakeholders' Relationship Committee are as follows:

- (1) To specifically look into various aspects of interests of shareholders, debentures holders and other security holders;
- (2) Resolving the grievances of the security holders of the listed entity including complaints related to transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, non-receipt of annual report or balance sheet, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
- (3) review of measures taken for effective exercise of voting rights by shareholders;
- (4) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- (5) Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- (6) review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;

- (7) review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
- (8) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

(iv) **Corporate Social Responsibility Committee**

The members of the Corporate Social Responsibility Committee are:

Name of Director	Position in the Committee	Designation
Nilesh Puranik	Chairman	Whole Time Director
Shailesh Puranik	Member	Chairman and Managing Director
Manikandan Ramasamy	Member	Independent Director

The Corporate Social Responsibility Committee was constituted by a meeting of the Board held on July 13, 2015 and was re-constituted by a meeting of the Board held on May 31, 2018. The scope and functions of the Corporate Social Responsibility Committee of our Company are in accordance with Section 135 of the Companies Act, 2013 and the applicable rules thereunder, and have been set out below:

- (i) 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;
- (ii) identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- (iii) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programs undertaken by the Company;
- (iv) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- (v) 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;
- (vi) 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
- (vii) 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.

(v) **Risk Management Committee**

The members of the Risk Management Committee are:

Name of Director	Position in the Committee	Designation
Satyendra J Sonar	Chairman	Independent Director
Sneha Khandekar	Member	Independent Director
Yogesh Puranik	Member	Whole Time Director

The Risk Management Committee was constituted by a meeting of the Board held on May 31, 2018. The scope and functions of the Risk Management Committee are in accordance with Regulation 21 of the SEBI Listing Regulations. The terms of reference of the Stakeholders’ Relationship Committee are as follows:

1. To formulate a detailed risk management policy which shall include:

- a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee.
  - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c. Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
  3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
  4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
  5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
  6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee ; and
  7. Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.”

(vi) *IPO Committee*

The members of the IPO Committee are:

Name of Director	Position in the Committee	Designation
Shailesh Puranik	Chairman	Chairman and Managing Directors
Shrikant Puranik	Member	Whole Time Director
Nilesh Puranik	Member	Whole Time Director

The IPO Committee was constituted by a meeting of the Board held on September 7, 2021. The terms of reference of the IPO Committee are as follows:

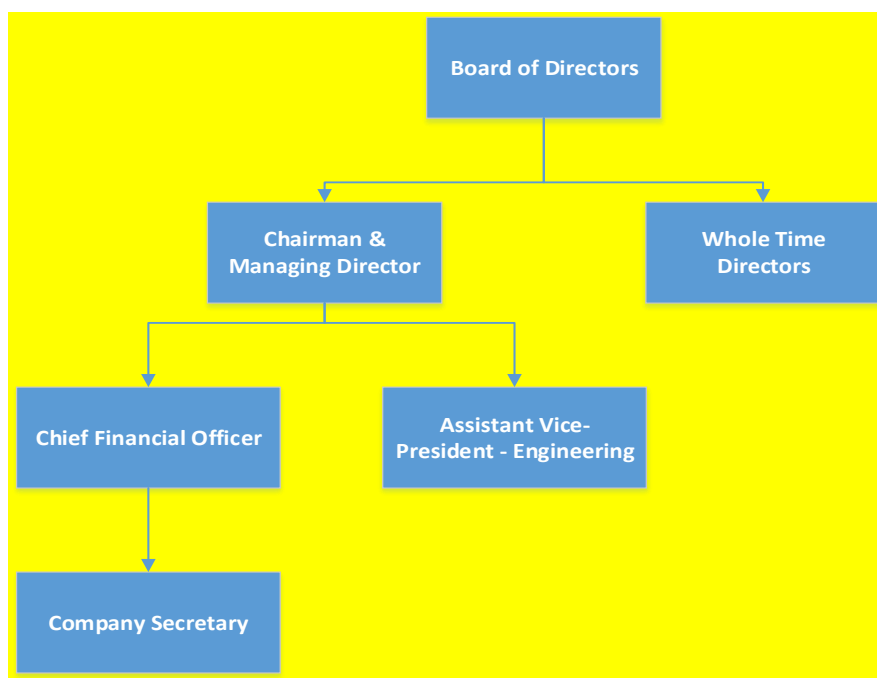
- (1) To decide, negotiate and finalise the pricing, the terms of the issue of the Equity Shares and all other related matters regarding the Pre-IPO Placement, if any, including the execution of the relevant documents with the investors, in consultation with the book running lead managers appointed in relation to the Offer (“**BRLMs**”)
- (2) to decide in consultation with the BRLMs the actual size of the Offer and taking on record the number of equity shares, having face value of ₹ 10 per equity share (the “**Equity Shares**”), and/or reservation on a competitive basis, 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, allocation/allotment to eligible persons pursuant to the Offer, including any anchor investors, and to accept any amendments, modifications, variations or alterations thereto
- (3) to appoint, instruct and enter into agreements with the BRLMs, and in consultation with BRLMs appoint and enter into agreements with intermediaries, co-managers, underwriters, syndicate members, brokers, escrow collection bankers, auditors, independent chartered accountants, refund bankers, registrar, grading agency, monitoring agency, industry expert, legal counsels, 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 mandate letters and offer agreement with the BRLMs, and the underwriting agreement with the underwriters, and to terminate agreements or arrangements with such intermediaries
- (4) to make any alteration, addition or variation in relation to the Offer, in consultation with the BRLMs or SEBI or such other authorities as may be required, and without prejudice to the generality of the aforesaid, deciding the exact Offer structure and the exact component of issue of Equity Shares.

- (5) to finalise, settle, approve, adopt and arrange for submission of the draft red herring prospectus (“**DRHP**”), the red herring prospectus (“**RHP**”), the Prospectus, the preliminary and final international wrap and 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 (“**Stock Exchanges**”), the Registrar of Companies, Maharashtra at Mumbai (“**Registrar of Companies**”), institutions or bodies
- (6) to invite the existing shareholders of the Company to participate in the Offer to offer for sale the Equity Shares held by them at the same price as in the Offer
- (7) To take all actions as may be necessary and authorised in connection with the offer for sale and to approve and take on record the approval of the selling shareholder(s) for offering their Equity Shares in the offer for sale and the transfer of Equity Shares in the offer for sale
- (8) 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
- (9) to decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any, and on permitting existing shareholders to sell any Equity Shares held by them
- (10) to open separate 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
- (11) 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
- (12) 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 the Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, as may be required in this connection, with power to authorise one or more officers of the Company to execute all or any such documents
- (13) to negotiate, finalise, sign, execute and deliver or arrange the delivery of the offer agreement, syndicate agreement, 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 counsel, auditors, Stock Exchanges, BRLMs 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
- (14) to make any applications, seek clarifications, obtain approvals and seek exemptions, if necessary, from the Stock Exchange, the Securities and Exchange Board of India (“**SEBI**”), the Reserve Bank of India (“**RBI**”), 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
- (15) 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
- (16) to determine and finalize, in consultation with the BRLMs, 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 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

- (17) 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
- (18) to approve the code of conduct, suitable insider trading policy, whistle blower/vigil mechanism policy, risk management policy and other corporate governance requirements considered necessary by the Board or the IPO Committee or as required under applicable law
- (19) to seek, if required, the consent and waivers of the parties with whom the Company has entered into various commercial and other agreements such as Company's lenders, 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
- (20) 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 BRLMs and/or any other advisors, and determine the discount, if any, proposed to be offered to eligible categories of investors
- (21) to settle all questions, difficulties or doubts that may arise in relation to the Offer, as it may in its absolute discretion deem fit
- (22) 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
- (23) to authorize and approve the incurring of expenditure and payment of fees, commissions, brokerage and remuneration in connection with the Offer
- (24) to withdraw the DRHP or RHP or to decide not to proceed with the Offer at any stage, in consultation with the BRLMs and in accordance with the SEBI ICDR Regulations and applicable laws
- (25) To determine the utilization of proceeds of the fresh issue, if applicable and accept and appropriate proceeds of such fresh issue in accordance with the Applicable Laws;
- (26) 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
- (27) 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 BRLMs (and other entities as appropriate), the underwriting agreement, the syndicate agreement with the BRLMs and syndicate members, 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 BRLMs 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 organisation chart



## Key Management Personnel

The following table sets forth the details of our Key Management Personnel, as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name	Designation
1.	Shailesh Puranik	Chairman and Managing Director
2.	Shrikant Puranik	Whole Time Director
3.	Yogesh Puranik	Whole Time Director
4.	Nilesh Puranik	Whole Time Director
5.	Suyash Bhise	Chief Financial Officer
6.	Ritu Baheti	Company Secretary and Compliance Officer
7.	Vinaysagar Donakanty	Assistant Vice President – Engineering

All of our Key Management Personnel are permanent employees of our Company.

## Brief profiles of our Key Management Personnel

For a brief profile of Shailesh Puranik, Shrikant Puranik, Yogesh Puranik and Nilesh Puranik, our Chairman and Managing Director and our Whole Time Directors, see “-*Brief Profiles of our Directors*” on page 191.

The details of our other Key Management Personnel as on the date of this Draft Red Herring Prospectus are as follows:

**Suyash Bhise** is the Chief Financial Officer of our Company with effect from September 7, 2021. He holds a bachelor’s degree in Commerce from University of Mumbai and is a member of the Institute of Chartered Accountants of India. Prior to joining our Company, he was associated with Wonderchef Home Appliances Private Limited, Hinduja Realty Ventures Limited, Palladium Constructions Private Limited, Enercon (India) Limited, Inorbit Malls (India) Private Limited, Crompton Greaves Limited, Mahindra and Mahindra Limited, Reliance Energy Limited, J.D. Bhagchandani & Co., Chartered Accountants, The Saraswat Co-operative Bank Limited and Tata Teleservices Limited. Since he was appointed in Fiscal 2022, he did not receive any remuneration in Fiscal 2021.

**Ritu Baheti** is the Company Secretary and Compliance Officer of our Company. She joined our Company on April 1, 2015 as a ‘Manager-Company Secretary’ and was designated as the Company Secretary and Compliance

Officer of our Company on May 14, 2018, in accordance with the provisions of the Companies Act. She is responsible for the secretarial matters of our Company. She holds a bachelor's degree of commerce from the University of Pune, a master's degree in commerce from University of Pune and is a member of the Institute of Company Secretaries of India. Prior to joining our Company, she was associated with Jai Realty Ventures Limited, Sheth Developers Private Limited, Asian Markets Securities Private Limited, Jai Corp Limited and Raipur Treasure Island Private Limited and has experience in secretarial affairs. She has received a remuneration of ₹ 0.97 million in Fiscal 2021.

**Vinaysagar Donakanty** is the Assistant Vice President-Engineering, of our Company. He joined our Company on October 15, 2015 as a General Manager – Projects. He holds a bachelor's degree in civil engineering from V. J. Technical Institute, University of Bombay. Prior to joining our Company, he was associated with Bhasin Brothers Engineers and Contractors, City and Industrial Development Corporation of Maharashtra Limited, Tata Housing Development Company Limited, Omkar Realtors and Developers Private Limited, and K. Raheja Corporate Services Private Limited. He has received a remuneration of ₹ 0.98 million in Fiscal 2021.

#### **Relationship between Key Management Personnel**

Except as disclosed in “-*Relationship between our Directors*” on page 192, none of our other Key Management Personnel are related to each other.

#### **Family relationships of Directors with Key Management Personnel**

Except as disclosed in “-*Relationship between our Directors*” on page 192, there are no family relationships between any of our Directors and any of our Key Management Personnel.

#### **Shareholding of the Key Management Personnel**

Except as disclosed in “-*Shareholding of our Directors in our Company*” on page 195, none of our other Key Management Personnel hold any Equity Shares in our Company:

#### **Interest of our Key Management Personnel**

The Key Management Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service.

The Key Management Personnel may also be deemed to be interested in the Equity Shares, if any, held by them, and dividend payable to them and other distributions in respect of Equity Shares held by them, if any. Further, certain of our Key Management Personnel, except our Chairman and Managing Director and our Whole Time Directors, may be regarded as interested to the extent of any options that may be granted by our Company under the employee stock option plan instituted by our Company, such as ESOP 2018.

Further, our Key Management Personnel may be deemed to be interested to the extent as disclosed in “-*Interest of Directors*” on page 196.

#### **Changes in the Key Management Personnel in last three years**

The details of the changes in the Key Management Personnel of our Company in the last three years are as follows:

<b>Name</b>	<b>Designation</b>	<b>Date of change</b>	<b>Reason of change</b>
Suyash Bhise	Chief Financial Officer	September 7, 2021	Designated as a Key Management Personnel
Vikram Phatarpekar	Chief Financial Officer	May 10, 2021	Resignation
Vikram Phatarpekar	Chief Financial Officer	December 28, 2020	Designated as a Key Management Personnel
Vinaysagar Donakanty	Assistant Vice President – Engineering	December 28, 2020	Designated as a Key Management Personnel
Jitendra Mehta	Chief Financial Officer	September 11, 2020	Resignation
Harshad Hardikar	Chief Marketing Officer	October 8, 2020	Resignation
Amitabh Kumar	Senior Vice President-Engineering	June 30, 2020	Resignation

**Employee Stock Option Plan**

For details of the employee stock options plans of our Company, see “*Capital Structure – Employee Stock Option Plan*” on page 87.

**Payment or benefits to the Key Management Personnel (non-salary related)**

Except as disclosed in this section and in the sub-section titled “*Capital Structure – Employee Stock Option Plan*” on page 87 in relation to the employee stock option plans, no non-salary amount or benefit has been paid or given or is intended to be paid or given to any of our Company’s officers and Key Management Personnel within the two preceding years from the date of filing of this Draft Red Herring Prospectus, other than in the ordinary course of their employment.



## OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are Shailesh Puranik, Shrikant Puranik, Yogesh Puranik, Nilesh Puranik, Puranik Business Trust and Puranik Family Trust. As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 56,461,917 Equity Shares, i.e., 97.94% of the pre-Issue issued, subscribed, and paid-up Equity Share capital of our Company. For details, please see “*Capital Structure – Equity shareholding of our Promoters and Promoter Group*” on page 85.

Our Company confirms that the PAN, bank account number, and passport number of our individual Promoters and details of the PANs and bank account numbers of Puranik Business Trust and Puranik Family Trust will be submitted to the Stock Exchanges at the time of filing of the Draft Red Herring Prospectus with the Stock Exchanges.

### Details of our Promoters

#### *Individual Promoters*

#### 1. Shailesh Puranik



**Shailesh Puranik**, aged 51 years, is our Promoter, Chairman and the Managing Director

**Date of birth:** July 1, 1970

**Address:** 171/172, Sharmishtha-2, 17<sup>th</sup> Floor, Tarangan, Cadbury Compound, Thane - 400 602

**Permanent Account Number:** AASPP1054D

**Aadhar Card Number:** 239958765440

**Driving License:** MH0420110035048

For the complete profile of Shailesh Puranik along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see “*Our Management – Board of Directors*” on page 189.

#### 2. Shrikant Puranik



**Shrikant Puranik**, aged 57 years, is our Promoter and a Whole Time Director

**Date of birth:** August 20, 1964

**Address:** 142, Sharmishtha Tower, Tarangan Complex, Samata Nagar, Thane - 400 606

**Permanent Account Number:** AASPP1066D

**Aadhar Card Number:** 313461585653

**Driving License:** Not applicable.

For the complete profile of Shrikant Puranik along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see “*Our Management – Board of Directors*” on page 189.

### 3. Yogesh Puranik



**Yogesh Puranik**, aged 50 years, is our Promoter and a Whole Time Director

**Date of birth:** July 6, 1971

**Address:** 141, Sharmishtha, Tarangan Tower Co-Op Housing Society, Eastern Express Highway, Thane - 400 606

**Permanent Account Number:** AASPP1060F

**Aadhar Card Number:** 399989611456

**Driving License:** Not applicable.

For the complete profile of Yogesh Puranik along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see “*Our Management – Board of Directors*” on page 189.

### 4. Nilesh Puranik



**Nilesh Puranik**, aged 51 years, is our Promoter and a Whole Time Director

**Date of birth:** May 25, 1970

**Address:** 72, Sharmishtha, Tarangan-II, Off Eastern Highway Nr Korum Mall, Samata Nagar, Thane-4006006, Maharashtra, India

**Permanent Account Number:** AASPP1067C

**Aadhar Card Number:** 917502578308

**Driving License:** Not applicable.

For the complete profile of Nilesh Puranik along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see “*Our Management – Board of Directors*” on page 189.

#### *Other Promoters*

### 5. Puranik Business Private Trust (“*Puranik Business Trust*”)

#### *Corporate information and history*

Puranik Business Trust, a private and irrevocable trust, was constituted pursuant to a trust deed dated April 2, 2018 in accordance with the provisions of the Indian Trust Act, 1882. The principal place of office of Puranik Business Trust is PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West) - 400 615.

#### *Settlers of the Puranik Business Trust*

The settlers of the Puranik Business Trust are Gopal Puranik, Ravindra Puranik and Govind Puranik.

#### *Trustees of the Puranik Business Trust*

Shailesh Puranik, Shrikant Puranik, Yogesh Puranik and Nilesh Puranik are the trustees of Puranik Business Trust.

### *Beneficiaries of the Puranik Business Trust*

The beneficiaries of the Puranik Business Trust are Shailesh Puranik Family Private Trust, Shrikant Puranik Family Private Trust, Yogesh Puranik Family Private Trust, Nilesh Puranik Family Private Trust and SP Family Private Trust. The ultimate beneficiaries of Puranik Business Trust are Shailesh Puranik, Trupti Puranik, Atharva Puranik, Sulbha Puranik, Shrikant Puranik, Varsha Puranik, Akhil Puranik, Sudha Puranik, Nilesh Puranik, Namrata Puranik, Adhayan Puranik, Sunanda Puranik, Yogesh Puranik, Rhujuta Puranik, Deepak Puranik, Sudha Puranik and Manjiri Puranik.

### *Purpose of the Puranik Business Trust*

The purpose of the Puranik Business Trust is to hold, manage, maintain and administer the trust funds on behalf of the beneficiaries by investing such fund into, *inter alia*, real estate, jewellery, securities and financial instruments, as may be determined by the trustees of the Puranik Business Trust, for the benefit of the beneficiaries of the Puranik Business Trust. There have been no changes to the primary activities undertaken by the Puranik Business Trust.

### *Shareholder in our Company*

As on the date of this Draft Red Herring Prospectus, Puranik Business Trust (acting through its trustees, namely, Shailesh Puranik, Shrikant Puranik, Yogesh Puranik and Nilesh Puranik) holds 18,596,195 Equity Shares, constituting 32.26% of the issued, subscribed and paid-up Equity Share capital of our Company.

## **6. Puranik Family Private Trust (“Puranik Family Trust”)**

### *Corporate information and history*

Puranik Family Trust, a private and irrevocable trust, was constituted pursuant to a trust deed dated April 2, 2018 in accordance with the provisions of the Indian Trust Act, 1882. The principal place of office of Puranik Family Trust is PURANIK ONE, Near Kanchanpushpa Complex, Opposite Suraj Water Park, Kavesar, Ghodbunder Road, Thane (West)-400 615.

### *Settlers of the Puranik Family Trust*

The settlers of Puranik Family Trust are Gopal Puranik, Ravindra Puranik and Govind Puranik.

### *Trustees of Puranik Family Trust*

Shailesh Puranik, Shrikant Puranik, Yogesh Puranik and Nilesh Puranik are the trustees of Puranik Family Trust.

### *Beneficiaries of the Puranik Family Trust*

The beneficiaries of the Puranik Family Trust are Shailesh Puranik Family Private Trust, Shrikant Puranik Family Private Trust, Yogesh Puranik Family Private Trust, Nilesh Puranik Family Private Trust and SP Family Private Trust. The ultimate beneficiaries of Puranik Family Trust are Shailesh Puranik, Trupti Puranik, Atharva Puranik, Sulbha Puranik, Shrikant Puranik, Varsha Puranik, Akhil Puranik, Sudha Puranik, Nilesh Puranik, Namrata Puranik, Adhayan Puranik, Sunanda Puranik, Yogesh Puranik, Rhujuta Puranik, Deepak Puranik, Sudha Puranik and Manjiri Puranik.

### *Purpose of the Puranik Family Trust*

The purpose of the Puranik Family Trust is to hold, manage, maintain and administer the trust funds on behalf of the beneficiaries by investing such fund into, *inter alia*, real estate, jewellery, securities and financial instruments, as may be determined by the trustees of the Puranik Family Trust, for the benefit of the beneficiaries of the Puranik Family Trust. There have been no changes to the primary activities undertaken by the Puranik Family Trust.

### Shareholder in our Company

As on the date of this Draft Red Herring Prospectus, Puranik Family Trust (acting through its trustees, namely, Shailesh Puranik, Shrikant Puranik, Yogesh Puranik and Nilesh Puranik) holds 19,340,044 Equity Shares, constituting 33.55% of the issued, subscribed and paid-up Equity Share capital of our Company.

The ventures of our individual Promoters (other than our Company) are as mentioned below:

Name of Promoter	Ventures
Shailesh Puranik	1. Puranik Megatowns; 2. The Vivekanand Housing Organisation; 3. Puraniks Supreme Enterprises; 4. Tristar Exports (as a member of Shailesh Puranik HUF); and 5. Annapurna Lifespaces LLP (as a nominee of Puranik Builders Limited)
Shrikant Puranik	1. Puraniks Supreme Enterprises; 2. The Vivekanand Housing Organisation; and 3. Tristar Exports (as a member of Shrikant Puranik HUF)
Yogesh Puranik	1. Puraniks Supreme Enterprises; and 2. The Vivekanand Housing Corporation
Nilesh Puranik	1. The Vivekanand Housing Corporation; 2. Puraniks Supreme Enterprises; and 3. Tristar Exports (as a member of Nilesh Puranik HUF)

### Interests of our Promoters

Our Promoters are interested in our Company to the extent that they have promoted our Company, to the extent of their shareholding in our Company and the dividends payable, if any, and any other distributions in respect of the Equity Shares held by them. For details of Equity Shares held by our Promoters, see “*Capital Structure-Notes to Capital Structure*” on page 80. Further, certain of our Promoters are also interested in our Company as Managing Director and Whole Time Directors, for further details, see “*Our Management*” on page 189.

Except as mentioned in this section and sections titled “*Our Business*”, “*History and Certain Corporate Matters*”, “*Our Management*” and “*Related Party Transactions*” on pages 132, 171, 189 and 217, respectively, our Promoters do not have any other interest in our Company.

Except in the normal course of business and as stated in the “*Related Party Transactions*” on page 217, our Company has not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested, and no payments have been made to our Promoters in respect of the contracts, agreements or arrangements which are proposed to be made with it.

Certain of our Promoters, namely Shailesh Puranik, Shrikant Puranik, Yogesh Puranik and Nilesh Puranik, are also acting as trustees to Puranik Business Trust and Puranik Family Trust. For further details, see “*Our Promoters and Promoter Group - Puranik Business Private Trust*” and “*Our Promoters and Promoter Group - Puranik Family Private Trust*” on pages 210 and 211, respectively.

### Companies or firms with which our Promoters have disassociated in the last three years

Except as stated below, none of our Promoters have disassociated itself from any other company or firm in the three years preceding the date of this Draft Red Herring Prospectus.

Name of Promoter	Name of entity	Date of disassociation	Reason for disassociation
Shailesh Puranik	MnS Clinics Private Limited	January 28, 2020	Due to pre-occupation and personal commitments

### Experience of the Promoters in the business of our Company

Our individual Promoters, namely, Shailesh Puranik, Shrikant Puranik, Yogesh Puranik and Nilesh Puranik, have an experience of over 31 years, 35 years, 31 years and 31 years, respectively, in the business of our Company. Our Promoters are assisted by a qualified and experienced team to manage the operations of our Company. For

details in relation to the qualification and experience of our Promoters, see “*Our Management- Brief profiles of our Directors*” on page 191.

#### Other confirmations

- (a) Except as disclosed in “*Related Party Transactions*” on page 217, none of the beneficiaries of loans, advances and sundry debtors are related to the Promoters of our Company.
- (b) Other than in certain of our Group Companies, Subsidiaries, members of our Promoter Group, none of our Promoters have any interest in any venture that is involved in activities similar to those conducted by our Company.

#### Promoter Group

In addition to the Promoters named above and certain of our Subsidiaries, following are the individuals and entities that form a part of the Promoter Group:

##### (a) *Natural persons who are part of the Promoter Group*

Name of the Promoter	Name of the relative	Relationship with the Promoter
Shailesh Puranik	Sulbha Puranik	Mother
	Gopal Puranik	Father
	Trupti Puranik	Spouse
	Atharva Puranik	Son
	Shilpa Puranik	Sister
	Sheetal Puranik	Sister
	Pramodini Madhekar	Mother of spouse
	Arvind Madhekar	Father of spouse
Shrikant Puranik	Govind Puranik	Father
	Varsha Puranik	Spouse
	Akhil Puranik	Son
	Yogesh Puranik	Brother
	Deepa Potnis	Sister
	Vivek Bodas	Brother of spouse
	Vikas Bodas	Brother of spouse
Yogesh Puranik	Govind Puranik	Father
	Rhujuta Puranik	Spouse
	Deepak Puranik	Son
	Shrikant Puranik	Brother
	Deepa Potnis	Sister
Nilesh Puranik	Chandrashekhhar Naphade	Father of spouse
	Sunanda Puranik	Mother
	Ravindra Puranik	Father
	Namrata Puranik	Spouse
	Adhyan Puranik	Son
	Shwetambari Puranik	Sister
	Nilambari Puranik	Sister
	Smita Dhamankar	Mother of spouse
	Subhash Dhamankar	Father of spouse
Sanket Dhamankar	Brother of spouse	

##### *Entities forming part of the Promoter Group*

1. Elements;
2. Puranik Gopal Damodar HUF;
3. Puranik Govind Damodar HUF;
4. Insta Sculpt Clinics Private Limited;
5. Mahavatar Babaji Entertainment Private Limited;
6. Namrata Accounting Services;
7. Nilesh Ravindra Puranik HUF;
8. Nilesh Puranik Family Private Trust;

9. Prkalpan Services;
10. Puranik Homes Private Limited\*;
11. Puranik Family Property Private Trust;
12. Rachana Dhar Services;
13. Raikar Engineer;
14. Puranik Ravindra Damodar HUF;
15. Rhujuta Accounting Services;
16. Puranik Shailesh Gopal HUF;
17. Shailesh Puranik Family Private Trust;
18. Puranik Shrikant Govind HUF;
19. Shrikant Puranik Family Private Trust;
20. Shubham Advertising;
21. Studio Elements;
22. Studio Elements Designer LLP;
23. The Vivekanand Housing Corporation;
24. The Vivekanand Housing Organisation;
25. Tristar Exports;
26. Urja Solar;
27. Varsha Accounting Services;
28. Vastushilpa Associates;
29. Yogesh Govind Puranik HUF; and
30. Yogesh Puranik Family Private Trust.

*\* An application was filed with the RoC on December 4, 2020 to strike off the name from the register of companies. The final order from the RoC is pending.*

#### **Payment or benefits to our Promoters or Promoter Group in the last two years**

Except in the ordinary course of business and as stated in “*Related Party Transactions*” on page 217, there has been no payment or benefits by our Company to our Promoters and members of the 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 benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

#### **Material Guarantees**

Other than the guarantees provided by our Promoters in relation to certain of our loans as and when required, our Promoters have not given any material guarantees to any third parties with respect to the Equity Shares as on the date of this Draft Red Herring Prospectus. For details see, “*Financial Indebtedness*” and “*Restated Financial Statements – Notes to the Restated Financial Statements*” on pages 300 and 219

#### **Shareholding of the Promoter Group in our Company**

For details of shareholding of members of the Promoter Group as on the date of this Draft Red Herring Prospectus, see “*Capital Structure – Notes to Capital Structure*” on page 80.

## 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) with which there were related party transactions during the period for which financial statements have been included in this Draft Red Herring Prospectus, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the relevant issuer company.*

*For the purpose of identification of ‘Group Companies’, our Company has considered such companies to be ‘Group Companies’ which are disclosed as related parties in accordance with the applicable accounting standards and with whom the Company has had any transactions in the last three financial years and any stub period, in respect of which the Restated Consolidated Financial Statements (“**Relevant Period**”) are disclosed in this Draft Red Herring Prospectus, and other companies which are considered material by our Board in terms of the Materiality Policy.*

*Pursuant to the Materiality Policy adopted by the board in the meeting held on September 7, 2021 a company shall be considered material, if such company is (a) a member of the ‘Promoter Group’ and (b) has entered into one or more transactions with our Company during the last three completed financial years and any stub period (in respect of which, restated financial statements are included in this Draft Red Herring Prospectus), which cumulatively in value exceeds 5% of the total consolidated revenue of our Company for the last completed financial year, as per the Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus.*

*In accordance with the SEBI ICDR Regulations certain financial information in relation to our Group Companies for the previous three financial years, extracted from their respective audited financial statements (as applicable) are available at the respective websites indicated below. These are collectively referred to as the “**Group Company Financial Information**”.*

*Our Company is providing links to such websites solely to comply with the requirements specified under the SEBI ICDR Regulations.*

*None of our Company, the BRLMs or any of the Company’s or the BRLMs’ respective directors, employees, affiliates, associates, advisors, agents or representatives have verified the information available on the websites indicated below.*

As on the date of this Draft Red Herring Prospectus, following companies are the ‘Group Companies’ of our Company:

1. Puranik Homes Private Limited; and
2. MnS Clinics Private Limited.

Unless otherwise specified, all information in this section is as of the date of this Draft Red Herring Prospectus.

### **Details of our Group Companies**

The details of our Group Companies are provided below:

#### **1. Puranik Homes Private Limited (“Puranik Homes”)**

##### *Corporate Information*

Puranik Homes was incorporated at Mumbai as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated January 21, 2015 issued by the RoC. The registered office of Puranik Homes is situated at Puranik One, Near Kanchanpushpa Complex, Opp. Suraj Water Park, Kavesar, Ghodbunder Road, Thane 400615, Maharashtra, India.

##### *Reason for striking off*

Due to the non-operational nature and deteriorating financial position of Puranik Homes, the board of directors, on September 30, 2020, and shareholders, on November 16, 2020, authorised its removal from the register of

companies. Accordingly, an application was filed with the RoC on December 4, 2020 to strike off the name of Puranik Homes from the register of companies. The final order from the RoC is pending.

As required under the SEBI ICDR Regulations, Puranik Homes's financial information based on its standalone and consolidated audited financial statements for Fiscals 2021, 2020 and 2019 is available on the website of Puranik Homes at <https://www.puranikbuilders.com/investor-corner/financial-statements> .

## **2. MnS Clinics Private Limited (“MnS Limited”)**

### *Corporate Information*

MnS Limited was originally incorporated as ‘Slim Instant Technology Private Limited’ at Mumbai as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated April 29, 2009 issued by the RoC. Subsequently, the name of MnS Limited was changed to its present name pursuant to a fresh certificate of incorporation consequent upon change of name issued by the RoC on August 12, 2009. The registered office of Puranik Homes is situated at SMC Medical Centre, Link Corner Mall, Junction 24<sup>th</sup> & 33<sup>rd</sup> Off Linking Road, Behind KFC, Bandra (West) Mumbai 400050 Maharashtra, India.

MnS Limited is, *inter alia*, engaged in the business of operating healthcare centre, hospitals, nursing homes for providing slimming solutions primarily for ultrasound lipolysis and all other medical treatments regarded with fatty clusters and medical solutions connected with slimming treatments and to provide, encourage, initiate or promote facilities for the discovery, improvement or development of new methods of diagnosis, understanding and prevention and treatment of diseases.

As required under the SEBI ICDR Regulations, MnS Limited's financial information based on its standalone and consolidated audited financial statements for Fiscals 2021, 2020, and 2019 is available on the website of MnS Limited at <https://www.puranikbuilders.com/investor-corner/group-companies-financials>.

### **Litigation involving our Group Companies**

Our Group Companies are not party to any pending litigations which will have a material impact on our Company.

### **Common pursuits among the Group Companies with our Company**

Except Puranik Homes Private Limited, none of our Group Companies are engaged in business activities similar to that of our Company. Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they arise. For details of related business transactions between our Company and our Group Companies, see “*Related Party Transactions*” on page 217.

### **Related business transactions within the Group Companies and significance on the financial performance of our Company**

Except as stated in “*Related Party Transactions*” on page 217, our Company has not entered into any other related business transaction with any of our Group Companies.

### **Business interest of Group Companies**

Except as stated in “*Related Party Transactions*” on page 217, none of our Group Companies have any business interest in our Company.



## **RELATED PARTY TRANSACTIONS**

For details of the related party transactions, during the last three Fiscals and four month periods ended July 31, 2021, as per the requirements under the relevant accounting standards and as reported in the Restated Consolidated Financial Statements, see “*Financial Statements*”, beginning on page 219.

## DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. As on the date of this Draft Red Herring Prospectus, our Company does not have a formal dividend policy.

The dividend, if any, will depend on a number of factors, including but not limited to our earnings, capital requirements, contractual obligations, results of operations, financial condition, cash requirements, business prospects and any other financing arrangements, applicable legal restrictions and overall financial position of our Company. Our Board may also, from time to time, declare interim dividends from the profits of the Financial Year in which such interim dividend is sought to be declared.

In addition, our ability to pay dividends may be impacted by restrictive covenants under the loan or financing arrangements which our Company is currently availing of or may enter into to finance our fund requirements for our business activities. For further details, see “*Financial Indebtedness*” on page 300.

Our Company has not declared or paid any dividends during the last three Fiscals, and the period from April 1, 2021 until the date of this Draft Red Herring Prospectus, on the Equity Shares.

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Articles of Association and provisions of the SEBI Listing Regulations and other applicable laws.

The past trend in relation to our payment of dividends is not necessarily indicative of our dividend trend or dividend policy, if any, in the future, and there is no guarantee that any dividends will be declared or paid in the future. For details in relation to the risk involved, see “*Risk Factors*” on page 26.

**SECTION V – FINANCIAL INFORMATION**

**FINANCIAL STATEMENTS**

<b>Sr. No.</b>	<b>Financial Statements</b>
1.	Examination report on the Restated Consolidated Financial Statements
2.	Restated Consolidated Financial Statements

## INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors

Puranik Builders Limited  
Puranik One, KanchanPushpa,  
Ghodbunder Road, Kavesar,  
Thane (West) - 400615  
Maharashtra

Dear Sirs,

1. We have examined the attached Restated Consolidated Ind AS Financial Information of Puranik Builders Limited (the "Company" or the "Issuer") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), which comprises of the Restated Consolidated Ind AS Summary Statement of Assets and Liabilities as at July 31, 2021, July 31, 2020, March 31, 2021, March 31, 2020 and March 31, 2019, the Restated Consolidated Ind AS Summary Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Ind AS Statement of Changes in Equity and the Restated Consolidated Ind AS Summary Statement of Cash Flows for the four month period ended July 31, 2021 and July 31, 2020 and each of the years ended March 31, 2021, March 31, 2020 and March 31, 2019 and the Significant Accounting Policies and other explanatory information - including schedules, notes and annexures thereto (collectively referred to as the "Restated Consolidated Financial Information"), as approved by the board of directors of the Company ("Board of Directors" or "Board") at their meeting held on September 7, 2021 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 its equity shares ("IPO"), prepared in terms of the requirements of:
  - i. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
  - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"); and
  - iii. Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI") as amended from time to time (the "Guidance Note").
2. The preparation of the Restated Consolidated Financial Information is the responsibility of the Board of Directors of the Company for the purpose set out in paragraph 12 below. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in

Part B (I) of Annexure V to the Restated Consolidated Financial Information. The responsibility of the Board includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Board is also responsible for identifying and ensuring that the Group complies with the Act, the SEBI ICDR Regulations and the Guidance Note.

3. We have examined such Restated Consolidated Financial Information taking into consideration:
  - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated September 1, 2021 in connection with the IPO of the Company;
  - b. The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
  - d. The requirements of Section 26 of the Act and the SEBI ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the IPO of the Company.
4. The Restated Consolidated Financial Information has been prepared and compiled by the Company's management from:
  - a. Audited special purpose interim consolidated Ind AS financial statements of the Group as at and for the four month period ended July 31, 2021 and July 31, 2020 prepared in accordance with the Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under Section 133 of the Act and other accounting principles generally accepted in India (the "Special Purpose Interim Consolidated Ind AS Financial Statements") which have been approved by the Board of Directors at their meeting held on September 7, 2021 and
  - b. Audited consolidated Ind AS financial statements of the Group as at and for each of the years ended March 31, 2021, March 31, 2020 and March 31, 2019, prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on September 7, 2021, December 28, 2020 and June 27, 2019 respectively.

5. For the purposes of our examination of the Restated Consolidated Financial Information, we have relied on :
- Auditor's reports issued by us dated September 7, 2021 on the Special Purpose Interim Consolidated Ind AS Financial Statements of the Group as at and for the four month periods ended July 31, 2021 and July 31, 2020 as referred in Paragraph 4(a) above.
  - Auditor's reports issued by us dated September 7, 2021, December 28, 2020 and June 27, 2019 on the consolidated financial statements of the Group as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 respectively, as referred in Paragraph 4(b) above.
6. As indicated in our audit reports referred above:

We did not audit financial statements of 20\* subsidiaries whose share of total assets, total revenues and net cash inflows / (outflows) included in the consolidated Ind AS financial statements, for the relevant years is tabulated below, which have been audited by other auditors (VMD & Co.) and whose reports have been furnished to us by the Company's management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on the reports of the other auditors:

**(Rs. in million)**

Particulars	As at/ for the four month period ended July 31, 2021*	As at/ for the four month period ended July 31, 2020	As at/ for the year ended March 31, 2021	As at/ for the year ended March 31, 2020	As at/ for the year ended March 31, 2019
Total Assets	13,077.29	12,752.57	12,904.44	12,258.96	11,667.92
Total revenue	458.32	311.54	1,575.53	3,965.62	4,086.47
Net cash inflow/(outflows)	2.03	11.19	(19.50)	(135.78)	8.20

\* there were 19 subsidiaries for the four month period ended July 31, 2021 as Maitrey Builders and Developers was dissolved and ceased to exist as a subsidiary w.e.f. December 1, 2020.

Our opinion on the consolidated Ind AS financial statements is not modified in respect of these matters.

These other auditors of the subsidiaries, as mentioned above, have examined the restated financial information of such subsidiaries for the respective years under review and have confirmed that the restated financial information of such subsidiaries:

- have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the four month period ended July 31, 2020 and financial

years ended March 31, 2021, March 31, 2020 and March 31, 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the four month period ended July 31, 2021;

- ii. do not require any adjustment for modification as there is no modification in the underlying audit report; and
  - iii. have been prepared in accordance with the Act, SEBI ICDR Regulations and the Guidance Note.
7. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on examination reports submitted by the other auditors of the subsidiaries for the respective years, as specified in paragraph 6, we report that the Restated Consolidated Financial Information:
  - i. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the four month period ended July 31, 2020 and financial years ended March 31 2020, March 31, 2020 and March 31, 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the four month period ended July 31, 2021;
  - ii. do not require any adjustment for modification as there is no modification or any qualification in the underlying audit report; and
  - iii. have been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Special purpose Interim Consolidated Ind AS Financial Statements and audited consolidated Ind AS financial statements mentioned in paragraph 4 above.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or the other auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with SEBI, BSE Limited, National Stock Exchange of India Limited and Registrar of Companies, Maharashtra at Mumbai, as applicable, in connection with the proposed IPO of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For Sanjay Rane & Associates**  
**ICAI Firm Registration Number: 121089W**

**Partner: CA. Abhijeet Deshmukh**  
**Membership No. 129145**  
**Place: Mumbai**

**Date: September 7, 2021**

**UDIN: 21129145AAABAV2909**



**PURANIK BUILDERS LIMITED**  
**ANNEXURE I**  
**RESTATED CONSOLIDATED IND AS SUMMARY STATEMENT OF ASSETS AND LIABILITIES**

(₹ in Million)

Particulars	Note No.	As at 31st July 2021	As at 31st July 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
<b>ASSETS</b>						
<b>1 Non-current assets</b>						
(a) Property, Plant and Equipment	1	44.98	55.19	47.16	59.13	74.97
(b) Capital Work in Progress	1	12.74	10.57	12.74	10.57	7.53
(c) Goodwill on Consolidation	2	13.12	13.12	13.12	13.12	13.12
(d) Other Intangible assets	2	1.99	1.97	1.61	2.15	0.96
<b>(e) Financial Assets</b>						
(i) Investments	3	0.52	0.52	0.52	0.52	0.52
(ii) Trade receivables		-	-	-	-	-
(ii) Loans	4	12.98	12.98	12.98	12.98	9.90
(iii) Others	5	229.85	260.64	181.76	235.78	313.73
(f) Deferred tax assets (Net)	6	20.45	20.89	21.20	19.86	16.27
(g) Tax Assets (Net)	7	-	-	-	-	-
(h) Other assets	8	0.91	0.91	0.91	0.91	0.91
<b>Total Non-Current Assets</b>		<b>337.54</b>	<b>376.79</b>	<b>292.00</b>	<b>355.02</b>	<b>437.91</b>
<b>2 Current assets</b>						
(a) Inventories	9	16,471.88	15,971.10	15,984.34	15,251.79	14,069.93
<b>(b) Financial Assets</b>						
(i) Current investments	10	34.31	7.76	49.56	35.35	56.50
(ii) Trade receivables	11	2,200.36	1,991.71	2,470.01	1,999.02	2,632.65
(iii) Cash and cash equivalents	12A	50.28	67.45	53.03	47.69	331.85
(iv) Bank balances other than (iii) above	12B	108.70	151.85	144.62	150.21	66.86
(v) Loans	13	65.22	153.83	158.55	156.09	154.93
(vi) Others	14	65.23	71.02	67.78	72.37	64.52
(c) Current Tax Assets (Net)	15	10.64	6.62	10.57	6.17	16.49
(d) Other current assets	16	1,742.87	1,982.24	1,697.57	2,009.49	1,817.86
<b>Total Current Assets</b>		<b>20,749.48</b>	<b>20,403.58</b>	<b>20,636.03</b>	<b>19,728.18</b>	<b>19,211.60</b>
<b>Total Assets</b>		<b>21,087.02</b>	<b>20,780.37</b>	<b>20,928.03</b>	<b>20,083.20</b>	<b>19,649.51</b>
<b>EQUITY AND LIABILITIES</b>						
<b>1 Equity</b>						
(a) Equity Share capital	17	576.48	576.48	576.48	576.48	576.48
(b) Other equity	18	2,953.24	2,456.12	2,790.80	2,452.57	2,012.15
<b>Total Equity attributable to Owners of the Company</b>		<b>3,529.72</b>	<b>3,032.60</b>	<b>3,367.28</b>	<b>3,029.05</b>	<b>2,588.63</b>
Non-Controlling Interest		703.86	798.95	702.81	774.98	642.29
<b>Total Equity</b>		<b>4,233.58</b>	<b>3,831.55</b>	<b>4,070.09</b>	<b>3,804.03</b>	<b>3,230.92</b>
<b>2 Non-current liabilities</b>						
<b>(a) Financial Liabilities</b>						
(i) Long term borrowings	19	12,532.31	12,462.78	12,816.38	12,066.57	10,754.36
(ii) Other financial liabilities (other than those specified under item (b) to be specified)	20	220.59	209.46	216.53	206.68	184.97
(b) Long term provisions	21	37.92	46.09	40.63	50.19	34.19
(c) Deferred tax liabilities (Net)	22	-	-	-	-	-
<b>Total non-Current Liabilities</b>		<b>12,790.82</b>	<b>12,718.33</b>	<b>13,073.54</b>	<b>12,323.44</b>	<b>10,973.52</b>
<b>3 Current liabilities</b>						
<b>(a) Financial Liabilities</b>						
(i) Short term borrowings	23	189.14	294.41	202.82	299.30	508.24
(ii) Trade and other payables	24	933.67	1,138.27	1,078.46	1,113.81	1,091.79
(iii) Other financial liabilities (other than those specified under item (c) to be specified)	25	1,292.92	938.98	895.36	824.71	1,723.04
(b) Other current liabilities	26	1,421.19	1,593.69	1,413.23	1,454.94	1,941.95
(c) Short-term provisions	27	1.74	3.87	4.19	4.33	4.47
(d) Liabilities for current tax (net)	28	223.96	261.27	190.34	258.64	175.58
<b>Total Current Liabilities</b>		<b>4,062.62</b>	<b>4,230.49</b>	<b>3,784.40</b>	<b>3,955.73</b>	<b>5,445.07</b>
<b>Total Equity and Liabilities</b>		<b>21,087.02</b>	<b>20,780.37</b>	<b>20,928.03</b>	<b>20,083.20</b>	<b>19,649.51</b>

**Note :** The above statement should be read with the Notes to the Significant Accounting Policies appearing in Annexure V, Notes to the Restated Consolidated Ind AS Financial Information - Other Information appearing in Annexure VI and in Annexure VII

As per our report of even date  
For Sanjay Rane & Associates  
Chartered Accountants

For and on behalf of the Board  
Puranik Builders Limited

CA. Abhijeet Deshmukh  
(Partner)  
Membership No.: 129145  
Firm's Registration No.: 121089W  
Place : Mumbai  
Date : 7th September, 2021

Shailesh Puranik  
Chairman and Managing Director  
DIN : 00097987

Shrikant Puranik  
Whole Time Director  
DIN : 00098024

Suyash Bhise  
(Chief Financial Officer)

Ritu Baheti  
(Company Secretary and Compliance Officer )  
CS Regn No: A23700

**PURANIK BUILDERS LIMITED**  
**ANNEXURE II**  
**RESTATED CONSOLIDATED IND AS SUMMARY STATEMENT OF PROFIT AND LOSS**

(₹ in Million)

Particulars	Note No.	For the four month period ended on 31st July 2021	For the four month period ended on 31st July 2020	For the year ended on 31st March 2021	For the year ended on 31st March 2020	For the year ended on 31st March 2019
<b>1 INCOME</b>						
(a) Revenue from Operations	29	1,906.06	417.22	5,022.66	7,206.14	7,151.90
(b) Other Income	30	5.24	6.60	112.94	96.26	60.40
<b>Total Income</b>		1,911.30	423.82	5,135.60	7,302.40	7,212.30
<b>2 EXPENSES</b>						
(a) Operating Cost	31	1,370.70	314.63	3,304.98	4,966.83	4,655.37
(b) Employee benefit expenses	32	13.10	12.83	37.75	261.93	344.12
(c) Finance Cost	33	299.68	79.92	1,294.86	1,279.74	1,149.72
(d) Depreciation and Amortisation expense		2.36	3.98	11.72	19.84	21.16
(e) Other Expenses	34	9.20	4.11	37.26	54.51	59.82
<b>Total Expenses</b>		1,695.04	415.47	4,686.57	6,582.85	6,230.19
<b>3 Profit/(loss) before tax &amp; exceptional items</b>		216.26	8.35	449.03	719.55	982.11
<b>4 Exceptional items</b>		-	-	-	-	-
<b>5 Profit/(loss) before tax</b>		216.26	8.35	449.03	719.55	982.11
<b>6 Less: Tax Expense</b>						
(a) Current Tax		39.53	3.90	83.88	208.90	275.68
(b) Deferred Tax		1.47	0.51	2.12	(1.64)	(6.27)
<b>7 Profit/(loss) for the period</b>		175.26	3.94	363.03	512.29	712.70
<b>8 Other Comprehensive Income</b>						
<b>(i) Items that will not be reclassified to profit or loss</b>						
Remeasurements of Defined Benefit Plans		(9.95)	(6.82)	(17.12)	(6.35)	2.55
Less :- Income Tax relating to Items that will not be reclassified to Profit or Loss		0.73	1.53	3.45	1.96	(0.43)
<b>Total Other Comprehensive Income</b>		(9.22)	(5.29)	(13.67)	(4.39)	2.12
<b>Total Comprehensive Income for the period</b>		166.04	(1.35)	349.36	507.90	714.82
<b>Profit for the period attributable to -</b>						
Owners of the Company		171.06	8.28	350.59	444.90	616.83
Non-Controlling Interest		4.20	(4.34)	12.44	67.39	95.87
		175.26	3.94	363.03	512.29	712.70
<b>Other Comprehensive Income for the period attributable to -</b>						
Owners of the Company		(8.62)	(4.73)	(12.36)	(4.48)	2.14
Non-Controlling Interest		(0.60)	(0.56)	(1.31)	0.09	(0.02)
		(9.22)	(5.29)	(13.67)	(4.39)	2.12
<b>Total Comprehensive Income for the period attributable to -</b>						
Owners of the Company		162.44	3.55	338.23	440.42	618.97
Non-Controlling Interest		3.60	(4.90)	11.13	67.48	95.85
		166.04	(1.35)	349.36	507.90	714.82
<b>9 Earnings Per Equity Share (in ₹) :</b>						
(Face Value of Rs. 10 per Equity Share)	35					
Basic		2.97	0.14	6.08	7.72	10.70
Diluted		2.97	0.14	6.08	7.72	10.70

**Note :** The above statement should be read with the Notes to the Significant Accounting Policies appearing in Annexure V and Notes to the Restated Consolidated Ind AS Financial Information - Other Information appearing in Annexure VI and in Annexure VII

As per our report of even date  
For Sanjay Rane & Associates  
Chartered Accountants

For and on behalf of the board  
Puranik Builders Limited

CA. Abhijeet Deshmukh  
(Partner)  
Membership No.: 129145  
Firm's Registration No.: 121089W  
Place : Mumbai  
Date : 7th September, 2021

Shailesh Puranik  
Chairman and Managing Director  
DIN : 00097987

Shrikant Puranik  
Whole Time Director  
DIN : 00098024

Suyash Bhise  
(Chief Financial Officer)

Ritu Baheti  
(Company Secretary and Compliance Officer )  
CS Regn No: A23700

**PURANIK BUILDERS LIMITED**  
**ANNEXURE III**  
**RESTATED CONSOLIDATED IND AS SUMMARY STATEMENT OF CHANGES IN EQUITY**

**(A) EQUITY SHARE CAPITAL**

(₹ in Million)

Particulars	As at 31st July 2021	As at 31st July 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Balance at the beginning of the reporting period/year	576.48	576.48	576.48	576.48	576.48
Issue of Equity Shares during the period/year	-	-	-	-	-
Issue of Bonus Shares during the period/year	-	-	-	-	-
<b>Balance at the end of the reporting period/year</b>	<b>576.48</b>	<b>576.48</b>	<b>576.48</b>	<b>576.48</b>	<b>576.48</b>

**(B) OTHER EQUITY**

(₹ in Million)

Particulars	Reserves and Surplus				Total
	Capital Reserve	Securities Premium Reserve	Debenture Redemption Reserves	Retained Earnings	
<b>Balance as at 1st April, 2018</b>	-	-	787.98	635.83	1,423.81
<b>Additions during the period :</b>					
Profit for the Year	-	-	-	616.83	616.83
Other Comprehensive Income	-	-	-	2.16	2.16
Transfer from Debenture Redemption Reserve	-	-	-	234.19	234.19
Adjustment to Retained Earning on Account of Subsidiary	-	-	-	9.46	9.46
<b>Reductions during the year :</b>					
Provision for dividend and tax on dividend	-	-	-	(40.11)	(40.11)
Transfer to Retained Earnings	-	-	(234.19)	-	(234.19)
<b>Balance as at 31st March, 2019</b>	-	-	553.79	1,458.36	2,012.15
<b>Balance as at 1st April, 2019</b>	-	-	553.79	1,458.36	2,012.15
<b>Additions during the period :</b>					
Profit for the Year	-	-	-	444.90	444.90
Other Comprehensive Income	-	-	-	(4.48)	(4.48)
Transfer from Debenture Redemption Reserve	-	-	-	437.57	437.57
<b>Reductions during the year :</b>					
Transfer to Retained Earnings	-	-	(437.57)	-	(437.57)
<b>Balance as at 31st March, 2020</b>	-	-	116.22	2,336.35	2,452.57
<b>Balance as at 1st April, 2020</b>	-	-	116.22	2,336.35	2,452.57
<b>Additions during the period :</b>					
Profit for the Year	-	-	-	350.59	350.59
Other Comprehensive Income	-	-	-	(12.36)	(12.36)
Transfer from Retained Earnings	-	-	21.41	-	21.41
<b>Reductions during the year :</b>					
Transfer to Debenture Redemption Reserve	-	-	-	(21.41)	(21.41)
<b>Balance as at 31st March, 2021</b>	-	-	137.63	2,653.17	2,790.80
<b>Balance as at 1st April, 2020</b>	-	-	116.22	2,336.35	2,452.57
<b>Additions during the period :</b>					
Profit for the Period	-	-	-	8.28	8.28
Other Comprehensive Income	-	-	-	(4.73)	(4.73)
<b>Balance as at 31st July 2020</b>	-	-	116.22	2,339.90	2,456.12
<b>Balance as at 1st April, 2021</b>	-	-	137.63	2,653.17	2,790.80
<b>Additions during the period :</b>					
Profit for the Period	-	-	-	171.06	171.06
Other Comprehensive Income	-	-	-	(8.62)	(8.62)
<b>Balance as at 31st July 2021</b>	-	-	137.63	2,815.61	2,953.24

**Note :** The above statement should be read with the Notes to the Significant Accounting Policies appearing in Annexure V and Notes to the Restated Consolidated Ind AS Financial Information - Other Information appearing in Annexure VI

**As per our report of even date**  
**For Sanjay Rane & Associates**  
**Chartered Accountants**

**For and on behalf of the board**  
**Puranik Builders Limited**

**CA. Abhijeet Deshmukh**  
**(Partner)**  
**Membership No.: 129145**  
**Firm's Registration No.: 121089W**  
**Place : Mumbai**  
**Date : 7th September, 2021**

**Shailesh Puranik**  
**Chairman and Managing Director**  
**DIN : 00097987**

**Shrikant Puranik**  
**Whole Time Director**  
**DIN : 00098024**

**Suyash Bhise**  
**(Chief Financial Officer)**

**Ritu Baheti**  
**(Company Secretary and Compliance Officer)**  
**CS Regn No: A23700**

## PURANIK BUILDERS LIMITED

## ANNEXURE IV

## RESTATED CONSOLIDATED IND AS SUMMARY STATEMENT OF CASH FLOWS

(₹ in Million)

Sr. No.	Particulars	For the four month period ended on 31st July 2021	For the four month period ended on 31st July 2020	For the year ended on 31st March 2021	For the year ended on 31st March 2020	For the year ended on 31st March 2019
<b>A)</b>	<b>Cash Flow from operating activities</b>					
	<b>Net Profit before income tax from continuing operations</b>	<b>216.26</b>	<b>8.35</b>	<b>449.03</b>	<b>719.55</b>	<b>982.11</b>
	Depreciation and Amortisation expense	2.35	3.98	11.72	19.84	21.16
	Fair Value Gains / (Losses)	1.54	1.61	3.58	(5.46)	(6.50)
	Dividend Income on Investment	-	-	-	-	(40.11)
	Interest Received	(2.59)	(3.35)	(103.17)	(19.02)	(22.29)
	Increase in Retained Earnings on Account of Ind AS	-	-	-	-	(111.36)
	Other Comprehensive Income	(9.22)	(5.29)	(13.67)	(4.39)	2.12
	Adjustment to Retained Earning on Account of Subsidiary	-	-	-	-	9.46
	Finance Cost	341.40	121.65	1,336.59	1,279.74	1,191.45
	<b>Operating profit before change in operating assets and liabilities</b>	<b>549.75</b>	<b>126.95</b>	<b>1,684.08</b>	<b>1,990.25</b>	<b>2,026.04</b>
	<b>Add / (Less):</b>					
	(Increase)/Decrease in Inventory	(487.53)	(719.31)	(732.55)	(1,181.86)	(2,474.59)
	(Increase)/Decrease in Trade Receivables	269.65	7.31	(470.99)	633.64	(357.49)
	(Increase)/Decrease in current financial loan given	53.73	2.26	(2.46)	(0.06)	(9.32)
	(Increase)/Decrease in other current financial assets	2.55	1.35	4.59	(50.43)	(103.03)
	(Increase)/Decrease in other Short Term Borrowings	(13.68)	(4.89)	(96.47)	(208.95)	-
	(Increase)/Decrease in other current assets	(45.30)	27.25	311.92	(148.69)	(122.33)
	Increase/(Decrease) in Trade payables	(144.79)	24.46	(35.35)	22.03	279.44
	Increase/(Decrease) in other current financial liabilities	321.90	188.93	158.34	(839.96)	(283.72)
	Increase/(Decrease) in other current liabilities	83.62	64.08	(129.41)	(546.54)	138.49
	Increase/(Decrease) in Long term provisions	(2.71)	(4.10)	(9.56)	16.00	-
	Increase/(Decrease) in Short term provisions	(2.45)	(0.47)	(0.14)	(0.13)	(9.42)
	Cash generated from operations	<b>584.72</b>	<b>(286.17)</b>	<b>682.00</b>	<b>(314.70)</b>	<b>(915.93)</b>
	<b>Add / (Less):</b> Income Tax paid	<b>(5.24)</b>	<b>(2.74)</b>	<b>(162.03)</b>	<b>(119.10)</b>	<b>(240.68)</b>
	<b>Net Cash (used in)/from operating activities - [A]</b>	<b>579.48</b>	<b>(288.91)</b>	<b>519.97</b>	<b>(433.80)</b>	<b>(1,156.61)</b>
<b>B)</b>	<b>Cash Flow from investing activities</b>					
	(Purchase)/Proceeds from Sale of Investments (Net)	13.71	25.98	(17.79)	26.61	159.25
	(Increase)/Decrease in Non current financial loan given	-	-	-	(3.10)	(1.12)
	(Increase)/Decrease in other Non current financial assets	(8.48)	(24.87)	54.01	77.66	(22.19)
	(Increase)/Decrease in other Non current assets	-	-	-	-	0.61
	(Purchase)/ Proceeds from Sale of Property Plant and Equipments / intangible assets/ addition to capital work in progress (Net)	(0.56)	0.14	(1.38)	(8.23)	(46.92)
	Interest Received	2.59	3.35	103.17	19.02	22.29
	Dividend Income on Investment	-	-	-	-	40.11
	<b>Net Cash (used in)/from investing activities - [B]</b>	<b>7.27</b>	<b>4.60</b>	<b>138.01</b>	<b>111.96</b>	<b>152.03</b>
<b>C)</b>	<b>Cash Flow from financing activities</b>					
	Proceeds from /(Repayment of) Long term borrowings (Net)	(284.07)	396.21	749.81	1,312.21	2,145.02
	Issue of equity shares/ Introduction of Partners Capital	170.54	(5.00)	326.00	786.39	965.32
	Other Non current financial liabilities	(212.21)	(5.57)	(439.17)	(697.84)	(933.90)
	Finance Cost	(299.68)	(79.92)	(1,294.86)	(1,279.74)	(1,149.72)
	<b>Net Cash (used in)/from financing activities - [C]</b>	<b>(625.41)</b>	<b>305.72</b>	<b>(658.22)</b>	<b>121.01</b>	<b>1,026.72</b>
	<b>Net Increase / (Decrease in Cash) / Cash Equivalents (A+B+C)</b>	<b>(38.67)</b>	<b>21.40</b>	<b>(0.25)</b>	<b>(200.81)</b>	<b>22.14</b>
	Cash/Cash Equivalent at the beginning of the year	197.65	197.90	197.90	398.71	376.57
	<b>Cash/Cash Equivalent at the end of the year</b>	<b>158.98</b>	<b>219.30</b>	<b>197.65</b>	<b>197.90</b>	<b>398.71</b>

Note : The above statement should be read with the Notes to the Significant Accounting Policies appearing in Annexure V and Notes to the Restated Consolidated Ind AS Financial Information - Other Information appearing in Annexure VI

As per our report of even date  
For Sanjay Rane & Associates  
Chartered Accountants

For and on behalf of the Board  
For Puranik Builders Limited

CA. Abhijeet Deshmukh  
(Partner)  
Membership No.: 129145  
Firm's Registration No.: 121089W  
Place : Mumbai  
Date : 7th September, 2021

Shailesh Puranik  
Chairman and Managing Director  
DIN : 00097987

Shrikant Puranik  
Whole Time Director  
DIN : 00098024

Suyash Bhise  
(Chief Financial Officer)

Ritu Baheti  
(Company Secretary and Compliance Officer)  
CS Regn No: A23700

## PURANIK BUILDERS LIMITED

### ANNEXURE V

## NOTES TO THE RESTATED CONSOLIDATED IND AS FINANCIAL INFORMATION - SIGNIFICANT ACCOUNTING POLICIES

### A Group's Background

Puranik Builders Limited (the Company) is a public limited company domiciled and incorporated in India under the Companies Act, 1956. The Company's registered office is located at PURANIK ONE, Near KanchanPushpa Complex, Opp Suraj Water Park, Kavesar, Ghodbunder Road, Thane West, Maharashtra 400 615. The Group is primarily engaged in the business of real estate development.

### B Significant Accounting Policies

#### I Basis of Preparation

The Restated Consolidated Ind AS Financial Information relates to the Company, its subsidiaries companies (including step-down subsidiaries), partnership firms and limited liability partnership (collectively referred to as "the Group").

The Restated Consolidated Ind AS Summary Statement of Assets and Liabilities of the Group as at July 31, 2021 and 2020, March 31, 2021, 2020 and 2019 and the related Restated Consolidated Ind AS Summary Statement of Profit and Loss, Restated Consolidated Ind AS Summary Statement of Changes in Equity and Restated Consolidated Ind AS Summary Statement of Cash Flows for the period / years ended July 31, 2021 and 2020, March 31, 2021, 2020, and 2019 (hereinafter collectively referred to as "Restated Consolidated Ind AS Financial Information") have been prepared specifically for inclusion in the Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus and Prospectus to be filed by the Company with the Securities and Exchange Board of India ("SEBI"), Stock Exchanges and the Registrar of Companies in connection with proposed Initial Public Offering ("IPO") of its equity shares.

These Restated Consolidated Ind AS Financial Information have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereof. These Restated Ind AS Consolidated Financial Information have been prepared to comply in all material respects with the requirements of Part I of Chapter III to the Companies Act, 2013 (the "Act") and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the SEBI regulations"), as amended from time to time and Guidance note on Reports in Company Prospectuses (Revised 2019), as amended, issued by Auditing and Assurance Standards Board of the Institute of Chartered Accountants of India.

The Restated Consolidated Ind AS Summary Statements have been compiled from:

- a) Audited consolidated Ind AS financial statements as at and for the year ended March 31, 2019 were prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereof;
- b) Audited consolidated Ind AS financial statements as at and for the year ended March 31, 2020 were prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereof;
- c) Audited consolidated Ind AS financial statements as at and for the year ended March 31, 2021 were prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereof;
- d) Audited consolidated Ind AS financial statements as at and for the period ended July 31, 2020 were prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereof; and
- e) Audited consolidated Ind AS financial statements as at and for the period ended July 31, 2021 were prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereof.

Restated Consolidated Ind AS Financial Information are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Restated Consolidated Ind AS Financial Information for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Restated Consolidated Ind AS Financial Information to ensure conformity with the Group's accounting policies.

Restated Consolidated Ind AS Financial Information have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for land as classified under Property, Plant and Equipment and certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below.

## New Standards Adopted

Ind AS 116 Leases, mandatory for reporting periods beginning on or after April 1, 2019 replaces current guidance given in Ind AS 17. The Company has not taken any asset on lease and the Company earned immaterial amount of rental income on temporary grant of use of some inventories. The application of Ind AS 116 has not impacted on the Accounting for Rental Income.

The Restated Consolidated Ind AS Financial Information are presented in Indian Rupees (₹) and all values are rounded to the nearest millions except when otherwise indicated.

## II Principles of Consolidation and Equity Accounting

### (i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity, when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect the returns through its power to direct the relevant activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains or losses on transactions between Group companies are eliminated in full.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet respectively.

### (ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognized at cost.

Under the equity method of accounting, the excess of cost of investment over the proportionate share in equity of the associate as at the date of acquisition of stake is identified as goodwill or capital reserve as the case may be and included in the carrying value of the investment in the associate.

The carrying amount of the investment is adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in Consolidated Statement of Profit and Loss, and the Group's share of OCI of the investee in Consolidated OCI. However, the share of losses is accounted for only to the extent of the cost of investment. Subsequent profits of such associates are not accounted for unless the accumulated losses (not accounted for by the Group) are recouped. Additional losses are provided for to the extent that the Group has incurred obligations or made payments on behalf of the associate to satisfy obligations of the associate that the Group has guaranteed or to which the Group is otherwise committed.

Unrealised gains or losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities.

## III Summary of Significant Accounting Policies

### 1 Current and Non-Current Classification

The Group presents assets and liabilities in the Consolidated Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle.
- ii) Held primarily for the purpose of trading
- iii) Expected to be realised within twelve months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- i) It is expected to be settled in normal operating cycle
- ii) It is held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

The operating cycle of the Group's real estate operations varies from project to project depending on the size of the project, type of development, project complexities and related approvals. Assets and Liabilities are classified into current and non-current based on the operating cycle.

## 2 Property, Plant and Equipment

### i. Recognition and measurement

All property, plant and equipment, except freehold land, are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisitions of the items. Cost includes freight, duties, taxes, borrowing cost and incidental expenses related to the acquisition and installation of the asset.

Freehold Land is measured at fair value. Valuations are performed with sufficient frequency to ensure that the carrying value of revalued asset does not defer materially from its fair value.

Revaluation surplus is recorded in OCI and credited to the Revaluation reserve in Other Equity.

### ii. Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits of the expenditure will flow to the Group. All other repairs and maintenance are charged to the Consolidated Ind AS Summary Statement of Profit and Loss during the reporting period in which they are incurred.

### iii. Derecognition

The carrying amount of an item of Property, Plant and Equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of Property, Plant and Equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Consolidated Statement of Profit and Loss when the item is derecognized.

### iv. Capital work in progress

Cost of assets not ready for intended use, as on the reporting date, is shown as capital work in progress.

### v. Depreciation

Depreciation is calculated on a written down value basis over the estimated useful lives of the assets as specified in Schedule II of Companies Act, 2013 except for Site/Sales Offices and Sample Flats wherein the estimated useful lives is determined by the management.

Sr. No.	Property, Plant and Equipment	Useful life (Years)
i)	<b>Plant and Equipment</b>	15
ii)	<b>Office Equipment</b>	5
iii)	<b>Computers</b>	
	(a) Servers and networks	6
	(b) End user devices, such as, desktops, laptops, etc.	3
iv)	<b>Furniture and Fixtures</b>	10
v)	<b>Vehicles</b>	
	(a) Motor cycles, scooters and other mopeds	10
	(b) Motor buses, motor lorries, motor cars and motor taxis	8

Depreciation on assets sold during the year is charged to the Consolidated Statement of Profit and Loss up to the month preceding the month of sale.

## 3 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. Currently the company has not identified any intangible assets other than Goodwill to have indefinite life.

Intangible assets with finite lives are amortised over the useful economic life. The useful economic life and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the Restated Consolidated Ind AS Summary Statement of Profit and Loss.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Restated Consolidated Ind AS Summary Statement of Profit and Loss when the asset is derecognised.

Intangible assets are amortized proportionately over a period of five years or over the useful economic life of the assets as determined by the management, whichever is lower.

Intangible assets with indefinite life are tested for impairment annually. Impairment losses, if any, are recognised in Restated Consolidated Ind AS Summary Statement of Profit and Loss.

#### **4 Inventories**

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each item of inventory to its present condition are accounted for as follows:

- i) Work-in-progress represents cost incurred in respect of unsold area of the real estate development projects and the costs incurred on the projects where the revenue is yet to be recognized.
- ii) Completed unsold inventory is valued at lower of Cost and Net Realizable Value.
- iii) Cost of Work-in-Progress and unsold inventory for this purpose includes cost of land, shares with occupancy rights, Transferrable Development Rights, premium for development rights, borrowing costs, construction / development cost and other overheads incidental to the projects undertaken.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and the estimated cost necessary to make the sale.

#### **5 Provisions and Contingencies**

The Group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure of contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### **6 Impairment of Non-Financial Assets (excluding Inventories, Investment Properties and Deferred Tax Assets)**

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units ('CGUs').

#### **7 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### **Financial Assets**

##### Initial recognition and measurement

The Group classifies its financial assets in the following measurement categories.

- those to be measured subsequently at fair value (either through OCI, or through profit or loss)
- those measured at amortised cost

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

##### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- i) Debt instruments at amortised cost
- ii) Debt instruments at fair value through other comprehensive income (FVTOCI)
- iii) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI)



Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment if any, are recognised in the statement of profit or loss.

Debt instruments at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent solely payments of principal and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group does not have any debt instruments which meet the criteria for measuring the debt instrument at FVTOCI.

Debt instrument at FVTPL

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'Accounting Mismatch'). The Group has not designated any debt instrument at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments, except investments in fellow subsidiaries and associates are measured at FVTPL. The Group may make an irrevocable election on initial recognition to present in OCI any subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis.

### **De-recognition of Financial Assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's Consolidated Balance Sheet) when:

- i) The rights to receive cash flows from the asset have expired, or
- ii) The Group 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 either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

### **Impairment of Financial Assets**

The Group assess on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVTOCI debts instruments. The impairment methodology applied depends on whether there has been significant increase in credit risk. For trade receivables, the Group is not exposed to any credit risk as the possession of residential and commercial units is handed over to the buyer only after all the installments are recovered.

For financial assets carried at amortised cost, the carrying amount is reduced and the amount of the loss is recognised in the consolidated statement of profit and loss. Interest income on such financial assets continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. Financial asset together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or decreased. If a write-off is later recovered, the recovery is credited to finance costs.

## **Financial Liabilities**

### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

#### **Financial liabilities at fair value through profit or loss**

Financial liabilities measured at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at FVTPL are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

#### **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated Statement of Profit and Loss.

#### **Financial guarantee contracts**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

## **De-recognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated Statement of Profit and Loss.

## **Reclassification of Financial Assets and Financial Liabilities**

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

## **Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the restated Consolidated Ind AS Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## 8 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 Group.

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 Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements 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:

- i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group 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.

## 9 Cash and Cash Equivalents

Cash and cash equivalent in the Consolidated 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.

## 10 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria are described below:

### i) Sale of Goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Revenue from Sale of Land, Transfer of Development Rights and Building Materials are recognized upon transfer of significant risks and rewards to the buyers / Customers.

### ii) Revenue from contracts with customers:

The Group has adopted Ind AS 115 with effect from 01 April 2018.

The Group has applied the following accounting policy in the preparation of its consolidated financial statements:

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

When the Group satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent.

For projects executed through joint development arrangements, the land owner provides land and the Group undertakes to develop the project on such land.

The Group has agreed to transfer a certain percentage of constructed area or certain percentage of the revenue proceeds in lieu of land owner providing land.

As the Group cannot reasonably estimate the fair value of the consideration received, revenue from the development and transfer of constructed area/ revenue sharing arrangement and its corresponding project cost is being accounted based on the stand-alone selling price of the construction services provided by the Group to such land owners.

Revenue is recognised in the consolidated income statement to the extent that it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably.

Unbilled revenue shall be disclosed under other financial assets which represents revenue recognised over and above the amount due as per payment plans agreed with the customers. Progress billings which exceed the costs and recognised profits to date on projects under construction shall be disclosed under other current liabilities.

Any billed amount that has not been collected is disclosed under trade receivables and is net of any provisions for amounts doubtful of recovery.

### **iii) Rendering of Services**

Revenue from the Contract / Support services is recognised by reference to the terms of contract/ agreement. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

### **iv) Interest Income**

For all debt instruments measured at amortised cost. Interest income is recorded using the effective interest rate (EIR).

#### **v) Rental Income**

Rental income arising from operating leases is accounted over the lease terms.

#### **vi) Dividends**

Revenue is recognised when the Group's right to receive the payment is established.

### **11 Current Income Tax**

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable profit for the period. The tax rates and tax laws used to compute the amount are those that are enacted by the reporting date and applicable for the period

#### **Deferred Tax**

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for all deductible and taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of transaction.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax asset in respect of carry forward of unused tax credits and unused tax losses are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

The Group recognizes deferred tax liabilities for all taxable temporary differences except those associated with the investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal tax during the specified period.

#### **Presentation of Current and Deferred Tax:**

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in OCI, in which case, the current and deferred tax income/ expense are recognized in OCI. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

### **12 Borrowing Costs**

Borrowing costs that are directly attributable to long term project development activities are inventorised / capitalized as part of project cost.

Borrowing costs are inventorised / capitalised as part of project cost when the activities that are necessary to prepare the inventory / asset for its intended use or sale are in progress. Borrowing costs are suspended from inventorisation / capitalisation when development work on the project is interrupted for extended periods and there is no imminent certainty of recommencement of work.

All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the group incurs in connection with the borrowing of funds.

### **13 Retirement and Other Employee Benefits**

Retirement and other Employee benefits are accounted in accordance with Ind AS 19 – Employee Benefits.

#### **a) Defined Contribution Plan**

The Group contributes to a recognised provident fund for all its employees. Contributions are recognised as an expense when employees have rendered services entitling them to such benefits.

b) Gratuity (Defined Benefit Scheme)

The Group provides for its gratuity liability based on actuarial valuation as at the balance sheet date which is carried out by an independent actuary using the Projected Unit Credit Method. Actuarial gains and losses are recognised in full in the OCI for the period in which they occur.

c) Compensated absences (Defined Benefit Scheme)

Liability in respect of earned leave expected to become due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of benefit expected to be availed by the employees. Liability in respect of earned leave expected to become due or expected to be availed beyond one year after the balance sheet date is estimated on the basis of actuarial valuation performed by an independent actuary using the projected unit credit method.

#### **14 Business Combinations under Common Control**

Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the Net Worth of transferor entity or business is recognised as Goodwill or capital reserve.

#### **15 Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year (after deducting preference dividends and attributable taxes) attributable to equity share holders to by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue and consolidation of equity shares. For the purpose of calculating diluted earnings per share, the net profit or loss for the year and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year (after deducting preference dividends and attributable taxes) attributable to equity share holders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

#### **16 Goodwill**

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the fair value of net identifiable tangible assets acquired and liabilities assumed. If the consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised as capital reserve. After initial recognition, goodwill is measured at the cost less any accumulated impairment losses.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the operation disposed off is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed off in this circumstance is measured based on the relative values of the operation disposed off and the portion of the cash-generating unit retained.

**PURANIK BUILDERS LIMITED**  
**ANNEXURE VI**  
**NOTES TO THE RESTATED CONSOLIDATED IND AS FINANCIAL INFORMATION - OTHER INFORMATION**  
**Note 1: Property, Plant and Equipment**

(₹ in Million)

For F.Y. 2018-19												
Sr. No.	Name of the Asset	Gross Carrying Value			Accumulated Depreciation					Net Carrying Value		
		As at 1st April 2018	Additions / Transfers	Deletions/ Sale/ Transfers	As at 31st March 2019	As at 1st April 2018	For the years	Deletions	Transfer to reserves	As at 31st March 2019	As at 31st March 2019	As at 31st March 2018
1	<b>PROPERTY PLANT AND EQUIPMENT</b>											
(a)	Land and Building	25.02	2.71	-	27.73	0.32	0.52	-	-	0.84	26.89	24.70
(b)	Plant & Machinery	20.39	1.53	-	21.92	7.99	2.64	-	-	10.63	11.29	12.40
(c)	Furniture & Fixtures	10.86	1.09	-	11.96	3.88	1.71	-	-	5.59	6.36	6.98
(d)	Computer Hardware	15.15	13.76	-	28.91	9.22	9.45	-	-	18.68	10.23	5.92
(e)	Office Equipments	9.60	3.05	-	12.65	5.34	2.75	-	-	8.08	4.57	4.27
(f)	Vehicles	1.58	16.28	-	17.86	1.66	4.02	-	-	2.36	15.50	3.24
(g)	Leasehold Improvements	0.20	-	-	0.20	0.06	-	-	-	0.06	0.14	0.14
	<b>TOTAL</b>	<b>82.79</b>	<b>38.42</b>	<b>-</b>	<b>121.22</b>	<b>25.15</b>	<b>21.10</b>	<b>-</b>	<b>-</b>	<b>46.25</b>	<b>74.97</b>	<b>57.65</b>

(₹ in Million)

For F.Y. 2019-20												
Sr. No.	Name of the Asset	Gross Carrying Value			Accumulated Depreciation					Net Carrying Value		
		As at 1st April 2019	Additions / Transfers	Deletions/ Sale/ Transfers	As at 31st March 2020	As at 1st April 2019	For the years	Deletions	Transfer to reserves	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019
1	<b>PROPERTY PLANT AND EQUIPMENT</b>											
(a)	Land and Building	27.73	-	-	27.73	0.84	0.47	-	-	1.31	26.42	26.89
(b)	Plant & Machinery	21.92	2.96	2.44	22.44	10.63	3.72	1.11	-	13.25	9.19	11.29
(c)	Furniture & Fixtures	11.96	0.43	-	12.39	5.59	1.54	-	-	7.14	5.25	6.36
(d)	Computer Hardware	28.91	0.28	-	29.18	18.68	6.00	-	-	24.68	4.50	10.23
(e)	Office Equipments	12.65	1.05	-	13.70	8.08	2.94	-	-	11.03	2.67	4.57
(f)	Vehicles	17.86	-	-	17.86	2.36	4.54	-	-	6.90	10.96	15.50
(g)	Leasehold Improvements	0.20	-	-	0.20	0.06	0.01	-	-	0.07	0.13	0.14
	<b>TOTAL</b>	<b>121.22</b>	<b>4.72</b>	<b>2.44</b>	<b>123.50</b>	<b>46.25</b>	<b>19.23</b>	<b>1.11</b>	<b>-</b>	<b>64.37</b>	<b>59.13</b>	<b>74.97</b>

(₹ in Million)

For F.Y. 2020-21												
Sr. No.	Name of the Asset	Gross Carrying Value			Accumulated Depreciation					Net Carrying Value		
		As at 1st April 2020	Additions / Transfers	Deletions/ Sale/ Transfers	As at 31st March 2021	As at 1st April 2020	For the years	Deletions	Transfer to reserves	As at 31st March 2021	As at 31st March 2021	As at 31st March 2020
1	<b>PROPERTY PLANT AND EQUIPMENT</b>											
(a)	Land and Building	27.73	-	-	27.73	1.31	0.43	-	-	1.74	25.99	26.42
(b)	Plant & Machinery	22.44	-	2.50	19.94	13.25	2.91	1.82	-	14.34	5.61	9.19
(c)	Furniture & Fixtures	12.39	-	-	12.39	7.14	1.16	-	-	8.29	4.10	5.25
(d)	Computer Hardware	29.18	0.03	-	29.21	24.68	2.32	-	-	27.00	2.21	2.18
(e)	Office Equipments	13.70	-	-	13.70	11.03	1.30	-	-	12.33	1.37	2.67
(f)	Vehicles	17.86	-	1.14	16.72	6.90	3.07	1.00	-	8.96	7.75	10.96
(g)	Leasehold Improvements	0.20	-	-	0.20	0.07	-	-	-	0.07	0.13	0.13
	<b>TOTAL</b>	<b>123.50</b>	<b>0.03</b>	<b>3.64</b>	<b>119.89</b>	<b>64.37</b>	<b>11.18</b>	<b>2.82</b>	<b>-</b>	<b>72.73</b>	<b>47.16</b>	<b>56.81</b>

(₹ in Million)

For Apr-Jul 20												
Sr. No.	Name of the Asset	Gross Carrying Value			Accumulated Depreciation					Net Carrying Value		
		As at 1st April 2020	Additions / Transfers	Deletions/ Sale/ Transfers	As at 31st July 2020	As at 1st April 2020	For the period	Deletions	Transfer to reserves	As at 31st July 2020	As at 31st July 2020	As at 31st March 2020
1	<b>PROPERTY PLANT AND EQUIPMENT</b>											
(a)	Land and Building	27.73	-	-	27.73	1.31	0.14	-	-	1.45	26.27	26.42
(b)	Plant & Machinery	22.44	-	-	22.44	13.25	0.98	-	-	14.23	8.21	9.19
(c)	Furniture & Fixtures	12.39	-	-	12.39	7.14	0.39	-	-	7.52	4.87	5.25
(d)	Computer Hardware	29.18	-	-	29.18	24.68	0.80	-	-	25.47	3.71	4.50
(e)	Office Equipments	13.70	-	-	13.70	11.03	0.46	-	-	11.48	2.22	2.67
(f)	Vehicles	17.86	-	1.14	16.72	6.90	1.03	1.00	-	6.93	9.79	10.96
(g)	Leasehold Improvements	0.20	-	-	0.20	0.07	-	-	-	0.07	0.13	0.13
	<b>TOTAL</b>	<b>123.50</b>	<b>-</b>	<b>1.14</b>	<b>122.36</b>	<b>64.37</b>	<b>3.80</b>	<b>1.00</b>	<b>-</b>	<b>67.16</b>	<b>55.19</b>	<b>59.13</b>

(₹ in Million)

For Apr-Jul 21												
Sr. No.	Name of the Asset	Gross Carrying Value			Accumulated Depreciation					Net Carrying Value		
		As at 1st April 2021	Additions / Transfers	Deletions/ Sale/ Transfers	As at 31st July 2021	As at 1st April 2021	For the period	Deletions	Transfer to reserves	As at 31st July 2021	As at 31st July 2021	As at 31st March 2021
1	<b>PROPERTY PLANT AND EQUIPMENT</b>											
(a)	Land and Building	27.73	-	-	27.73	1.74	0.13	-	-	1.87	25.86	25.99
(b)	Plant & Machinery	19.94	-	-	19.94	14.34	0.67	-	-	15.00	4.94	5.61
(c)	Furniture & Fixtures	12.39	-	-	12.39	8.29	0.28	-	-	8.58	3.81	4.10
(d)	Computer Hardware	29.21	0.06	-	29.27	27.00	0.24	-	-	27.25	2.02	2.21
(e)	Office Equipments	13.70	-	-	13.70	12.33	0.21	-	-	12.54	1.16	1.37
(f)	Vehicles	16.72	-	-	16.72	8.96	0.70	-	-	9.66	7.06	7.75
(g)	Leasehold Improvements	0.20	-	-	0.20	0.07	-	-	-	0.07	0.13	0.13
	<b>TOTAL</b>	<b>119.89</b>	<b>0.06</b>	<b>-</b>	<b>119.95</b>	<b>72.73</b>	<b>2.23</b>	<b>-</b>	<b>-</b>	<b>74.96</b>	<b>44.98</b>	<b>47.16</b>

## Note 1: Capital Work in Progress

Capital Work in Progress	Property, Plant and Equipments				
	As at 31st July 2021	As at 31st July 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Opening capital work in progress	12.74	10.57	10.57	7.53	-
Additions	-	-	2.17	3.04	7.53
Capitalised During the Year	-	-	-	-	-
<b>Closing capital work in progress</b>	<b>12.74</b>	<b>10.57</b>	<b>12.74</b>	<b>10.57</b>	<b>7.53</b>



Note 2: Intangible Assets

(₹ in Million)

For F.Y. 2018-19												
Sr. No.	Name of the Asset	Gross Carrying Value			Accumulated Amortisation					Net Carrying Value		
		As at 1st April 2018	Additions / Transfers	Deletions/ Sale/ Transfers	As at 31st March 2019	As at 1st April 2018	For the years	Deletions	Transfer to reserves	As at 31st March 2019	As at 31st March 2019	As at 31st March 2018
A	Goodwill on Consolidation	13.13	-	-	13.13	-	-	-	0.00	0.00	13.12	13.13
	<b>TOTAL</b>	<b>13.13</b>	<b>-</b>	<b>-</b>	<b>13.13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.12</b>	<b>13.13</b>
B	<b>OTHER INTANGIBLE ASSETS</b>											
	(a) Computer Software	0.07	0.98	-	1.05	0.02	0.06	-	0.00	0.08	0.96	0.05
	<b>TOTAL</b>	<b>0.07</b>	<b>0.98</b>	<b>-</b>	<b>1.05</b>	<b>0.02</b>	<b>0.06</b>	<b>-</b>	<b>0.00</b>	<b>0.08</b>	<b>0.96</b>	<b>0.05</b>

(₹ in Million)

For F.Y. 2019-20												
Sr. No.	Name of the Asset	Gross Carrying Value			Accumulated Amortisation					Net Carrying Value		
		As at 1st April 2019	Additions / Transfers	Deletions/ Sale/ Transfers	As at 31st March 2020	As at 1st April 2019	For the years	Deletions	Transfer to reserves	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019
A	Goodwill on Consolidation	13.12	-	-	13.12	-	-	-	-	-	13.12	13.12
	<b>TOTAL</b>	<b>13.12</b>	<b>-</b>	<b>-</b>	<b>13.12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.12</b>	<b>13.12</b>
B	<b>OTHER INTANGIBLE ASSETS</b>											
	(a) Computer Software	1.05	1.80	-	2.85	0.09	0.61	-	-	0.70	2.15	0.96
	<b>TOTAL</b>	<b>1.05</b>	<b>1.80</b>	<b>-</b>	<b>2.85</b>	<b>0.09</b>	<b>0.61</b>	<b>-</b>	<b>-</b>	<b>0.70</b>	<b>2.15</b>	<b>0.96</b>

(₹ in Million)

For F.Y. 2020-21												
Sr. No.	Name of the Asset	Gross Carrying Value			Accumulated Amortisation					Net Carrying Value		
		As at 1st April 2020	Additions / Transfers	Deletions/ Sale/ Transfers	As at 31st March 2021	As at 1st April 2020	For the years	Deletions	Transfer to reserves	As at 31st March 2021	As at 31st March 2021	As at 31st March 2020
A	Goodwill on Consolidation	13.12	-	-	13.12	-	-	-	-	-	13.12	13.12
	<b>TOTAL</b>	<b>13.12</b>	<b>-</b>	<b>-</b>	<b>13.12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.12</b>	<b>13.12</b>
B	<b>OTHER INTANGIBLE ASSETS</b>											
	(a) Computer Software	2.85	-	-	2.85	0.70	0.54	-	-	1.24	1.61	2.15
	<b>TOTAL</b>	<b>2.85</b>	<b>-</b>	<b>-</b>	<b>2.85</b>	<b>0.07</b>	<b>0.54</b>	<b>-</b>	<b>-</b>	<b>1.24</b>	<b>1.61</b>	<b>2.15</b>

(₹ in Million)

For Apr-Jul 20												
Sr. No.	Name of the Asset	Gross Carrying Value			Accumulated Amortisation					Net Carrying Value		
		As at 1st April 2020	Additions / Transfers	Deletions/ Sale/ Transfers	As at 31st July 2020	As at 1st April 2020	For the period	Deletions	Transfer to reserves	As at 31st July 2020	As at 31st July 2020	As at 31st March 2020
A	Goodwill on Consolidation	13.12	-	-	13.12	-	-	-	-	-	13.12	13.12
	<b>TOTAL</b>	<b>13.12</b>	<b>-</b>	<b>-</b>	<b>13.12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.12</b>	<b>13.12</b>
B	<b>OTHER INTANGIBLE ASSETS</b>											
	(a) Computer Software	2.85	-	-	2.85	0.70	0.18	-	-	0.88	1.97	2.15
	<b>TOTAL</b>	<b>2.85</b>	<b>-</b>	<b>-</b>	<b>2.85</b>	<b>0.70</b>	<b>0.18</b>	<b>-</b>	<b>-</b>	<b>0.88</b>	<b>1.97</b>	<b>2.15</b>

(₹ in Million)

For Apr-Jul 21												
Sr. No.	Name of the Asset	Gross Carrying Value				Accumulated Amortisation				Net Carrying Value		
		As at 1st April 2021	Additions / Transfers	Deletions/ Sale/ Transfers	As at 31st July 2021	As at 1st April 2021	For the period	Deletions	Transfer to reserves	As at 31st July 2021	As at 31st July 2021	As at 31st March 2021
A	Goodwill on Consolidation	13.12	-	-	13.12	-	-	-	-	-	13.12	13.12
	<b>TOTAL</b>	<b>13.12</b>	<b>-</b>	<b>-</b>	<b>13.12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.12</b>	<b>13.12</b>
<b>B</b>	<b>OTHER INTANGIBLE ASSETS</b>											
(a)	Computer Software	2.85	0.50	-	3.35	1.24	0.12	-	-	1.36	1.99	1.61
	<b>TOTAL</b>	<b>2.85</b>	<b>0.50</b>	<b>-</b>	<b>3.35</b>	<b>1.24</b>	<b>0.12</b>	<b>-</b>	<b>-</b>	<b>1.36</b>	<b>1.99</b>	<b>1.61</b>

**PURANIK BUILDERS LIMITED**  
**ANNEXURE VI**  
**NOTES TO THE RESTATED CONSOLIDATED IND AS FINANCIAL INFORMATION - OTHER INFORMATION**

(₹ in Million)					
NOTE - 3 NON-CURRENT INVESTMENTS	As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
<b>A) Investment in Equity Instruments</b>					
(a) Unquoted Equity Shares					
(1) Thane Bharat Sahakari Bank Ltd	0.50	0.50	0.50	0.50	0.50
(2) Thane Janata Sahakari Bank Ltd	0.02	0.02	0.02	0.02	0.02
	0.52	0.52	0.52	0.52	0.52
(₹ in Million)					
NOTE - 4 LOAN NON-CURRENT FINANCIAL ASSETS	As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
<b>Unsecured &amp; considered good</b>					
Deposits	12.98	12.98	12.98	12.98	9.90
	12.98	12.98	12.98	12.98	9.90
(₹ in Million)					
NOTE - 5 OTHER NON-CURRENT FINANCIAL ASSETS	As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
<b>Unsecured &amp; considered good</b>					
Bank Deposits with more than 12 months of Original maturity	229.72	260.51	181.63	235.65	313.60
Development Charges Refundable	0.13	0.13	0.13	0.13	0.13
	229.85	260.64	181.76	235.78	313.73
(₹ in Million)					
NOTE - 6 DEFERRED TAX ASSET (NET)	As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Deferred Tax Asset (Other than Fixed Assets)	16.16	16.16	16.77	15.64	16.10
Fixed assets: Impact of difference between Net Book value of Fixed Assets and tax written down value.	4.29	4.73	4.43	4.22	0.17
	20.45	20.89	21.20	19.86	16.27
(₹ in Million)					
NOTE - 7 TAX ASSETS (NET)	As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Advance Taxes , TDS & Self Assessment Tax (Net of Provisions)	2.93	3.03	3.01	-	-
Less : Reclassified to Current Tax	-	2.93	-	-	-
	-	-	-	-	-
(₹ in Million)					
NOTE - 8 OTHER ASSETS (NON-CURRENT)	As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
<b>Unsecured &amp; considered good</b>					
Deposits	0.91	0.91	0.91	0.91	0.91
	0.91	0.91	0.91	0.91	0.91
(₹ in Million)					
NOTE - 9 INVENTORIES (At lower of cost or net realisable Value)	As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Project Work In Progress	16,334.78	15,512.87	15,847.82	15,088.83	14,003.54
Project Finished Inventory	137.10	458.23	136.52	162.96	66.39
	16,471.88	15,971.10	15,984.34	15,251.79	14,069.93
(₹ in Million)					
NOTE - 10 CURRENT INVESTMENTS	As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
<b>A) Investments in Mutual funds</b>					
<b>Quoted Mutual Funds</b>					
Aditya Birla Private Equity Fund 1 (Direct)	0.00	0.00	0.00	0.00	1.71
DSP Black Rock Floatre Fund - G	19.97	-	45.27	-	-
DSP Black Rock - Low Duration Fund - G	0.10	0.10	0.11	-	-
DSP Black Rock - Money Manager Fund - G	-	-	-	-	51.80
DSP Black Rock - Ultra Short Term Fund	14.24	7.66	4.18	35.25	-
Principal Growth Fund - G	-	-	-	-	1.48
Principal Low Duration Fund - Regular Plan Growth	-	-	-	-	1.42
DSP BlackRock - Bond Fund - Reg - Growth	-	-	-	0.10	0.09
	34.31	7.76	49.56	35.35	56.50
Aggregate cost of quoted investments	33.75	7.65	49.29	34.91	55.97
Aggregate market value of the quoted investments	34.31	7.76	49.56	35.35	56.50
(₹ in Million)					
NOTE -11 TRADE RECEIVABLES	As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Unsecured & considered good	2,200.36	1,991.71	2,470.01	1,999.02	2,632.65
	2,200.36	1,991.71	2,470.01	1,999.02	2,632.65
<b>Note:</b>					
There are No Trade Receivables from Directors or Promoters					

(₹ in Million)					
NOTE - 12 CASH AND BANK BALANCES	As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
<b>A) Cash and Cash Equivalents</b>					
(a) Balance with Banks					
(i) Current Accounts	45.86	62.22	48.61	42.46	326.87
(b) Cash on Hand	4.42	5.23	4.42	5.23	4.98
	50.28	67.45	53.03	47.69	331.85
<b>B) Other Balances with bank</b>					
(a) Balances with Banks In Escrow accounts	101.80	103.66	120.81	75.47	34.99
(b) Fixed Deposit with Bank	6.90	48.19	23.81	74.74	31.87
	108.70	151.85	144.62	150.21	66.86
(₹ in Million)					
NOTE -13 LOAN - CURRENT FINANCIAL ASSETS	As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
<b>Unsecured and Considered Good</b>					
Loans and Advances to related Parties	-	0.79	-	0.79	-
Deposits	65.22	153.04	158.55	155.30	154.93
	65.22	153.83	158.55	156.09	154.93
(₹ in Million)					
NOTE -14 OTHER CURRENT FINANCIAL ASSETS	As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
<b>Unsecured and Considered Good</b>					
Rent Receivable	-	-	-	-	9.16
Other Advances	65.23	71.02	67.78	72.37	55.36
	65.23	71.02	67.78	72.37	64.52
(₹ in Million)					
NOTE -15 CURRENT TAX ASSETS (NET)	As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
TDS, Advance taxes & Self assessment taxes (Net)	7.71	3.59	7.56	6.17	16.49
Add : Reclassified from Non Current	2.93	3.03	3.01	-	-
	10.64	6.62	10.57	6.17	16.49
(₹ in Million)					
NOTE - 16 OTHER CURRENT ASSETS	As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Suppliers Advances	611.46	862.22	566.31	886.73	32.37
Other Advances	50.74	60.52	50.82	55.05	15.47
Indirect Tax receivables	176.16	198.24	176.79	206.45	147.74
Advance for Plot	898.59	855.34	897.73	855.34	1,616.34
Employee Advances	5.92	5.92	5.92	5.92	5.94
	1,742.87	1,982.24	1,697.57	2,009.49	1,817.86

(₹ in Million)

NOTE - 17 EQUITY SHARE CAPITAL	As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
<b>Authorised Share Capital</b>					
10,60,00,000 Equity Shares of Rs.10/- each	1,060.00	1,060.00	1,060.00	1,060.00	1,060.00
90,00,000 Preference Shares of Rs. 10/- each	90.00	90.00	90.00	90.00	90.00
<b>Issued, Subscribed &amp; Fully Paid up Share Capital</b>					
5,76,48,207 Equity Share of Rs.10/- each	576.48	576.48	576.48	576.48	576.48
	<b>576.48</b>	<b>576.48</b>	<b>576.48</b>	<b>576.48</b>	<b>576.48</b>

## a) Reconciliation of shares outstanding at the beginning and at the end of the year.

(₹ in Million)

Equity Shares	As at 31st July 2021		As at 31st July 2020		As at 31st March 2021		As at 31st March 2020		As at 31st March 2019	
	Numbers	Amount in Rs.	Numbers	Amount in Rs.	Numbers	Amount in Rs.	Numbers	Amount in Rs.	Numbers	Amount in Rs.
Equity shares at the beginning of the year / period	5,76,48,207	576.48	5,76,48,207	576.48	5,76,48,207	576.48	5,76,48,207	576.48	5,76,48,207	576.48
<b>Equity shares at the end of the year / period</b>	<b>5,76,48,207</b>	<b>576.48</b>	<b>5,76,48,207</b>	<b>576.48</b>	<b>5,76,48,207</b>	<b>576.48</b>	<b>5,76,48,207</b>	<b>576.48</b>	<b>5,76,48,207</b>	<b>576.48</b>

## b) Details of Shareholders holding more than 5% equity shares in the Company

Name of the Shareholders	As at 31st July 2021		As at 31st July 2020		As at 31st March 2021		As at 31st March 2020		As at 31st March 2019	
	No. of Equity Share	Percentage Holding	No. of Equity Share	Percentage Holding	No. of Equity Share	Percentage Holding	No. of Equity Share	Percentage Holding	No. of Equity Share	Percentage Holding
Shailesh Puranik	63,76,270	11.06	63,76,270	11.06	63,76,270	11.06	63,76,270	11.06	63,76,270	11.06
Shrikant Puranik	29,41,277	5.10	29,41,277	5.10	29,41,277	5.10	29,41,277	5.10	29,41,277	5.10
Yogesh Puranik	29,40,775	5.10	29,40,775	5.10	29,40,775	5.10	29,40,775	5.10	29,40,775	5.10
Nilesh Puranik	62,67,356	10.87	62,67,356	10.87	62,67,356	10.87	62,67,356	10.87	62,67,356	10.87
Gopal Puranik	5,93,880	1.03	5,93,880	1.03	5,93,880	1.03	5,93,880	1.03	5,93,880	1.03
Ravindra Puranik	5,92,410	1.03	5,92,410	1.03	5,92,410	1.03	5,92,410	1.03	5,92,410	1.03
Puranik Business Private Trust	1,85,96,195	32.26	1,85,96,195	32.26	1,85,96,195	32.26	1,85,96,195	32.26	1,85,96,195	32.26
Puranik Family Private Trust	1,93,40,044	33.55	1,93,40,044	33.55	1,93,40,044	33.55	1,93,40,044	33.55	1,93,40,044	33.55

## c) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10/- (Previous Period/Year Rs. 10/- per share)

Each shareholder is entitled to one vote per share. The shareholders have the right to receive interim dividend declared by the Board of Directors and Final Dividend proposed by the Directors and approved by the shareholders.

In the event of liquidation, the shareholders will be entitled in proportion to the number of equity shares held by them to receive remaining assets of the company, after distribution of all preferential amount.

## d) Terms/rights attached to Preference shares

Each Non-Convertible Redeemable Preference Shares (NCRPS) has a par Value of Rs. 10 each. NCRPS carry a dividend of 5% per annum.

NCRPS have a tenure of 10 years from the date of allotment i.e. 31.03.2014

Preference Shares shall have right of priority with respect to repayment of principal of principal over Equity Shares

(₹ in Million)

NOTE - 18 OTHER EQUITY	Reserves and Surplus				Total
	Capital Reserve	Securities Premium Reserve	Debenture Redemption Reserves	Retained Earnings	
<b>Balance as at 1st April, 2018</b>			787.98	635.83	1,423.81
<b>Additions during the period :</b>					
Profit for the Year	-	-	-	618.99	618.99
Adjustment to Retained Earning on Account of Subsidiary	-	-	-	9.46	9.46
Transfer from Debenture Redemption Reserve	-	-	-	234.19	234.19
<b>Reductions during the year :</b>					
Provision for dividend and tax on dividend	-	-	-	(40.11)	(40.11)
Transfer to Retained Earnings	-	-	(234.19)	-	(234.19)
<b>Balance as at 31st March, 2019</b>	-	-	553.79	1,458.36	2,012.15
<b>Balance as at 1st April, 2019</b>			553.79	1,458.36	2,012.15
<b>Additions during the period :</b>					
Profit for the Year	-	-	-	440.42	440.42
Transfer from Debenture Redemption Reserve	-	-	-	437.57	437.57
<b>Reductions during the year :</b>					
Transfer to Retained Earnings	-	-	(437.57)	-	(437.57)
<b>Balance as at 31st March, 2020</b>	-	-	116.22	2,336.35	2,452.57
<b>Balance as at 1st April, 2020</b>			116.22	2,336.35	2,452.57
<b>Additions during the period :</b>					
Profit for the Year	-	-	-	338.23	338.23
Transfer from Retained Earnings	-	-	21.41	-	21.41
<b>Reductions during the year :</b>					
Transfer to Debenture Redemption Reserve	-	-	-	(21.41)	(21.41)
<b>Balance as at 31st March, 2021</b>	-	-	137.63	2,653.17	2,790.80
<b>Balance as at 1st April, 2020</b>	-	-	116.22	2,336.35	2,452.57
<b>Additions during the period :</b>					
Profit for the period	-	-	-	3.55	3.55
<b>Reductions during the period :</b>					
<b>Balance as at 31st July 2020</b>	-	-	116.22	2,339.90	2,456.12
<b>Balance as at 1st April, 2021</b>			137.63	2,653.17	2,790.80
<b>Additions during the period :</b>					
Profit for the period	-	-	-	162.44	162.44
<b>Reductions during the period :</b>					
<b>Balance as at 31st July 2021</b>	-	-	137.63	2,815.61	2,953.24

(₹ in Million)

NOTE - 19 BORROWINGS	As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
<b>Secured</b>					
Term loans From Banks	53.77	51.83	33.85	49.73	-
Term loans From Others	11,645.04	11,120.16	11,694.68	10,836.49	9,472.40
Construction Equipment Finance	11.70	17.81	14.06	20.69	34.99
Vehicle Loans	6.11	9.63	7.49	9.99	14.36
Debentures	815.69	1,263.35	1,066.30	1,149.67	1,232.61
	12,532.31	12,462.78	12,816.38	12,066.57	10,754.36

For the detailed terms about the Secured Loans above

Lender	Type of Facility	Loan Currency	Long Term Borrowings as at 31st July 2021	Rate of Interest	Repayment Terms	Other Principles, Terms and Conditions	Prepayment Terms	Default Interest
KKR India Asset Finance Private Limited	Term Loans	INR	526.26	10.05%	Balance amount is repayable in 18 monthly installments of Rs.3.13 Cr each starting from 30th June,2022 to 30th Sept,2023	The loan is secured by way of 1. registered mortgage of project land of Aldea Espanola project at Baner & Abitante project at Bavdhan, Pune. 2. Personal Guarantee of Mr. Shailesh Puranik & Mr. Shrikant Puranik	No voluntary prepayment should be made on or before expiry of 18 (eighteen) months from Closing date. In the event any voluntary prepayment is made during such period, the Borrower shall pay Prepayment Premium being an amount equivalent to the accrued interest on the prepaid amount for the entire 18 (eighteen) months.	Upon occurrence of an event of default, the Facility shall bear a default interest rate of 4.0% (four per cent) per annum in addition to the Interest Rate, compounded monthly.
KKR India Asset Finance Private Limited	Term Loans	INR	1,698.19	10.05%	Amount is repayable in 8 quarterly installments of Rs. 26.04 Crs each from 30th June 2024 till 31st March 2026.	The loan is secured by way of 1. registered mortgage of project land of Aldea Espanola project at Baner & Abitante project at Bavdhan, Pune. 2. Personal Guarantee of Mr. Shailesh Puranik & Mr. Shrikant Puranik	No voluntary prepayment should be made on or before expiry of 18 (eighteen) months from Closing date. In the event any voluntary prepayment is made during such period, the Borrower shall pay Prepayment Premium being an amount equivalent to the accrued interest on the prepaid amount for the entire 18 (eighteen) months.	Upon occurrence of an event of default, the Facility shall bear a default interest rate of 4.0% (four per cent) per annum in addition to the Interest Rate, compounded monthly.
KKR India Asset Finance Private Limited	Term Loans	INR	721.31	11.70%	Amount is repayable in 6 quarterly installments of Rs. 12.35 Crs each from 30th Sept, 2025 till 31st Dec 2026.	The loan is secured by way of 1. registered mortgage of project land of Aldea Espanola project at Baner & Abitante project at Bavdhan, Pune. 2. Personal Guarantee of Mr. Shailesh Puranik & Mr. Shrikant Puranik	No voluntary prepayment should be made on or before expiry of 18 (eighteen) months from Closing date. In the event any voluntary prepayment is made during such period, the Borrower shall pay Prepayment Premium being an amount equivalent to the accrued interest on the prepaid amount for the entire 18 (eighteen) months.	Upon occurrence of an event of default, the Facility shall bear a default interest rate of 4.0% (four per cent) per annum in addition to the Interest Rate, compounded monthly.
KKR India Asset Finance Private Limited	Term Loans	INR	100.00	14.00%	Repayment in 48 equal installments after the completion of moratorium period 12 month from the date of first disbursement	The loan is secured by way of a) First Ranking Mortgage and charge in the form of an English Mortgage (without possession) over 1) The property together with rights, title, interest, present or future, associated with the Property. 2) All accounts (including the Escrow Account and Debt Service Reserve Account), cash flows and distribution, agreements and other rights and properties of the borrower and all monies, securities, instrument and/or cash equivalents deposited or required to be deposited in the Accounts and 3) All project proceeds including the collections of the borrower from the projects including collections of the borrower from the projects including from the transfer of the units and related development of the Project. 4) An assignment or charge over the Project Documents, including completion guarantees, funding undertaking for cost overruns, shortfalls funding undertaking in relation to the facility and project management agreements and 5) An assignment or charge over the asset or development management agreement between the borrower and the asset or development manager if applicable.		2% greater than regular interest but Nil in respect of any non compliance of the already accepted covenants of the existing facility

Piramal Capital & Housing Finance Limited	Term Loans	INR	2,002.65	14.25%	Repayment in 13 quarterly installments from June,2022 till June,2025 .	The loan is secured by way of : 1. Exclusive charge by Registered Mortgage over Puranik City-Phase-IV project and Escrow of receivables and Project Land along with the building constructed thereon. 2. Personal Guarantee of Mr. Shailesh Puranik, Mr. Shrikant Puranik, Mr. Nilesh Puranik & Mr. Yogesh Puranik	No Pre-Payment is allowed for 2 Years from the date of first disbursement & after that 1.5% penal charges applicable on the principal amount prepaid.	If Interest or Principal payment due are defaulted/delayed, interest @27% p.a., compounded monthly, for defaulted/delayed period on the amounts due will become payable.
State Bank of India	Term Loans	INR	53.34	14.75%	Amount is repayable in 8 quarterly installments from July-Sept 2021 till Apr-Jun 2023.	1. a). All the saleable units of project Puranik City Neral Sector 1 & Sector 4 along with right of way to said plot b). Hypothication of Cash Flow, book debts and receivables of the project c). Negative Lien on unsold units of the project 2. Personal Guarantee of: Mr. Shailesh Puranik, Mr. Shrikant Puranik, Mr. Yogesh Puranik and Mr. Nilesh Puranik.	Pre payment charges as applicable, shall be payable in case of pre payment of loan. No prepayment charges will be applicable if loan is closed from proceeds of the project or from own funds	Penal charges at the rate of 5% of outstanding amount, if continuously irregular for more than 60 days
Indostar Capital Finance Limited	Term Loans	INR	2,385.62	14.15%	Amount is repayable in 42 monthly Installement starting from 31st Oct 2022 till 31st March 2026	1. Exclusive Charge on all assets of the Project Aaramb C, Tokyo Bay I, II, III & IV i.e. registered Mortgage of Land and Development Rights, mortgage of all unsold project assets, charge of and escrow of all the project receivables including from sold and unsold units. 2. Personal Guarantee of: a.Promoters of Puranik Group i.e. Mr. Shailesh Puranik, Mr. Shrikant Puranik, Mr. Yogesh Puranik and Mr. Nilesh Puranik. b. Partners of Annapurna Lifespaces LLP, c. Partners of Sai Pusph Enterprises	Voluntary prepayment to be in multiples of Rs. 5 Crs and there would be no prepayment penalty for such prepayment	Additional interest @ 4% p.a. higher than applicable interest rate on the entire outstanding amounts under the facility whether the same has become due or not
Indostar Capital Finance Limited	Term Loans	INR	1,772.95	14.15%	Amount is repayable in 42 monthly Installement starting from 31st Oct 2022 till 31st March 2026	1. Exclusive Charge on all assets of the Project Aaramb C, Tokyo Bay I, II, III & IV i.e. registered Mortgage of Land and Development Rights, mortgage of all unsold project assets, charge of and escrow of all the project receivables including from sold and unsold units. 2. Personal Guarantee of: a.Promoters of Puranik Group i.e. Mr. Shailesh Puranik, Mr. Shrikant Puranik, Mr. Yogesh Puranik and Mr. Nilesh Puranik. b. Partners of Annapurna Lifespaces LLP, c. Partners of Sai Pusph Enterprises	No prepayment charges	4% p.a. on the entire Borrowers dues under the facility whether the same has become due or not



HDFC Ltd.	Term Loans	INR	2,750.11	13.00%	Amount is repayable in monthly installments as follows: The maximum principal outstanding from the date of first disbursement of Tranche 1 to all Tranches of the Loan should not exceed as per the schedule below: a. 57th Month: Rs. 270.00 Crs b. 58th Month: Rs. 182.50 Crs c. 59th Month: Rs. 95.00 Crs d. 60th Month: NIL	1. Mortgage of Leasehold Rights in the projects' underlying land along of all three i.e. Fortune Infracreators Pvt Ltd along with Ekdanta Constructions & Developers Pvt Ltd (ECDPL) and Sai Shiva Infra Developers (SSID)' Developers rights in the said project being project "Puraniks Grand Central" located at Vartak Nagar, Pokhran Road - 1, Thane West, 400606 and construction there on present and future 2. First Charge on all three i.e. FIPL, ECDPL & SSID's share of scheduled receivables under the documents entered into with the customers of the funded project by the Borrower, and all insurance proceeds, both present and future. 3.Receivables/ cash flows/revenues including booking amounts arising out of or in connection with or relating to the project. 4. Personal Guarantee of • Mr. Shailesh Gopal Puranik, • Mr. Yogesh Govind Puranik, • Mr. Nilesh Ravindra Puranik • Mr. Shrikant Govind Puranik	The lender may, in its sole discretion and on such terms as to pre payment charges etc. as it may prescribe, permit acceleration of interest and/or prepayment of the said financial facility together with the outstanding amounts at the request of the Borrower	In case of default/delay of payment of EMI/Simple interest of the financial facility additional interest @ 18% p.a. on such default/delayed amount for such delayed number of days
ICICI Home Finance Company Limited	Term Loans	INR	15.17	14.30%	Balance amount is repayable in 28 monthly installments of Rs.0.18 Cr each from Sept,2020 to Dec,2022	1. Exclusive Charge on four units of Puranik City and two units of Puranik Capital and escrow of all receivables of said units .	No prepayment charges	Additional interest of 2% p.a. over and above applicable interest rate
Tata Capital Financial Services Ltd.	Construction Equipment Finance	INR	2.26	11.25%	Interest and principle to be paid on monthly basis every month from the date of booking of loan to till Oct,2021	<u>Primary</u> Hypothecation of Machines purchased/ to be purchased out of TCFSL Fund <u>Collateral</u> Collateral of land situated at old survey 52, New Survey no 63, Hissa No 1, Area admeasuring 1640, Village vadavalli, Taluka, District Thane <u>Personal Guarantee</u> Personal Guarantee of directors of Puranik Builders Ltd	4% on the amount prepaid	6% p.a. over and above the normal interest rate
Tata Capital Financial Services Ltd.	Construction Equipment Finance	INR	11.69	12.00%	Amount is repayable in 37 monthly installments of Rs. 6.80 Lakhs each starting from Nov,2019 to till March,2023.	<u>Primary</u> Hypothecation of Machines purchased/ to be purchased out of TCFSL Fund <u>Collateral</u> Collateral of land situated at old survey 52, New Survey no 63, Hissa No 1, Area admeasuring 1640, Village vadavalli, Taluka, District Thane <u>Personal Guarantee</u> Personal Guarantee of Mr. Shrikant Puranik	4% on the amount prepaid	6% p.a. over and above the normal interest rate

Indostar Capital Finance Limited	Redeemable non-convertible debentures	INR	1,116.41	13.25%	Balance amount is repayable in 18 monthly Installement starting from 30th Nov, 2021 till 30th April, 2023	All debentures are secured by charge of :- 1. First and exclusive registered mortgage in favour of the Debenture Trustee(GDA Trusteeship Ltd) on the Company's immovable property for Project viz. Rumah Bali & GB One situated at Ghodbunder Road, Thane 2. First and exclusive charge over present and future receivables of the Project Rumah Bali & GB One by hypothecation. 3. Personal Guarantee of Mr. Shailesh Puranik, Mr. Shrikant Puranik, Mr. Nilesh Puranik & Mr. Yogesh Puranik	Voluntary prepayment to be in multiples of Rs. 5 Crs and there would be no prepayment penalty for such prepayment	Additional interest @ 4% p.a. higher than applicable interest rate on the entire outstanding amounts under the facility whetherbthe same has become due or not
Indostar Capital Finance Limited	Redeemable non-convertible debentures	INR	218.28	13.50%	Amount is repayable in 30 monthly Installement starting from 28th Feb,2023 till 31st July, 2025	All debentures are secured by charge of :- 1. Exclusive charge with the Existing Facility on all assets of Rumah Bali Project i.e. Registered Mortgage of the Development Rights, mortgage of all unsold project assets, charge of and Escrow of all the project receivables including from sold and unsold units. 2. Personal Guarantee of Mr. Shailesh Puranik, Mr. Shrikant Puranik, Mr. Nilesh Puranik & Mr. Yogesh Puranik	Voluntary prepayment to be in multiples of Rs. 5 Crs and there would be no prepayment penalty for such prepayment	Additional interest @ 4% p.a. higher than applicable interest rate on the entire outstanding amounts under the facility whetherbthe same has become due or not
BMW India Financial Services Pvt Ltd	Vehicle Loan	INR	3.67	10.00%	Vehicle Loan	Security - BMW 730Ld Signature	2% of part payment amount	24% p.a. on the unpaid EMI.
BMW India Financial Services Pvt Ltd	Vehicle Loan	INR	2.45	10.00%	Vehicle Loan	Security - BMW 520d Luxury Line	2% of part payment amount	24% p.a. on the unpaid EMI.

(₹ in Million)					
NOTE - 20 OTHER NON-CURRENT FINANCIAL LIABILITIES	As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Loans from Others*	10.89	15.35	10.51	15.14	8.51
Contractors Retention Payable	209.70	194.11	206.02	191.54	176.46
	220.59	209.46	216.53	206.68	184.97
* Unsecured Loans taken by Annapurna Lifespaces LLP (Subsidiary LLP) at Rate of Interest in range from 12% - 18% p.a. for more than a year					

(₹ in Million)					
NOTE - 21 LONG TERM PROVISIONS	As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Provision for Gratuity	28.87	35.63	30.41	38.64	24.44
Provision for Leave Encashment	9.05	10.46	10.22	11.55	9.75
	37.92	46.09	40.63	50.19	34.19

(₹ in Million)					
NOTE - 22 DEFERRED TAX LIABILITY (NET)	As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Opening Deferred Tax Liability	-	-	-	-	0.07
Transferred from/(to) Deferred Tax Asset	-	-	-	-	(0.07)
	-	-	-	-	-

(₹ in Million)					
NOTE - 23 SHORT TERM BORROWING	As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Bank Overdraft	189.14	294.41	202.82	299.30	508.24
	189.14	294.41	202.82	299.30	508.24

For the detailed terms about the Secured Loans above

(₹ in Million)								
Lender	Type of Facility	Loan Currency	Short Term Borrowings as at 31st July 2021	Rate of Interest	Repayment Terms	Other Principles, Terms and Conditions	Prepayment Terms	Default Interest
Andhra Bank	Secured Overdraft against Real Estate	INR	125.52	11.40%	Overdraft facility of Rs.2500.00 Lacs with Andhra Bank, secured against unsold flats in various project.	Unsold Inventory of Puranik Hometown Phase II ( Two units), Zeneeth project (Nine Units), Puraniks Capitol (Seven units), Swapndhara project (One units), Ganga Prasad project ( One Units), Kanchan Puhsp project( One units)	No Pre-Payment Penalty	Penal Interest of 2% to be levied for all excess drawings/delay in payment of installment/interest

State Bank of India I	Dropline Overdraft Facility	INR	19.25	14.70%	Overdraft facility of Rs. 3500 Lacs with SBI Tenure of 60 months from disbursement of the first tranche & amount repayable in yearly installments of Rs. 500 Lacs each commencing from December 2017 to March 2018 & Rs.500 Lacs from April 2018 to Mar 2019 and Rs.1000 Lacs from April 2019 to Mar 2020 and Rs.1000 Lacs from September 2020 to August 2021. The loan is secured by way of :Exclusive charge by Registered Mortgage over	Primary Security: 1st Charge on Escrow Account for the project Aldia Annexo to the extent of 57%. Collateral Security (Immovable Proerty) 1) Commercial floors (Floors Ground Floor, First, Second, Third, Fourth, Fifth and Interiors) in building known as Puranik One, 2) Land at survey no 195/2 village kavesar, besides Puranik's One, Ghodbunder Road, Thane (W), Total Area of Property is 12,391 sq ft. 3) Residential and	In case of prepayment/preclosure by way of take over a penal interest @ 2% of the drawing power will be recovered	2% above the applicable interest rate will be charged on the overdue amount beyond 7 dsya
HDFC Bank Ltd	Overdraft	INR	44.37	5.50%	Overdraft facility 100 % FD Margin	100 % FD Margin	No prepayment charges	-

(₹ in Million)

<b>NOTE - 24 TRADE AND OTHER PAYABLE</b>	<b>As at 31st July 2021</b>	<b>As at 31st July 2020</b>	<b>As at 31st March 2021</b>	<b>As at 31st March 2020</b>	<b>As at 31st March 2019</b>
Due to Micro and small enterprises *	5.71	6.68	6.29	6.99	12.32
Due to Others	927.96	1,131.59	1,072.17	1,106.82	1,079.47
	933.67	1,138.27	1,078.46	1,113.81	1,091.79

\* The information has been determined to the extent such parties have been identified on the basis of information available with the Company.

(₹ in Million)

<b>NOTE - 25 OTHER CURRENT FINANCIAL LIABILITIES</b>	<b>As at 31st July 2021</b>	<b>As at 31st July 2020</b>	<b>As at 31st March 2021</b>	<b>As at 31st March 2020</b>	<b>As at 31st March 2019</b>
Current maturities of Long term debt	848.05	522.45	427.18	399.88	1,074.27
Advances from Related Parties *	87.04	76.70	87.55	77.21	43.06
Other Payables					
Expenses Payable	329.66	325.05	348.01	319.93	231.39
Other Payable	24.78	11.39	29.23	24.30	369.16
Deposits	3.39	3.39	3.39	3.39	5.16
	1,292.92	938.98	895.36	824.71	1,723.04
* Interest Free Unsecured Loans & Repayable at the discretion of Borrower					

(₹ in Million)

<b>NOTE - 26 OTHER CURRENT LIABILITIES</b>	<b>As at 31st July 2021</b>	<b>As at 31st July 2020</b>	<b>As at 31st March 2021</b>	<b>As at 31st March 2020</b>	<b>As at 31st March 2019</b>
Other Payable	-	-	-	-	-
Advance from customers	1,407.13	1,542.66	1,392.29	1,433.79	1,913.76
Duties & Taxes Payable	14.06	51.03	20.94	21.15	28.19
	1,421.19	1,593.69	1,413.23	1,454.94	1,941.95

(₹ in Million)

<b>NOTE - 27 SHORT TERM PROVISIONS</b>	<b>As at 31st July 2021</b>	<b>As at 31st July 2020</b>	<b>As at 31st March 2021</b>	<b>As at 31st March 2020</b>	<b>As at 31st March 2019</b>
Provision for Gratuity	1.26	2.69	3.11	2.92	2.48
Provision for Leave Encashment	0.48	1.18	1.08	1.41	1.99
	1.74	3.87	4.19	4.33	4.47

(₹ in Million)

<b>NOTE - 28 CURRENT TAX LIABILITIES (NET)</b>	<b>As at 31st July 2021</b>	<b>As at 31st July 2020</b>	<b>As at 31st March 2021</b>	<b>As at 31st March 2020</b>	<b>As at 31st March 2019</b>
Provision for Tax (Net)	223.96	261.27	190.34	258.64	175.58
	223.96	261.27	190.34	258.64	175.58

**PURANIK BUILDERS LIMITED**  
**ANNEXURE VI**  
**NOTES TO THE RESTATED CONSOLIDATED IND AS FINANCIAL INFORMATION - OTHER INFORMATION**

(₹ in Million)					
NOTE - 29 REVENUE FROM OPERATIONS	For the four month period ended on 31st July 2021	For the four month period ended on 31st July 2020	For the year ended on 31st March 2021	For the year ended on 31st March 2020	For the year ended on 31st March 2019
Revenue from Sale of Flats	1,891.91	414.58	4,860.67	7,069.96	7,063.73
Other Operating Revenue	14.15	2.64	161.99	136.18	88.17
	1,906.06	417.22	5,022.66	7,206.14	7,151.90

(₹ in Million)						
NOTE - 30 OTHER INCOME	Recurring / Non - Recurring	For the four month period ended on 31st July 2021	For the four month period ended on 31st July 2020	For the year ended on 31st March 2021	For the year ended on 31st March 2020	For the year ended on 31st March 2019
Dividend Income on Investment*	Recurring	-	-	-	0.01	6.17
Rent Income**	Recurring	-	-	1.86	4.67	11.28
Interest Income**	Recurring	2.59	3.35	103.16	19.02	22.29
Flat Cancellation Charges**	Recurring	3.41	2.62	7.36	30.13	2.33
Fair Value Gain**	Non-Recurring	(1.54)	(1.61)	(3.58)	5.46	9.66
Sundry Balances / Excess Provisions written back (net)**	Non-Recurring	-	-	-	18.15	-
Miscellaneous Income**	Recurring	0.78	2.24	4.14	18.82	8.67
		5.24	6.60	112.94	96.26	60.40
* Related to Business Income						
** Other than Related to Business Income						

(₹ in Million)						
NOTE - 31 OPERATING COST	For the four month period ended on 31st July 2021	For the four month period ended on 31st July 2020	For the year ended on 31st March 2021	For the year ended on 31st March 2020	For the year ended on 31st March 2019	
Opening Work-in-Progress	15,984.34	15,251.79	15,251.79	14,069.93	11,595.34	
Purchases	79.95	51.99	120.21	404.43	524.56	
Land, Construction and Development Cost	1,752.09	980.80	3,896.88	5,640.88	6,467.58	
Municipal Charges	26.20	1.15	20.44	103.38	137.82	
Less : Closing Work-in-Progress	(16,471.88)	(15,971.10)	(15,984.34)	(15,251.79)	(14,069.93)	
	1,370.70	314.63	3,304.98	4,966.83	4,655.37	

(₹ in Million)						
NOTE - 32 EMPLOYEE BENEFIT EXPENSES	For the four month period ended on 31st July 2021	For the four month period ended on 31st July 2020	For the year ended on 31st March 2021	For the year ended on 31st March 2020	For the year ended on 31st March 2019	
Salaries & wages	10.90	10.44	30.72	247.25	321.44	
Contribution to PF & Other Funds	1.76	1.40	4.80	11.60	15.31	
Staff Welfare	0.44	0.99	2.23	3.08	7.37	
	13.10	12.83	37.75	261.93	344.12	

(₹ in Million)						
NOTE - 33 FINANCE COST	For the four month period ended on 31st July 2021	For the four month period ended on 31st July 2020	For the year ended on 31st March 2021	For the year ended on 31st March 2020	For the year ended on 31st March 2019	
Interest on borrowings	299.68	79.92	1,294.86	1,279.74	1,149.72	
	299.68	79.92	1,294.86	1,279.74	1,149.72	

(₹ in Million)						
NOTE - 34 OTHER EXPENSES	For the four month period ended on 31st July 2021	For the four month period ended on 31st July 2020	For the year ended on 31st March 2021	For the year ended on 31st March 2020	For the year ended on 31st March 2019	
Commission & Brokerage	0.14	0.11	0.07	1.16	0.77	
Interest on Statutory Dues	0.87	0.00	2.24	0.85	0.01	
Administrative & Marketing Expenses	7.35	3.48	19.46	41.72	52.39	
Other Expenses	0.73	0.51	15.35	6.01	6.43	
Legal and Professional Fees	0.11	0.01	0.14	4.77	0.22	
	9.20	4.11	37.26	54.51	59.82	

(₹ in Million except Per Share)

NOTE - 35 EARNING PER SHARE	For the four month period ended on 31st July 2021	For the four month period ended on 31st July 2020	For the year ended on 31st March 2021	For the year ended on 31st March 2020	For the year ended on 31st March 2019
Profit for the year attributable to ordinary shareholders of the Company (A)	171.06	8.28	350.59	444.90	616.83
Weighted average no. of equity shares at the end of the year (Shares/Nos In million) (B)	57.65	57.65	57.65	57.65	57.65
Basic Earning Per Share (A/B)	2.97	0.14	6.08	7.72	10.70
Diluted Earning Per Share (A/B)	2.97	0.14	6.08	7.72	10.70

## 35.1 Profits attributable to ordinary shareholders (basic)

(₹ in Million)

Particulars	For the four month period ended on 31st July 2021	For the four month period ended on 31st July 2020	For the year ended on 31st March 2021	For the year ended on 31st March 2020	For the year ended on 31st March 2019
Profit for the year attributable to ordinary shareholders of the Company	171.06	8.28	350.59	444.90	616.83

## 35.2 Weighted average number of ordinary shares (basic and diluted)

(in Million)

Particulars	For the four month period ended on 31st July 2021	For the four month period ended on 31st July 2020	For the year ended on 31st March 2021	For the year ended on 31st March 2020	For the year ended on 31st March 2019
No. of equity shares at the beginning of the year (In million)	57.65	57.65	57.65	57.65	57.65
Add: Effect of shares issued during the year	-	-	-	-	-
Add: Bonus Shares issued	-	-	-	-	-
<b>Weighted average no. of equity shares at the end of the year (In million)</b>	<b>57.65</b>	<b>57.65</b>	<b>57.65</b>	<b>57.65</b>	<b>57.65</b>

PURANIK BUILDERS LTD

The following tables set out the status of gratuity plans and amounts recognized in the Company's financial statements as at 31 July, 2021, 31 July, 2020, 31 March, 2021, 31 March, 2020 and 31 March 2019.

Note 36 : Gratuity Disclosure Statement as per Indian Accounting Standard 19 (Ind AS 19)

Particulars	Current Period	Previous Period	Previous Period	Previous Period	Previous Period
Type of Benefit	Gratuity	Gratuity	Gratuity	Gratuity	Gratuity
Country	India	India	India	India	India
Reporting Currency	INR	INR	INR	INR	INR
Reporting Standard	Ind AS 19	Ind AS 19	Ind AS 19	Ind AS 19	Ind AS 19
Funding Status	Funded	Funded	Funded	Funded	Funded
Starting Period	01-Apr-21	01-Apr-20	01-Apr-20	01-Apr-19	01-Apr-18
Date of Reporting	31-Jul-21	31-Jul-20	31-Mar-21	31-Mar-20	31-Mar-19
Period of Reporting	4 Months	4 Months	12 Months	12 Months	12 Months

Assumptions	Apr 21 - Jul 21	Apr 20 - Jul 20	2020-21	2019-20	2018-19
Expected Return on Plan Assets	8.00%	8.00%	8.00%	8.00%	7.70%
Rate of Discounting	6.50%	6.50%	6.80%	6.80%	7.70% (Indicative G-Sec referenced on 31/03/2018)
Rate of Salary Increase	8.75%	8.75%	8.75%	8.75%	8.00%
Rate of Employee Turnover	2% at younger ages and reducing to 1% at older ages according to graduated scale	2% at younger ages and reducing to 1% at older ages according to graduated scale	3% at younger ages and reducing to 1% at older ages according to graduated scale	3% at younger ages and reducing to 1% at older ages according to graduated scale	For Service 5 years and below - 20.00% For Service 5 years and above - 3.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Mortality Rate After Employment	N.A.	N.A.	N.A.	N.A.	N.A.

Table showing Change in the fair value of Plan Assets	Apr 21 - Jul 21	Apr 20 - Jul 20	2020-21	2019-20	2018-19
Fair value of Plan Assets at the beginning of the period	4.08	3.89	3.89	3.64	3.46
Expected Return on Plan Assets	0.09	0.08	0.26	0.24	0.28
Contributions by the Employer	-	-	-	-	1.31
Expected Contributions by the Employees	-	-	-	-	-
Assets Transferred In/Acquisitions	-	-	-	-	-
(Assets Transferred Out/ Divestments)	-	-	-	-	-
(Benefit Paid from the Fund)	-	-	-	-	(0.89)
(Assets Distributed on Settlements)	-	-	-	-	-
Effects of Asset Ceiling	-	-	-	-	-
Actuarial Gains/(Losses) on Plan Assets - Due to Experience	-	-	-	-	(0.04)
Return on Plan assets, excluding interest income	0.00	0.01	(0.07)	0.01	-
Fair Value of Plan Assets at the End of the Period	4.17	3.98	4.08	3.89	4.12

Table Showing Change in the Present Value of Projected Benefit Obligation	Apr 21 - Jul 21	Apr 20 - Jul 20	2020-21	2019-20	2018-19
Present Value of Benefit Obligation at the Beginning of the Period	33.52	41.57	41.57	27.09	20.09
Interest Cost	0.76	0.90	2.83	1.84	1.55
Current Service Cost	5.79	2.38	6.33	8.37	7.26
Past Service Cost	-	-	-	-	-
Liability Transferred In/ Acquisitions	-	-	-	-	-
(Liability Transferred Out/ Divestments)	-	-	-	-	-
(Gains)/ Losses on Curtailment	-	-	-	-	-
(Liabilities Extinguished on Settlement)	-	-	-	-	-
(Benefit Paid Directly by the Employer)	-	-	-	-	-
(Benefit Paid From the Fund)	-	-	-	-	(0.89)
The Effect Of Changes in Foreign Exchange Rates	-	-	-	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-	-	-	0.35
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	-	0.84	-	4.66	0.16
Actuarial (Gains)/Losses on Obligations - Due to Experience	(9.94)	(7.36)	(17.19)	(0.39)	(1.43)
Present Value of Benefit Obligation at the End of the Period	30.13	38.33	33.52	41.57	27.09

Amount Recognized in the Balance Sheet	Apr 21 - Jul 21	Apr 20 - Jul 20	2020-21	2019-20	2018-19
(Present Value of Benefit Obligation at the end of the Period)	(30.13)	(38.33)	(33.52)	(41.57)	(27.09)
Fair Value of Plan Assets at the end of the Period	4.17	3.98	4.08	3.89	3.62
Funded Status (Surplus/ (Deficit))	(30.13)	(38.33)	(33.52)	(41.57)	(3.79)
Net (Liability)/Asset Recognized in the Balance Sheet	(30.13)	(38.33)	(33.52)	(41.57)	(3.79)

Net Interest Cost for Current Period	Apr 21 - Jul 21	Apr 20 - Jul 20	2020-21	2019-20	2018-19
Present Value of Benefit Obligation at the Beginning of the Period	33.52	41.57	41.57	27.08	19.81
(Fair Value of Plan Assets at the Beginning of the Period)	(4.08)	(3.89)	(3.89)	(3.64)	(1.98)
Net Liability/(Asset) at the Beginning	29.45	37.67	37.67	23.44	19.81
Interest Cost	0.76	0.90	2.83	1.84	1.55
(Expected Return on Plan Assets)	(0.09)	(0.08)	(0.26)	(0.25)	(0.28)
Net Interest Cost for Current Period	0.67	0.82	2.56	1.59	1.26



<b>Expenses Recognized in the Statement of Profit or Loss for Current Period</b>	<b>Apr 21 - Jul 21</b>	<b>Apr 20 - Jul 20</b>	<b>2020-21</b>	<b>2019-20</b>	<b>2018-19</b>
Current Service Cost	5.79	2.38	6.33	8.37	7.26
Net Interest Cost	0.67	0.82	2.56	1.60	1.26
Past Service Cost	-	-	-	-	-
(Expected Contributions by the Employees)	-	-	-	-	-
(Gains)/Losses on Curtailments And Settlements	-	-	-	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-	-	-	-
Expenses Recognized	6.46	3.20	8.89	9.97	8.52

<b>Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period</b>	<b>Apr 21 - Jul 21</b>	<b>Apr 20 - Jul 20</b>	<b>2020-21</b>	<b>2019-20</b>	<b>2018-19</b>
Actuarial (Gains)/Losses on Obligation For the Period	(9.94)	(6.52)	(17.20)	4.27	(0.92)
Return on Plan Assets, Excluding Interest Income	(0.00)	(0.01)	0.08	(0.01)	0.04
Change in Asset Ceiling	-	-	-	-	-
Net (Income)/Expense For the Period Recognized in OCI	(9.94)	(6.53)	(17.12)	4.26	(0.88)

<b>Balance Sheet Reconciliation</b>	<b>Apr 21 - Jul 21</b>	<b>Apr 20 - Jul 20</b>	<b>2020-21</b>	<b>2019-20</b>	<b>2018-19</b>
Opening Net Liability	29.45	37.67	37.67	23.44	20.09
Expenses Recognized in Statement of Profit or Loss	6.46	3.20	8.89	9.97	8.52
Expenses Recognized in OCI	(9.95)	(6.53)	(17.11)	4.26	(0.88)
Net Liability/(Asset) Transfer In	-	-	-	-	-
Net (Liability)/Asset Transfer Out	-	-	-	-	(4.56)
(Benefit Paid Directly by the Employer)	-	-	-	-	-
(Employer's Contribution)	-	-	-	-	(0.21)
Net Liability/(Asset) Recognized in the Balance Sheet	25.96	34.34	29.45	37.67	22.96

<b>Other Details</b>	<b>Apr 21 - Jul 21</b>	<b>Apr 20 - Jul 20</b>	<b>2020-21</b>	<b>2019-20</b>	<b>2018-19</b>
No of Active Members	401	471	475	528	679
Per Month Salary For Active Members	8.47	9.30	9.82	11.50	12.64
Projected Benefit Obligation (PBO)	30.13	38.33	33.52	41.57	27.08
Prescribed Contribution For Next Year (12 Months)	8.47	9.30	9.82	11.50	12.64

PURANIK BUILDERS LTD.

NOTE 37 : RELATED PARTY

a Key Managerial Personnel

Sr. No.	Name of the Director
1	Shailesh Puranik
2	Shrikant Puranik
3	Yogesh Puranik
4	Nilesh Puranik
5	Jitendra Mehta (Upto 11th September 2020)
6	Amitabh Kumar (Upto 30th June 2020)
7	Harshad Hardikar (Upto 8th October 2020)
8	Vikram Phatarpekar (From 28th December 2020 to 10th May 2021)
9	Vinaysagar Donakanty (From 28th December 2020)
10	Ritu Baheti

Relatives of Key Managerial Personnel

Sr. No.	Name of the Relatives
1	Jitendra Mehta HUF (Upto 11th September 2020)
2	Jayshree Hardikar (Upto 8th October 2020)

b Promoters and their relatives having control

Sr. No.	Name of the Director
1	Shailesh Puranik
2	Shrikant Puranik
3	Yogesh Puranik
4	Nilesh Puranik

Relatives of promoters

Sr. No.	Name of the Relatives
1	Trupti Puranik
2	Rhujuta Puranik
3	Namrata Puranik
4	Varsha Puranik
5	Ravindra Puranik
6	Gopal Puranik
7	Deepa Potnis
8	Nilambari Puranik
9	Lt. Sudha Puranik
10	Akhil Puranik
11	Puranik Govind Damodar HUF

c Entities controlled by Directors/Relatives of Directors :

Sr. No.	Name of the entity
1	Puranik Homes Private limited
2	MnS Clinics Private Limited
3	The Vivekanand Housing Corporation
4	The Vivekanand Housing Organization
5	Mahavatar Babaji Entertainment Pvt. Ltd
6	Elements
7	Urja Solar
8	Tristar Exports
9	Shubham Advtvertising
10	Vastushilpa Associates
11	Prakalpan Services
12	Rachna Dhar Services
13	Insta Sculpt Pvt.Ltd.
14	Raikar Engineer
15	Studio Elements
16	Madhav Associates

d Disclosure in respect of transactions with Related Parties :-

Sr.No	Particulars	Relationship	(₹ in Million)					
			For the four month period ended on 31st July 2021	For the four month period ended on 31st July 2020	For the year ended on 31st March 2021	For the year ended on 31st March 2020	For the year ended on 31st March 2019	
1	<b>Directors &amp; Managerial Remuneration :-</b>							
	Shailesh Puranik	Key Managerial Personnel	2.16	0.77	4.91	9.00	10.80	
	Shrikant Puranik	Key Managerial Personnel	2.16	0.77	4.91	9.00	10.80	
	Yogesh Puranik	Key Managerial Personnel	2.16	0.77	4.91	9.00	10.80	
	Nilesh Puranik	Key Managerial Personnel	2.16	0.77	4.91	9.00	10.80	
	Jitendra Mehta	Key Managerial Personnel	-	1.12	1.91	8.86	10.96	
	Amitabh Kumar	Key Managerial Personnel	-	0.31	0.31	7.54	8.03	
	Harshad Hardikar	Key Managerial Personnel	-	0.88	2.07	8.07	9.27	
	Vikram Phatarpekar	Key Managerial Personnel	0.32	-	0.83	-	-	
	Vinaysagar Donakanty	Key Managerial Personnel	1.23	-	0.98	-	-	
	Ritu Baheti	Key Managerial Personnel	0.40	0.21	0.97	1.15	1.33	
2	<b>Hire Charges :-</b>							
	Rhujuta Puranik	Relatives of promoters	-	-	-	0.56	-	
	Jayshree Hardikar	Relative of Key Managerial Personnel	-	0.01	0.01	0.30	0.30	
	MnS Clinics Pvt. Ltd.	Entities controlled by Directors/Relatives of Directors	0.64	0.21	1.46	1.90	2.20	
	Prakalpan Services	Entities controlled by Directors/Relatives of Directors	-	-	0.07	0.36	1.15	
	Rachna Dhar Services	Entities controlled by Directors/Relatives of Directors	-	-	-	0.70	0.94	

3	<b>Remuneration / Salary :-</b>						
	Trupti Puranik	Relatives of promoters	0.13	0.15	0.39	1.45	1.08
	Rhujuta Puranik	Relatives of promoters	-	-	1.65	1.17	0.27
	Namrata Puranik	Relatives of promoters	0.09	-	0.24	0.36	0.36
	Varsha Puranik	Relatives of promoters	-	-	-	0.18	0.18
	Ravindra D. Puranik	Relatives of promoters	-	-	0.09	1.80	1.80
	Gopal D.Puranik	Relatives of promoters	0.34	-	0.81	1.80	1.80
	Deepa Potnis	Relatives of promoters	0.08	0.05	0.25	0.30	0.30
	Nilambari Puranik	Relatives of promoters	0.07	-	0.15	-	0.66
	Lt. Sudha Puranik	Relatives of promoters	-	0.03	0.23	0.60	0.60
	Akhil Puranik	Relatives of promoters	0.22	0.11	0.49	0.63	0.66
4	<b>Labour Charges</b>						
	Elements	Entities controlled by Directors/Relatives of Directors	2.08	-	0.66	2.27	7.25
	Studio Elements	Entities controlled by Directors/Relatives of Directors	-	-	0.40	13.46	13.16
5	<b>Professional Fees</b>						
	Jitendra S Mehta HUF	Relative of Key Managerial Personnel	-	0.42	0.42	5.90	5.90
6	<b>Purchase of Materials</b>						
	Elements	Entities controlled by Directors/Relatives of Directors	0.21	0.04	0.75	19.21	9.95
	Urja Solar	Entities controlled by Directors/Relatives of Directors	3.35	-	0.90	0.79	10.01
	Studio Elements	Entities controlled by Directors/Relatives of Directors	-	-	-	-	-
7	<b>Loans Taken</b>						
	Shailesh Puranik	Key Managerial Personnel	-	-	8.78	12.05	-
	Shrikant Puranik	Key Managerial Personnel	-	-	4.57	4.17	-
	Yogesh Puranik	Key Managerial Personnel	-	-	1.74	-	-
	Nilesh Puranik	Key Managerial Personnel	-	-	2.00	4.17	-
8	<b>Advances Given</b>						
	Studio Elements	Entities controlled by Directors/Relatives of Directors	-	-	0.30	1.66	-
	Rachana Dhar Services	Entities controlled by Directors/Relatives of Directors	-	-	0.13	-	-
	Elements	Entities controlled by Directors/Relatives of Directors	-	0.02	-	-	-
	Urja Solar	Entities controlled by Directors/Relatives of Directors	-	0.45	2.50	0.84	-
9	<b>Other Current Financial Liabilities</b>						
	Shailesh Puranik	Key Managerial Personnel	15.22	10.75	15.47	11.20	1.77
	Shrikant Puranik	Key Managerial Personnel	15.15	10.85	15.18	10.63	6.87
	Yogesh Puranik	Key Managerial Personnel	9.24	8.13	9.19	8.22	7.66
	Nilesh Puranik	Key Managerial Personnel	17.18	16.55	17.46	16.58	9.97
	Ravindra Puranik	Relatives of promoters	1.04	1.16	1.04	1.22	1.22
	Gopal Puranik	Relatives of promoters	0.24	0.28	0.24	0.39	0.40
	Lt. Sudha Puranik	Relatives of promoters	10.00	10.00	10.00	10.00	10.00
	Puranik Govind Damodar HUF	Relatives of promoters	6.33	6.33	6.33	6.33	6.33
	The Vivekanand Housing Organization	Entities controlled by Directors/Relatives of Directors	10.16	10.16	10.16	10.16	-
	Tristar Exports	Entities controlled by Directors/Relatives of Directors	2.48	2.48	2.48	2.48	-
	MnS Clinics Pvt. Ltd.	Entities controlled by Directors/Relatives of Directors	-	-	-	-	(1.01)
	Puranik Homes Pvt Ltd	Entities controlled by Directors/Relatives of Directors	-	(0.06)	-	(0.06)	(0.16)
10	<b>Trade Payables / Expenses Payable</b>						
	Elements	Entities controlled by Directors/Relatives of Directors	2.19	0.04	0.43	0.14	1.81
	Urja Solar	Entities controlled by Directors/Relatives of Directors	0.11	(2.33)	(4.38)	(1.88)	-
	Prakalpan Services	Entities controlled by Directors/Relatives of Directors	0.20	0.14	0.20	0.14	-
	Rachna Dhar Services	Entities controlled by Directors/Relatives of Directors	0.10	0.23	0.10	0.23	(0.09)
	Raikar Engineer	Entities controlled by Directors/Relatives of Directors	0.28	0.28	0.28	0.28	0.28
	Madhav Associates	Entities controlled by Directors/Relatives of Directors	0.26	0.26	0.26	0.26	-
	The Vivekanand Housing Corporation	Entities controlled by Directors/Relatives of Directors	(0.72)	(0.72)	-	(0.72)	-
	Studio Elements	Entities controlled by Directors/Relatives of Directors	(8.30)	(8.30)	(8.60)	(8.30)	-
	Nilambari Puranik	Relatives of promoters	0.03	0.01	-	0.01	-
	Rhujuta Puranik	Relatives of promoters	-	-	0.13	0.13	-
	Namrata Puranik	Relatives of promoters	-	-	0.03	0.03	-
	Deepa Potnis	Relatives of promoters	0.00	-	-	0.02	-
	Varsha Puranik	Relatives of promoters	-	-	-	0.02	-
	Lt. Sudha Puranik	Relatives of promoters	0.00	0.03	0.03	0.05	-
	Trupti Puranik	Relatives of promoters	0.02	0.14	0.06	0.14	-
	Ravindra D. Puranik	Relatives of promoters	0.09	-	0.09	0.14	-
	MNS Clinic Private Limited	Entities controlled by Directors/Relatives of Directors	0.01	0.21	0.15	0.00	-
	Shrikant Puranik	Key Managerial Personnel	-	-	0.33	-	-
	Yogesh Puranik	Key Managerial Personnel	-	-	0.03	-	-
	Nilesh Puranik	Key Managerial Personnel	-	-	0.38	-	-
	Gopal D.Puranik	Relatives of promoters	0.05	-	0.16	0.14	-
11	<b>Guarantee Taken</b>						
	Shailesh Puranik	Key Managerial Personnel					
	Shrikant Puranik	Key Managerial Personnel					
	Yogesh Puranik	Key Managerial Personnel	15,450.00	16,150.00	15,450.00	16,150.00	13,650.00
	Nilesh Puranik	Key Managerial Personnel					
	Shailesh Puranik	Key Managerial Personnel					
	Shrikant Puranik	Key Managerial Personnel					
	Yogesh Puranik	Key Managerial Personnel	600.00	850.00	600.00	850.00	851.56
	Nilesh Puranik	Key Managerial Personnel					
	Gopal Puranik	Promoters and their relatives having control					
	Ravindra Puranik	Promoters and their relatives having control					
	Shailesh Puranik	Key Managerial Personnel	4,250.00	4,260.00	4,250.00	4,260.00	4,260.00
	Shrikant Puranik	Key Managerial Personnel					
	Shailesh Puranik	Key Managerial Personnel	-	0.79	-	0.79	0.79
	Yogesh Puranik	Key Managerial Personnel					
	Shrikant Puranik	Key Managerial Personnel	120.00	120.00	120.00	120.00	-

e Company Information

The Subsidiaries (including Partnership firms & LLPs) considered in consolidated financial statements as per Ind AS 110 are:

(i) Subsidiaries

Sr. No.	Name of the entity	Principal Activities	Percentage of Holding / Profit sharing ratio				
			As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
1	Puranik Buildcon Private Limited	Real Estate	100.00	100.00	100.00	100.00	100.00
2	Shree Riddhi Siddhi Vinayak Developers Pvt.Ltd.	Real Estate	100.00	100.00	100.00	100.00	100.00
3	SYNS Builders Pvt. Ltd.	Real Estate	100.00	100.00	100.00	100.00	100.00
4	Puranik Buildwell Private Limited	Real Estate	100.00	100.00	100.00	100.00	100.00
5	Fortune Infracreators Pvt. Ltd.	Real Estate	100.00	100.00	100.00	100.00	100.00
6	Annapurna Lifespaces LLP	Real Estate	50.00	50.00	50.00	50.00	50.00
7	Sai Pushp Enterprises	Real Estate	50.00	50.00	50.00	50.00	50.00
8	Sai Shraddha Developers	Real Estate	50.00	50.00	50.00	50.00	50.00
9	Puraniks Megatowns	Real Estate	99.99	99.99	99.99	99.99	99.99
10	Puraniks Supreme Enterprises	Real Estate	16.00	16.00	16.00	16.00	16.00
11	Kaushalya Real Estates	Real Estate	99.00	99.00	99.00	99.00	99.00
12	Maitrey Builders & Developers	Real Estate	99.97	99.97	99.97	99.97	99.97
13	Puranik Constuctions Pvt. Ltd. *	Real Estate	-	-	-	-	-
14	Swapnadhara Project Pvt. Ltd. *	Real Estate	-	-	-	-	-

\* The parent company does not have any direct or indirect holdings in these entities. Although these entities have been consolidated as per AS 110, since the parent entity exercises control over the said entities through its directors and their relatives (Entities controlled by directors or relatives of directors)

(ii) Step Subsidiaries

Sr.No.	Name of the entity	Principal Activities	Percentage of Holding / Profit sharing ratio				
			As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
<b>(a) Subsidiaries of SYNS Builders Pvt. Ltd. (where control exists)</b>							
1	NRP Real Estates Pvt. Ltd.	Real Estate	100.00	100.00	100.00	100.00	100.00
2	S.G.P Real Estates Pvt. Ltd.	Real Estate	100.00	100.00	100.00	100.00	100.00
3	SHP Real Estates Pvt. Ltd.	Real Estate	100.00	100.00	100.00	100.00	100.00
4	Y.G.P Realities Pvt. Ltd.	Real Estate	100.00	100.00	100.00	100.00	100.00
<b>(b) Subsidiaries of Fortune Infracreators Pvt. Ltd. (where control exists)</b>							
1	Sai Shiva Infra Developers	Real Estate	50.00	50.00	50.00	50.00	50.00
2	Ekdant Constructions and Developers Pvt. Ltd.	Real Estate	100.00	100.00	100.00	100.00	100.00

(₹ in Million)

NOTE - 38 CONTINGENT LIABILITIES	As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Guarantees given by Bank, counter guaranteed by the Company	18.84	16.79	18.84	19.69	36.81
Claims under Direct and Indrect Taxes	272.05	246.88	270.44	237.77	191.58
Claims not acknowledged as debts represent cases filed by parties in the Consumer forum, Civil Court and High Court and disputed by the Company as advised by our advocates. In the opinion of the management the claims are not sustainable	415.96	415.96	415.96	415.96	244.76
	<b>706.85</b>	<b>679.62</b>	<b>705.24</b>	<b>673.42</b>	<b>473.16</b>

**PURANIK BUILDERS LIMITED**

**NOTE 39. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT**

**A. Accounting classification**

The carrying value of financial instruments by categories is as follows:

(₹ in Million)

Particulars	For the four month period ended on	For the four month period ended on	For the year ended on	For the year ended on	For the year ended on
	31st July 2021	31st July 2020	31st March 2021	31st March 2020	31st March 2019
<b>Financial Assets</b>					
Loans (Amortised Cost)	78.21	166.82	171.53	169.07	164.83
Trade receivables (Amortised Cost)	2,200.36	1,991.71	2,470.01	1,999.02	2,632.65
Cash and cash equivalents (Amortised Cost)	50.28	67.45	53.03	47.69	331.85
Bank Balances other than Cash and Cash Equivalents (Amortised Cost)	108.70	151.85	144.62	150.21	66.86
Other financial assets (Amortised Cost)	295.08	331.66	249.54	308.15	378.25
Investments:					
- Investment in other entities (At Cost)	0.52	0.52	0.52	0.52	0.52
- Investment in mutual funds (Fair Value through profit or loss)	34.31	7.76	49.56	35.35	56.50
	<b>2,767.46</b>	<b>2,717.77</b>	<b>3,138.81</b>	<b>2,710.01</b>	<b>3,631.46</b>
<b>Financial liabilities</b>					
Trade & Other Payables (Amortised Cost)	933.67	1,138.27	1,078.46	1,113.81	1,091.79
Other financial liabilities (Amortised Cost)	665.47	625.99	684.71	631.52	833.74
Borrowings (Amortised Cost)	13,569.50	13,279.64	13,446.38	12,765.74	12,336.88
	<b>15,168.64</b>	<b>15,043.90</b>	<b>15,209.55</b>	<b>14,511.07</b>	<b>14,262.41</b>

**B. Fair values**

The table which provides the fair value measurement hierarchy of the Company's assets and liabilities is as follows:

(₹ in Million)

Particulars	For the four month period ended on		For the four month period ended on		For the year ended on		For the year ended on		For the year ended on	
	31st July 2021		31st July 2020		31st March 2021		31st March 2020		31st March 2019	
	CARRYING VALUE	FAIR VALUE	CARRYING VALUE	FAIR VALUE	CARRYING VALUE	FAIR VALUE	CARRYING VALUE	FAIR VALUE	CARRYING VALUE	FAIR VALUE
<b>Financial assets</b>										
Loans carried at amortised cost (FV - Level 2)	78.21	78.21	166.82	166.82	171.53	171.53	169.07	169.07	164.83	164.83
Trade receivables (FV - Level 2)	2,200.36	2,200.36	1,991.71	1,991.71	2,470.01	2,470.01	1,999.02	1,999.02	2,632.65	2,632.65
Cash and cash equivalents (FV - Level 2)	50.28	50.28	67.45	67.45	53.03	53.03	47.69	47.69	331.85	331.85
Bank Balances other than Cash and Cash Equivalents (FV - Level 2)	108.70	108.70	151.85	151.85	144.62	144.62	150.21	150.21	66.86	66.86
Other financial assets (FV - Level 2)	295.08	295.08	331.66	331.66	249.54	249.54	308.15	308.15	378.25	378.25
Investments at cost:										
- Investment in other entities (FV - Level 2)	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52
- Investment in mutual funds (FV - Level 1)	34.31	34.31	7.76	7.76	49.56	49.56	35.35	35.35	56.50	56.50
<b>Financial liabilities at amortised cost</b>										
Trade & Other Payables (FV - Level 2)	933.67		1,138.27		1,078.46		1,113.81		1,091.79	
Other financial liabilities (FV - Level 2)	665.47	665.47	625.99	625.99	684.71	684.71	631.52	631.52	833.74	833.74
Borrowings (FV - Level 2)	13,569.50	13,569.50	13,279.64	13,279.64	13,446.38	13,446.38	12,765.74	12,765.74	12,336.88	12,336.88

The management assessed that carrying amount of cash and cash equivalents, trade receivables, loans, investment in government securities, unsecured borrowings, trade payable and other financial liabilities approximate their fair values largely due to the short term maturities of these instruments.

### **C. Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

#### **Risk management framework**

The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

#### **i. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities. The carrying amount of the financial assets which represents the maximum credit exposure is as follows:

#### **Trade and other receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However credit risk with regards to trade receivable is almost negligible in case of its residential sale and lease rental business as the same is done to the fact that in case of its residential sell business it does not handover possession till entire outstanding is received. Similarly in case of lease rental business, the Company keep 3 to 12 months rental as deposit from the occupants.

No impairment is observed on the carrying value of trade receivable.

#### **ii. Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank overdrafts, bank loans, debentures and inter-corporate loans.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

#### **iii. Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of certain commodities. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities. The objective of market risk management is to avoid excessive exposure in our revenues and costs.

#### D. Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest and non interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations.

The Company's adjusted net debt to equity ratio is as follows.

(₹ in Million)

Particulars	For the four month period ended on 31st July 2021	For the four month period ended on 31st July 2020	For the year ended on 31st March 2021	For the year ended on 31st March 2020	For the year ended on 31st March 2019
Total Debt	13,569.50	13,279.64	13,446.38	12,765.74	12,336.88
Less : Cash and cash equivalent	158.98	219.30	197.65	197.90	398.71
<b>Adjusted net debt</b>	<b>13,410.52</b>	<b>13,060.35</b>	<b>13,248.73</b>	<b>12,567.85</b>	<b>11,938.17</b>
Total equity	4,233.58	3,831.55	4,070.09	3,804.03	3,230.92
Adjusted net debt to equity ratio	3.17	3.41	3.26	3.30	3.69

#### Total equity

(₹ in Million)

Particulars	For the four month period ended on 31st July 2021	For the four month period ended on 31st July 2020	For the year ended on 31st March 2021	For the year ended on 31st March 2020	For the year ended on 31st March 2019
Equity Share capital	576.48	576.48	576.48	576.48	576.48
Other equity	2,953.24	2,456.12	2,790.80	2,452.57	2,012.15
Non-Controlling Interest	703.86	798.95	702.81	774.98	642.29
<b>Total equity</b>	<b>4,233.58</b>	<b>3,831.55</b>	<b>4,070.09</b>	<b>3,804.03</b>	<b>3,230.92</b>

**PURANIK BUILDERS LIMITED**

**NOTE 40. MATERIAL ADJUSTMENTS TO RESTATED CONSOLIDATED FINANCIAL INFORMATION AND NOTES THEREON**

The Ministry of Corporate Affairs has notified Ind AS 115, which is effective from April 1, 2018 either based on a full retrospective or modified retrospective application. The standard requires the Group to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. It establishes a new five-step model that will apply to revenue arising from contracts with customers.

As required by SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by the SEBI, the Group had affected this standard retrospectively and accordingly the prior year financials had been restated.

Although there was no direct impact for the year ended 31st March,2021, 31st March,2020 and 31st March,2019 and four month period ended 31st July 2021 and 31st July 2020, the below table below represents cumulative impact of Ind AS 115 on consolidated revenue and change in inventory and net profit for the years and periods under review on account of retrospective application in the previous years.

(₹ in Million)

<b>As at 31st July 2021</b>	<b>Audited</b>	<b>Adjustments</b>	<b>Restated</b>
<b>ASSETS</b>			
Current Financial Assets – Trade Receivable	2,191.06	9.30	2,200.36
Inventories	16,480.44	(8.56)	16,471.88
<b>EQUITY</b>			
Other Equity	2,952.50	0.74	2,953.24
<b>As at 31st July 2020</b>	<b>Audited</b>	<b>Adjustments</b>	<b>Restated</b>
<b>ASSETS</b>			
Current Financial Assets – Trade Receivable	1,982.41	9.30	1,991.71
Inventories	15,979.66	(8.56)	15,971.10
<b>EQUITY</b>			
Other Equity	2,455.38	0.74	2,456.12
<b>As at 31<sup>st</sup> March 2021</b>	<b>Audited</b>	<b>Adjustments</b>	<b>Restated</b>
<b>ASSETS</b>			
Current Financial Assets – Trade Receivable	2,460.71	9.30	2,470.01
Inventories	15,992.90	(8.56)	15,984.34
<b>EQUITY</b>			
Other Equity	2,790.06	0.74	2,790.80
<b>As at 31<sup>st</sup> March 2020</b>	<b>Audited</b>	<b>Adjustments</b>	<b>Restated</b>
<b>ASSETS</b>			
Current Financial Assets – Trade Receivable	1,989.72	9.30	1,999.02
Inventories	15,260.35	(8.56)	15,251.79
<b>EQUITY</b>			
Other Equity	2,451.83	0.74	2,452.57
<b>As at 31<sup>st</sup> March 2019</b>	<b>Audited</b>	<b>Adjustments</b>	<b>Restated</b>
<b>ASSETS</b>			
Current Financial Assets – Trade Receivable	2,623.35	9.30	2,632.65
Inventories	14,078.49	(8.56)	14,069.93
<b>EQUITY</b>			
Other Equity	2,011.41	0.74	2,012.15

For the year ended 31st March,2021, 31st March,2020 and 31st March,2019 and four month period ended 31st July 2021 and 31st July 2020 there are no adjustments for impact of Ind AS 115.



**PURANIK BUILDERS LIMITED**  
**ANNEXURE VII**

**NOTE 41 :- RESTATED CONSOLIDATED IND AS STATEMENT OF ACCOUNTING RATIOS**

Particulars			As at 31st July 2021	As at 31st July 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
<b>(A) Earning Per Share - Basic and Diluted</b>							
Restated Net Profit as per Profit and Loss for calculation of basic EPS	(₹ in Millions)	A	171.06	8.28	350.59	444.90	616.83
Weighted average number of equity shares for calculating basic EPS		B	5,76,48,207	5,76,48,207	5,76,48,207	5,76,48,207	5,76,48,207
EPS - Basic	(in ₹)	A/B	<b>2.97</b>	<b>0.14</b>	<b>6.08</b>	<b>7.72</b>	<b>10.70</b>
Restated Net Profit as per Profit and Loss for calculation of diluted EPS	(₹ in Millions)	C	171.06	8.28	350.59	444.90	616.83
Weighted average number of equity shares for calculating diluted EPS		D	5,76,48,207	5,76,48,207	5,76,48,207	5,76,48,207	5,76,48,207
EPS - Diluted	(in ₹)	C/D	<b>2.97</b>	<b>0.14</b>	<b>6.08</b>	<b>7.72</b>	<b>10.70</b>

Note : EPS for 31st July 2021 and 2020 are not annualised

<b>(B) Return on Net Worth</b>							
Restated Net Profit for the period / year	(₹ in Millions)	E	171.06	8.28	350.59	444.90	616.83
Net Worth at the end of the period / year	(₹ in Millions)	F	3,529.72	3,032.60	3,367.28	3,029.05	2,588.63
Return on Net Worth (%)		E/F*100	<b>4.85%</b>	<b>0.27%</b>	<b>10.41%</b>	<b>14.69%</b>	<b>23.83%</b>

Note : Return on Net Worth for 30th November, 2019 and 2020 are not annualised

<b>(C) Net Asset Value per Equity Share</b>							
Net Worth at the end of the period / year	(₹ in Millions)	G	3,529.72	3,032.60	3,367.28	3,029.05	2,588.63
No. of equity shares outstanding at the end of the period / year		H	5,76,48,207	5,76,48,207	5,76,48,207	5,76,48,207	5,76,48,207
Net Asset Value per Equity Share	(in ₹)	G/H	<b>61.23</b>	<b>52.61</b>	<b>58.41</b>	<b>52.54</b>	<b>44.90</b>

<b>(D) Earnings Before Interest Tax Depreciation &amp; Amortization (EBITDA)</b>							
EBITDA* (A)	(₹ in Millions)		513.06	85.65	1,642.67	1,922.87	2,092.59
Revenue from operations (B)	(₹ in Millions)		1,906.06	417.22	5,022.66	7,206.14	7,151.90
EBITDA (%) (A/B)			<b>26.92%</b>	<b>20.53%</b>	<b>32.71%</b>	<b>26.68%</b>	<b>29.26%</b>

(₹ in Millions)

<b>* EBITDA</b>							
Restated Profit Before Tax			216.26	8.35	449.03	719.55	982.11
Add : Finance Costs			299.68	79.92	1,294.86	1,279.74	1,149.72
Add : Depreciation and Amortization Expenses			2.36	3.98	11.72	19.84	21.16
Less : Other income			5.24	6.60	112.94	96.26	60.40
EBITDA			<b>513.06</b>	<b>85.65</b>	<b>1,642.67</b>	<b>1,922.87</b>	<b>2,092.59</b>

**Note :**

- 1) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year / period
- 2) Net Worth is the sum of paid up equity share capital, share premium and all reserves and surplus created out of profit, as appearing in Restated Consolidated Ind AS Financial Information for the respective years, in accordance with Guidance Note on Reports in Company Prospectuses(Revised 2019) issued by Institute of Chartered Accountants of India.
- 3) The above ratios have been computed on the basis of the Restated Consolidated Ind AS Financial Information - Annexure I and Annexure II.
- 4) EBITDA = Restated Profit Before Tax + Finance Costs + Depreciation and Amortization Expenses - Other income

**NOTE 42.** Previous period / year figures have been regrouped, re-arranged and re-classified wherever necessary to conform to current period's / year's classification

As per our report of even date  
For Sanjay Rane & Associates  
Chartered Accountants

For and on behalf of the board  
Puranik Builders Limited

C.A. Abhijeet Deshmukh  
(Partner)  
Membership No.: 129145  
Firm's Registration No.: 121089W  
Place : Mumbai  
Date : 7th September, 2021

Shailesh Puranik  
Chairman and Managing Director  
DIN : 00097987

Shrikant Puranik  
Whole Time Director  
DIN : 00098024

Suyash Bhise  
(Chief Financial Officer)

Ritu Baheti  
(Company Secretary and Compliance Officer )  
CS Regn No: A23700

## CAPITALISATION STATEMENT

The following table sets forth our capitalisation as at July 31, 2021, on the basis of our Restated Consolidated Financial Statements, and as adjusted for the Issue. This table should be read in conjunction with “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, “*Financial Statements*” and “*Risk Factors*” beginning on pages 269, 219, and 26 of this Draft Red Herring Prospectus, respectively.

(₹ in millions, except ratios)

Particulars	Pre-Issue as at July 31, 2021	As adjusted for the Issue*
<b>(A) Borrowings</b>	-	-
Non-Current borrowings	12,532.31	[●]
Current Maturities of Long term Debt	848.05	[●]
Unsecured Loans (Non-Current)	10.89	[●]
<b>Total Non-Current borrowings (A)</b>	<b>13,391.25</b>	-
Current Borrowings	189.14	[●]
Unsecured Loans (Current)	87.04	[●]
<b>Total Current borrowings (B)</b>	<b>276.18</b>	-
<b>Total (A+B)</b>	<b>13,667.43</b>	-
<b>(C) Total Equity</b>		-
Share Capital	576.48	[●]
Reserves and Surplus	2,953.24	[●]
Non-Controlling Interest	703.86	[●]
<b>Total (C)</b>	<b>4,233.58</b>	[●]
<b>Ratio : Non-Current Borrowings / Total Equity(A/C)</b>	<b>3.16</b>	[●]
<b>Ratio : Total Borrowings (A+B) / Total Equity(C)</b>	<b>3.23</b>	[●]

*These terms shall carry the meaning as per Schedule III of the Companies Act, 2013.*

*\*Post-Issue Capitalisation will be determined after finalisation of Issue Price.*

**Notes:**

- (i) *The above has been computed on the basis of the Restated Consolidated Ind AS Financial Information - Annexure I.*
- (ii) *The corresponding post-Issue capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same have not been provided in the above statement.*

## OTHER FINANCIAL INFORMATION

The audited standalone financial statements of our Company as at and for the Fiscals 2021, 2020 and 2019, respectively (“**Company’s Financial Statements**”) are available at <https://www.puranikbuilders.com/investor-corner/financial-statements/puranik-builders-limited>. Further, the audited standalone financial statements of our material subsidiary (in accordance with the requirements of SEBI ICDR Regulations), Puranik Buildcon Private Limited, as at and for the Fiscals 2021, 2020 and 2019 (“**Subsidiaries Financial Statements**”) is available at <https://www.puranikbuilders.com/investor-corner/financial-statements/puranik-buildcon-private-limited>.

For this purpose, a subsidiary shall be considered ‘material’ if it contributes 10% or more to the turnover or net-worth or profit before tax of our Company in its audited consolidated financial statements, in the respective Fiscal. The definitions of turnover, net-worth and profits before tax have the same meaning as ascribed to them in the Companies Act.

Our Company is providing these links to its website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Company’s Financial Statements and the Subsidiaries Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; (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, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Company’s Financial Statements and the Subsidiaries Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company, or any entity in which its shareholders have significant influence (collectively, the “**Group**”) and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor the BRLMs or the Promoters, 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 Company’s Financial Statements and the Subsidiaries Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Particulars	As on /For the four-month period ended July 31, 2021*	As on /For the four-month period ended July 31, 2020*	As on/ For Fiscal 2021	As on/ For Fiscal 2020	As on/ For Fiscal 2019
Basic Earnings/ (loss) per Equity Share (₹)	2.97	0.14	6.08	7.72	10.70
Diluted Earnings/ (loss) per Equity Share (₹)	2.97	0.14	6.08	7.72	10.70
Return on Net Worth (%)	4.85	0.27	10.41	14.69	23.83
Net Asset Value Per Equity Share (₹)	61.23	52.61	58.41	52.54	44.90
Earnings before interest, tax, depreciation and amortisation (EBITDA) (Rs. in million)	513.06	85.65	1,642.67	1,922.87	2,092.59

\* Not Annualised

The ratios have been computed as under:

1. *Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings/ (loss) per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).*
2. *Return on Net Worth Ratio: Profit/ (loss) for the period attributable to equity shareholders of the parent divided by Net Worth as attributable to equity shareholders of the parent at the end of the year/period.*
3. *Net assets value per equity share (₹): Net assets at the end of the year/period divided by Total number of weighted average equity share outstanding at the end of the year/ period Net asset means total assets minus total liabilities excluding revaluation reserves.*
4. *Net Worth = Net worth means the aggregate value of equity share capital and other equity created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited*

*balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*

5. *EBITDA = EBITDA stands for earnings before interest, taxes, depreciation and amortization (Restated Profit Before Tax + Finance Costs + Depreciation and Amortization Expenses - Other income).*
6. *Accounting and other ratios are based on the financial statements prepared on the basis of Indian Accounting Standards.*

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion in conjunction with our Restated Consolidated Financial Statements for the four months ended July 31, 2021 and 2020, and for Fiscal 2021, 2020 and 2019, including the related notes, schedules and annexures. Our restated consolidated financial information for the four months ended July 31, 2021 and 2020, and for Fiscal 2021, 2020 and 2019 has been prepared under Indian Accounting Standards ("Ind AS"), the Companies Act and the SEBI Regulations.*

*Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "Forward-Looking Statements" on page 19 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations — Significant Factors Affecting our Results of Operations" on pages 26 and 269, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.*

*Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on our Restated Consolidated Financial Statements for the four months ended July 31, 2021 and 2020, and for Fiscal 2021, 2021 and 2019 and included in this Draft Red Herring Prospectus. For further information, see "Financial Statements" on page 219. Our financial year ends on March 31, therefore, all references to a particular Fiscal are to the 12-month period ended March 31 of that year. We have, in this Draft Red Herring Prospectus, included various operational and financial performance indicators, some of which may not be derived from our Restated Consolidated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditor. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other real estate companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Consolidated Financial Statements and other information relating to our business and operations included in this Draft Red Herring Prospectus.*

*Unless the context otherwise requires, in this section, references to "we", "us", or "our" refers to Puranik Builders Limited on a consolidated basis and references to "the Company" or "our Company" refers to Puranik Builders Limited on a standalone basis.*

*Ind AS 110 (Consolidated Financial Statements) requires all entities, including partnerships, which are controlled by an entity to be classified as its subsidiaries for the purposes of preparation and presentation of its consolidated financial statements. However, these entities have operated as and continue to operate under the joint venture model of development. Accordingly, their business activities are referred to as being under the joint venture model in this section of the Draft Red Herring Prospectus although all such entities are classified as subsidiaries and not joint ventures in the Restated Financial Statements. See "Certain Conventions, Presentation of Financial, Industry and Market Data" on page 16.*

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular, the report "Industry Research Report, Mumbai & Pune (Residential & Commercial Real Estate)" dated September 2021 (the "C&W Report") prepared and issued by Cushman & Wakefield India Private Limited commissioned by us. Unless otherwise indicated, all financial, operational, industry and other related information derived from the C&W Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

### Overview

We are among the prominent residential real estate developers in Mumbai Metropolitan Region ("MMR") and Pune Metropolitan Region ("PMR") based on number of units currently being marketed in these regions. We are also among the leading residential real estate developers in the growing Thane region of MMR based on the projects currently being marketed and corresponding units sold (Source: C&W Report). We have a longstanding presence of over 31 years in the real estate market in India, developing residential projects in the mid-income affordable housing segment in the MMR and the PMR real estate markets. Our projects primarily cater to certain research-based strategic price ranges within the mid-income affordable housing market segment. As of July 31,

2021, we had completed 35 projects in the MMR and PMR.

We commenced operations in Thane in 1990 and have over the years diversified into other micro-markets within the MMR and the PMR. We believe we have consistently catered to evolving customer preferences, including theme-based projects, thereby successfully navigating fluctuating market conditions, leveraging our considerable experience operating in MMR and PMR markets under the guidance of our technically qualified Promoters supported by a team of experienced professionals.

We have established a track record of successfully executing projects in the MMR and the PMR, particularly in the mid-income affordable housing segment, through theme-based developments and additional amenities. As of July 31, 2021, we had developed 554,197 square meters (5,965,381 square feet) of Developable Area across 35 Completed Projects. We believe that our deep understanding of the relevant real estate market, design and execution capabilities, and the strong Puraniks brand and extensive marketing initiatives have enabled us to successfully grow our business. Our customer-centric business model focuses on designing theme-based developments to address customer requirements in various locations and within various price ranges. Certain of our key completed and ongoing theme-based projects include Rumah Bali, Puraniks City Reserva and Tokyo Bay in the MMR, and Aldea Espanola and Abitante in the PMR. We believe that our significant presence in the MMR and PMR and our theme-based development model has generated significant brand recall in these markets and substantial sales referrals from existing customers. According to the Karvy Insights Survey, in terms of overall awareness for real estate brands in Thane, Puraniks was third, in the order of awareness, among the 30 brands for evaluation in Thane (within the specific research target group).

Almost all aspects of our real estate development business are conducted through in-house capabilities, including acquisition of suitable land and delivering a project from conceptualization to completion. We have developed in-house studio and structural design capabilities that assist us with project conceptualization, designing market-specific projects, targeted at specific customer groups. We have also set up an integrated in-house property development team to manage our business, including focusing on procurement efficiencies, vendor selection and construction activities. We also manage after-sales services. Our in-house sales team is supported by a large network of marketing and sales channels.

We have historically focused on real estate projects in Thane and certain other micro-markets within the MMR with our theme-based projects such as Rumah Bali, Puranik City Reserva, and Tokyo Bay. We have also selectively expanded our operations to the PMR, where we have some of our key theme-based projects such as Aldea Espanola and Abitante. As of July 31, 2021, we had 23 Ongoing Projects with an aggregate Developable Area of 1,305,632 square meters (14,053,820 square feet) with ticket sizes ranging between ₹4.73 million and ₹12.56 million in the MMR and between ₹3.41 million and ₹9.72 million in the PMR, for mid-income affordable housing segment, and between ₹1.15 million to ₹3.42 million for low-income affordable housing segment.

In addition, as of July 31, 2021, we had 17 Forthcoming Projects with an aggregate estimated Developable Area of 1,263,526 square meters (13,600,595 square feet). While we continue to focus on residential projects for the mid-income affordable housing segment within select micro-markets in the MMR and the PMR, we are also in the process of expanding our presence in various other micro-markets in the MMR and the PMR and have entered the low-income affordable housing segment with our project in Neral, MMR.

Majority of our projects are carried out through joint development or joint venture arrangements with land-owners. As of July 31, 2021, we carried out 32 projects on our own, 43 projects through joint development/ joint venture model. We also acquire land directly for certain projects. Our Land Reserves comprise land on which no development activity has commenced and no plan for development has been initiated but which we intend to develop in future, subject to various factors including marketability, receipt of regulatory clearances and development of adequate infrastructure. As of July 31, 2021, we had Land Reserves of 70.09 acres.

The table below sets forth certain key operational information relating to our projects as of July 31, 2021:

*Completed Projects*

Number of Projects	Developable Area	
	(square meters)	(square feet)
35	554,197	5,965,381

*Ongoing Projects*

Number of Projects	Developable Area		Saleable RERA Carpet Area	
	(square meters)	(square feet)	(square meters)	(square feet)
23	1,305,632	14,053,820	817,496	8,799,522

#### Forthcoming Projects

Number of Projects	Estimated Developable Area <sup>(1)</sup>	
	(square meters)	(square feet)
17	1,263,526	13,600,595

(1) Estimated Developable Area has been calculated based on certain assumptions and estimates made and certified by the architect Shashikant V. Deshmukh in his certificate dated September 15, 2021. The actual Developable Area may vary from the estimated Developable Area presented herein.

#### Land Reserves

Owned/ Leased	Plot Size
	(acres)
Owned	70.09

In the four months ended July 31, 2021 and in Fiscal 2021, 2020 and 2019, our total income was ₹ 1,911.30 million, ₹ 5,135.60 million, ₹ 7,302.40 million, and ₹ 7,212.30 million, respectively, while profit for the four months ended July 31, 2021, was ₹ 175.26 million while profit for the year for Fiscal 2021, 2020, and 2019 was ₹ 363.03 million, ₹512.29 million and ₹712.70 million, respectively. EBITDA in the four months ended July 31, 2021 and in the Fiscal 2021, 2020 and 2019 was ₹ 513.06 million, ₹ 1,642.67 million, ₹1,922.87 million and ₹2,092.59 million, respectively, with EBITDA margins of 26.92%, 32.71%, 26.68% and 29.26% in such periods, respectively. Our net worth as of July 31, 2021 and as of March 31, 2021, 2020 and 2019, was ₹ 3,529.72 million, ₹ 3,367.28 million, ₹3,029.05 million and ₹2,588.63 million, respectively. In the four months ended July 31, 2021, Fiscal 2021, 2020 and 2019, our ROE was 4.85% (unannualized), 10.41%, 14.69% and 23.83%, respectively, and ROCE was 2.85%, 9.26%, 11.42% and 13.26%, respectively. Our capital employed as of July 31, 2021 and as of March 31, 2021, 2020 and 2019 was ₹ 17,901.01 million, ₹ 17,614.53 million, ₹16,662.13 million and ₹15,619.36 million, respectively, and operating profit for the four months ended July 31, 2021 and for Fiscal 2021, 2020 and 2019, was ₹ 510.70 million, ₹1630.95 million, ₹1,903.03 million and ₹2,071.43 million, respectively. Further the cash flow from operations for the four months ended July 31, 2021 and Fiscal 2021, 2020, and 2019 was ₹ 579.48 million, ₹ 519.97 million, ₹ (433.80) million, and ₹ (1,156.61) million.

#### Presentation of Financial Information

We have prepared the standalone and consolidated statement of assets and liabilities as at July 31, 2021, and July 31, 2020, and as at March 31, 2021, 2020, and 2019, and the statement of profit and loss, statement of cash flows and condensed statement of changes in equity for the four months ended July 31, 2021 and 2020, and the years ended March 31, 2021, 2020, and 2019, together with the notes, schedules and annexures thereto, in accordance with the recognition and measurement principles of Ind AS prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016 (collectively, the “**Restated Financial Statements**”). The Restated Financial Statements have been subject to audit by our Statutory Auditors.

#### Factors Affecting Our Results of Operations and Financial Condition

##### Sales of our projects and revenue recognition

We typically commence sale of units along with the construction of projects. In the four months ended July 31, 2021, Fiscal 2021, 2020 and 2019, revenue from sale of flats was ₹1,891.91 million, ₹4,860.67 million, ₹7,069.96 million, and ₹7,063.73 million, respectively, representing 98.99%, 94.65%, 96.82% and 97.94% of our total income in such periods, respectively.

In accordance with Ind AS 115, revenue is recognized when control over the assets that is the subject of the contract is transferred to the customer, which includes the following judgments: satisfaction of performance obligations; determination of transaction prices; transfer of control in contracts with customers; and estimation

process based on allocation of transaction price to performance obligation in contracts with customers. Accordingly, the revenues and profits recognized are potentially subject to adjustments in subsequent periods based on refinements in these judgments and estimates that could affect our future revenues and profits.

In addition, our revenues and costs may fluctuate from period to period due to a combination of other factors beyond our control, including registration of sales deeds in a particular period, volatility in expenses such as costs to acquire land or development rights and construction costs. As of July 31, 2021, we had 23 Ongoing Projects and 17 Forthcoming Projects. We cannot predict with certainty when our projects will be completed and sold as our project timetables are occasionally disrupted by and subject to unforeseen circumstances at different stages of planning and execution. For instance, construction at our work sites were adversely impacted due to the onset of the COVID-19 pandemic and related government measures such as the nation-wide lockdown. As a result, project timetables have been rescheduled significantly. For further information on the impact of COVID-19 on our operations, see “*Our Business – Impact of Covid-19 on the Business and Operations of the Company*” on page 134. This may lead to large fluctuation in financial result for any financial period depending on work completed in that period and possessions given during that period. Therefore, our results of operations will significantly depend upon the size and number of completed projects which are ready to be sold or have been sold to customers in each financial period as our revenue from sales depends upon the volume of bookings we are able to obtain for our developments as well as the rate of progress of construction of our projects.

### ***General economic and real estate conditions in India and particularly in the MMR and the PMR***

All our operations are located in the MMR and PMR in India, and the economic condition of these regions has a significant impact on our revenues and results of operations. As of July 31, 2021, we had 35 Completed Projects, 23 Ongoing Projects and 17 Forthcoming Projects located in certain micro-markets of the MMR and PMR, and mainly in the micro-market of Thane. While residential development in south Mumbai and central Mumbai has been restrained due to limited land availability, residential development is expanding into peripheral areas such as Thane and Navi Mumbai owing to availability of land parcels, lower land prices and demand for mid-income and affordable housing units. Over the last decade locations such as Thane and Navi Mumbai have evolved significantly and have established social and physical infrastructure to support the rapid residential market growth in these locations (Source: C&W Report). Further, Thane accounts for the highest monthly sales velocity with inventory overhang of only 27 months, which is the shortest in MMR compared to the supply-demand across micro-markets, reflecting higher demand for the Thane submarket (Source: C&W Report). We believe this has contributed to maintain overall bookings in our projects in the last two Fiscals, from 1,957 bookings in Fiscal 2020 compared to 1,910 bookings in Fiscal 2021. From Fiscal 2019 through Fiscal 2021, we have achieved 6,347 unit bookings and have delivered possession of 6 projects aggregating to developable area of 132,776 square metres (1,429,196 square feet).

The success of our projects and sale of units therefore depends on the general economic growth and demographic conditions in India and specifically within the MMR and PMR. In addition, we believe that the condition of the real estate sector in India, particularly market prices for developable land and finished projects, specifically in the MMR and PMR, has a significant impact on our revenues and results of operations. Any adverse economic condition resulting in decreases in the sales of, or market rates for our projects, or delays in the release of finances for certain of the projects, or inability of customers to obtain credit to finance the purchase of our properties, may therefore adversely affect our results of operation and financial condition.

### ***Cost and availability of land and Transferable Development Rights (“TDRs”)***

Our business is primarily dependent on the availability and cost of suitable land and adequate TDRs for our projects. As our operations are focused in the MMR and PMR, an increased demand for land in connection with the development of residential, commercial and retail properties in these regions, may result in increased competition for acquisition of land/ interest in land in these regions and in the areas in which we anticipate operating in the future.

We have typically acquired interest in the land either through an outright purchase of land or on an asset-light model, either through joint development agreements with land-owners, or pursuant to joint venture arrangements through which we jointly acquire the land for our projects. As of July 31, 2021, 16.88%, 90.81% and 93.58% of the Developable Area of our Completed Projects and Ongoing Projects, and estimated Developable Area of our Forthcoming Projects, respectively, were on an asset-light model, while 83.12%, 9.19% and 6.42% respectively, were on land acquired/ owned by us. Parties granting us development rights may have litigation pending with respect to the land they own or may not have clear ownership or title to such land, and in case of a failure to rectify



these irregularities, we may not be able to develop such land or complete the development of such land, which could have an adverse effect on our reputation, brand, financial condition and results of operations. Further, if our joint venture or joint development partners are unable to perform their obligations satisfactorily, we may be required to make additional investments, become liable or responsible for the obligations of these entities in the project or be subject to litigation by such counterparties, which could adversely affect our results of operations. In addition, any change in regulation, such as the adoption of new land acquisition legislation, may adversely affect our ability or the ability of our joint venture and/ or joint development partners to acquire land. Similarly, cost of acquisition of TDRs, cost of registration and stamp duty, any change in policy for generation and/ or utilization of TDRs may adversely affect our ability or the ability of our joint venture and/ or joint development partners to acquire TDRs. In addition, excess supply of either land in the locations where we conduct business, or TDRs may lower the market value of our projects and the revenue we are able to generate from such projects.

### ***Regulatory framework***

The real estate sector in India is highly regulated. Our operations, the acquisition of land and land development rights, and the implementation of our projects require us to obtain regulatory approvals and licenses and require us to comply with the land acquisition and conversion rules and regulations of a variety of regulatory authorities. We are also subject to local and municipal laws relating to real estate development activities such as Maharashtra Regional and Town Planning Act, 1966, and the relevant development control regulations. These require approvals for construction and development of real estate projects including approvals for the ratio of built-up area to land area, plans for road access, community facilities, open spaces, water supply, sewage disposal systems, electricity supply, environmental suitability, zoning regulations and size of the project. Any delay or failure in getting any of these approvals for our Ongoing Projects and Forthcoming Projects may affect our business and result of operations.

Further, the Central Government notified the RERA on March 26, 2016 and has enforced RERA with effect from May 1, 2017. The RERA has been introduced to regulate the real estate industry and ensure, amongst others, imposition of certain responsibilities on real estate developers and accountability towards customers and protection of their interest. RERA requires the mandatory registration of real estate projects and developers are not permitted to issue advertisements or accept advances unless real estate projects are registered. The RERA also imposes restrictions on use of funds received from customers prior to project completion and taking customer approval for major changes in sanction plan. In addition, with the introduction of RERA we will have to comply with specific legislations enacted by respective State Governments, where our Ongoing Projects, Forthcoming Projects are, or future projects may be located. While most of the State Governments in India have notified rules in relation to RERA, including Maharashtra where all our projects are located, other states are in the process of doing so. Accordingly, our Company is currently required to comply with rules, regulations, circulars and orders passed by the Maharashtra government pursuant to RERA. Our results of operation may, therefore, be impacted on account of the significant resources and management time we expend to ensure compliance with the RERA and other regulatory requirements.

In addition, one of the major factors that influence our project costs and customer buying decisions are taxes, cess, fees, charges and premiums payable for a particular project. We benefit from certain tax regulations and incentives that accord favourable treatment with respect to certain of our projects and therefore translate to benefits for our customers as well. For instance, the projects developed by us in Thane and Pune typically include units with a carpet area lower than 60 square meters (645 square feet). These projects are therefore eligible for a lower rate of GST of 8.00%, compared to the prevailing rate of 12.00% applicable to larger units. This has helped in reducing the total cost of property acquisition, helping drive sales in the affordable housing segment (Source: C&W Report). Further, as of April 1, 2019, the GST rates were reduced to 1% for affordable housing projects and 5.00% for all other residential projects (Source: C&W Report). Further, government initiatives to encourage affordable housing include exemption for real estate developers from paying tax on profits in affordable housing segment for a period of five years starting 2016, extended to March 31, 2022 (Source: C&W Report). For further information on recent government initiatives, see *“Our Business – Impact of COVID-19 on the Business and Operations of the Company – Key Government Initiatives”* on page 134. We accordingly intend to capitalize on such incentives by entering into the low-income affordable housing segment. For further information on tax benefits, see *“Statement of Tax Benefits”* on page 103. Any newly introduced or revised policies in relation to the tax, duties or other such levies issued by relevant tax authorities may deprive us of our existing benefits which may adversely affect our results of operations. The reduction or termination of our tax incentives, or inability to satisfy the conditions under which such tax incentives are made available, will increase our tax liability and adversely affect our business results of operations and financial condition.

### ***Construction and development costs***

We incur significant costs while constructing our projects, which includes land conversion costs, charges for obtaining building permissions, labour costs, costs of construction materials, costs of hiring and moving plant, equipment and materials to and from project sites, costs of design and technical assistance that is directly related to the project. In the four months ended July 31, 2021 and in Fiscal 2021, 2020 and 2019, operating cost which comprises cost of land, construction, and development, municipal charges, represented 80.87%, 70.52%, 75.45% and 74.72%, respectively, of our total expenses. Our construction materials include cement, sand, steel, brick, shuttering material, ready-mix concrete, wood and aluminium, that we procure from suppliers with whom we do not have long-term agreements. We procure construction materials on the basis of purchase orders and the cost of such materials varies from time to time. Prices of construction materials can be volatile and are subject to factors affecting the Indian and international commodity markets. Further, the timing and quality of the construction of projects depends on the availability and skill of contractors, their manpower and consultants, as well as other contingencies affecting them, including labour and construction material shortages and industrial actions such as strikes and lockouts. Our ability to develop a project within the intended timeframe, at the intended cost and to our quality specifications is dependent on our contractors. As a result, any increase in prices resulting from higher construction costs or prices of construction materials could adversely affect demand for our projects and our profit margins.

### ***Availability of financing on favourable terms***

The sale of units accounts for a majority of our revenue from operations. One of the major factors affecting demand for our residential units is the availability of financing at reasonable rates for our potential customers. Overall, interest rates are highly sensitive to several factors including governmental, monetary and tax policy, domestic and international economic and political conditions, and other factors beyond our control. Changes in interest rates and repayment options determine affordability of home ownership. For instance, as a result of the COVID-19 pandemic and its effect on the economy, the Reserve Bank of India (“**RBI**”) has successively reduced the benchmark repo rate to revive economic activity. The RBI has reduced the repo rate since October 2019 from 5.15% to 4.00% in December 2020, and had previously mandated all scheduled commercial banks to link all new floating interest rates on personal or retail loans (including housing loans) to the external benchmarks, in order to ease transmission of rate cuts. Accordingly, as a result of reductions in repo rates, housing mortgage rates have correspondingly reduced, driving affordability of home ownership. For further information on the impact of low interest rates on our operations, see “*Our Business – Impact of COVID-19 on the Business and Operations of the Company – Key Government Initiatives*” on 134.

Further, the number of property developments that a developer can undertake during any particular period is limited due to the substantial amount of capital required to fund land acquisitions and to fund the cost of construction. We generally meet our financing requirements from the cash flows generated from our business operations and borrowings from banks and financial institutions, including working capital facilities. As of July 31, 2021, our total borrowings was ₹13,667.43 million (with long-term borrowings of ₹12,532.31 million, short-term borrowings of ₹189.14 million, current maturities of long-term debt of ₹848.05 million and unsecured loans of ₹97.93 million). Changes in applicable interest rates and other regulatory initiatives may increase our ability to avail financing on favourable terms. For instance, the introduction of the UDCPR in Maharashtra that enables us to defer payment of approval expenses, may also alter our fund raising requirements. For further information, see “*Our Business – Impact of COVID-19 on the Business and Operations of the Company – Key Government Initiatives*” on page 134.

### ***Success of our low-income affordable housing projects***

As part of our growth strategy, we have recently entered the volume based low-income affordable housing segment, which we believe offers us significant growth potential. Under the Income Tax Act, real estate developers are exempt from paying tax on profits arising from affordable housing for a period of five years beginning 2016, extended till March 31, 2022 (Source: C&W Report). We intend to leverage our in-house project execution capabilities and brand recognition to cater to the growing demand for low-income affordable housing, and enhance our presence in this housing segment. We have limited experience in this segment and many of our competitors have more experience in this segment and greater financial resources than us and we may be unable to compete effectively with them. Additionally, our margins in the low-income affordable housing segment may be lower than other residential developers that make these projects and our results of operations more vulnerable to factors such as volatility in the prices of materials. Our success in this segment would be subject to various factors including, availability of financing to home buyers in this segment on attractive terms, our ability to secure

construction materials and labour at reasonable costs, identification of suitable locations and our ability to cater to customer needs and preferences in this segment. Though we believe that there is strong growth potential in the low-income affordable housing segment as we expect the demand for such projects to continue to increase with increased urbanization, we cannot assure that we will be able to develop these projects profitably and in a timely manner.

### **Competition**

We compete for land, sale of projects, manpower resources and skilled personnel with other private developers. We face competition from various national and regional real estate developers. Moreover, as we seek to diversify our operations in other micro-markets within western Maharashtra, we face the risk that some of our competitors have a wider geographical reach while some other competitors have a strong presence in regional markets. Some of our competitors may have greater resources (including financial, land resources, and other types of infrastructure) to take advantage of efficiencies created by size, and access to capital at lower costs, have a better brand recall, and established relationships with homeowners. For example, we face competition from developers including Macrotech Developers Limited, Dosti Realty, and Godrej Properties Limited that have residential projects on Ghodbunder Road and other parts of Thane, and Paranjape Schemes, Kolte-Patil and Pride Realty that have real estate projects in Pune (Source: C&W Report). Our success in the future will depend significantly on our ability to maintain and increase market share in the face of such competition. Our inability to compete successfully with the existing players in the industry, may affect our business prospects and financial condition.

### **Principles of Consolidation and Equity Accounting**

**Subsidiaries** - Subsidiaries are all entities over which we have control. We control an entity, when we are exposed to, or have rights to, variable returns from our involvement with the entity and have the ability to affect the returns through our power to direct the relevant activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to us. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control. They are deconsolidated from the date that control ceases.

We combine the financial statements of our Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains or losses on transactions between Group Companies are eliminated in full. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet, respectively.

**Associates** - Associates are all entities over which we have significant influence but not control or joint control. This is generally the case where we hold between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognized at cost.

Under the equity method of accounting, the excess of cost of investment over the proportionate share in equity of the associate as at the date of acquisition of stake is identified as goodwill or capital reserve as the case may be and included in the carrying value of the investment in the associate.

The carrying amount of the investment is adjusted thereafter to recognize our share of the post-acquisition profits or losses of the investee in consolidated statement of profit and loss, and our share of other comprehensive income (OCI) of the investee in Consolidated OCI. However, the share of losses is accounted for only to the extent of the cost of investment. Subsequent profits of such associates are not accounted for unless the accumulated losses (not accounted for by the Group) are recouped. Additional losses are provided for to the extent that we have incurred obligations or made payments on behalf of the associate to satisfy obligations of the associate that we have guaranteed or to which we are otherwise committed. Unrealised gains or losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities.

Ind AS 110 (Consolidated Financial Statements) requires all entities, including partnerships, which are controlled by an entity to be classified as its subsidiaries for the purposes of preparation and presentation of its consolidated financial statements. However, these entities have operated as and continue to operate under the joint venture model of development. Accordingly, their business activities are referred to as being under the joint venture model although all such entities are classified as subsidiaries and not joint ventures in the Restated Financial Statements. See "*Certain Conventions, Presentation of Financial, Industry and Market Data*" on page 16.

## Significant Accounting Policies

### 1. Current and Non-Current Classification

The Group presents assets and liabilities in the Consolidated Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- i. Expected to be realised or intended to be sold or consumed in normal operating cycle.
- ii. Held primarily for the purpose of trading
- iii. Expected to be realised within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle
- ii. It is held primarily for the purpose of trading
- iii. It is due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

The operating cycle of the Group's real estate operations varies from project to project depending on the size of the project, type of development, project complexities and related approvals. Assets and Liabilities are classified into current and non-current based on the operating cycle.

### 2. Property, plant and equipment

#### i. Recognition and measurement

All property, plant and equipment, except freehold land, are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisitions of the items. Cost includes freight, duties, taxes, borrowing cost and incidental expenses related to the acquisition and installation of the asset.

Freehold Land is measured at fair value. Valuations are performed with sufficient frequency to ensure that the carrying value of revalued asset does not defer materially from its fair value.

Revaluation surplus is recorded in OCI and credited to the Revaluation reserve in Other Equity.

#### ii. Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits of the expenditure will flow to the Group. All other repairs and maintenance are charged to the Consolidated Ind AS Summary Statement of Profit and Loss during the reporting period in which they are incurred.

#### iii. Derecognition

The carrying amount of an item of Property, Plant and Equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of Property, Plant and Equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Consolidated Statement of Profit and Loss when the item is derecognized.

#### iv. Capital work in progress

Cost of assets not ready for intended use, as on the reporting date, is shown as capital work in progress.

#### v. Depreciation

Depreciation is calculated on a written down value basis over the estimated useful lives of the assets as specified in Schedule II of Companies Act, 2013 except for Site/Sales Offices and Sample Flats wherein the estimated useful lives is determined by the management.

Sr. No.	Property, plant and equipment	Useful life (Years)
1.	<b>Plant and Equipment</b>	15
2.	<b>Office Equipment</b>	5
3.	<b>Computers</b>	
	(a) Servers and networks	6
	(b) End user devices, such as, desktops, laptops etc	3
4.	<b>Furniture and Fixtures</b>	10
5.	<b>Vehicles</b>	
	(a) Motor cycles, scooters and other models	10
	(b) Motor buses, motor lorries, motor cars and motor taxies	8

Depreciation on assets sold during the year is charged to the Consolidated Statement of Profit and Loss up to the month preceding the month of sale.

### 3. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. Currently the company has not identified any intangible assets other than Goodwill to have indefinite life.

Intangible assets with finite lives are amortised over the useful economic life. The useful economic life and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the Restated Consolidated Ind AS Summary Statement of Profit and Loss.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Restated Consolidated Ind AS Summary Statement of Profit and Loss when the asset is derecognised.

Intangible assets are amortized proportionately over a period of five years or over the useful economic life of the assets as determined by the management, whichever is lower.

Intangible assets with indefinite life are tested for impairment annually. Impairment losses, if any, are recognised in Restated Consolidated Ind AS Summary Statement of Profit and Loss.

### 4. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each item of inventory to its present condition are accounted for as follows:

- i. Work-in-progress represents cost incurred in respect of unsold area of the real estate development projects and the costs incurred on the projects where the revenue is yet to be recognized.
- ii. Completed unsold inventory is valued at lower of Cost and Net Realizable Value.
- iii. Cost of Work-in-Progress and unsold inventory for this purpose includes cost of land, shares with occupancy rights, Transferrable Development Rights, premium for development rights, borrowing costs, construction / development cost and other overheads incidental to the projects undertaken.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of

completion and the estimated cost necessary to make the sale.

## 5. Provisions and Contingencies

The Group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure of contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

## 6. Impairment of Non-Financial Assets (excluding Inventories, Investment Properties and Deferred Tax Assets)

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units ('CGUs').

## 7. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial Assets

#### Initial recognition and measurement

The Group classifies its financial assets in the following measurement categories.

- those to be measured subsequently at fair value (either through OCI, or through profit or loss)
- those measured at amortised cost

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

#### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

#### Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or

premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment if any, are recognised in the statement of profit or loss.

#### Debt instruments at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b. The asset's contractual cash flows represent solely payments of principal and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group does not have any debt instruments which meet the criteria for measuring the debt instrument at FVTOCI.

#### Debt instrument at FVTPL

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'Accounting Mismatch'). The Group has not designated any debt instrument at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

#### Equity investments

All equity investments, except investments in fellow subsidiaries and associates are measured at FVTPL. The Group may make an irrevocable election on initial recognition to present in OCI any subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis.

#### **De-recognition of Financial Assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's Consolidated Balance Sheet) when:

- i. The rights to receive cash flows from the asset have expired, or
- ii. The Group 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 either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

#### **Impairment of Financial Assets**

The Group assess on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVTOCI debts instruments. The impairment methodology applied depends on whether there has been significant increase in credit risk. For trade receivables, the Group is not exposed to any credit risk as the possession of residential and commercial units is handed over to the buyer only after all the installments are recovered.

For financial assets carried at amortised cost, the carrying amount is reduced and the amount of the loss is recognised in the consolidated statement of profit and loss. Interest income on such financial assets continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. Financial asset together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or decreased. If a write-off is later recovered, the recovery is credited to finance costs.

### **Financial Liabilities**

#### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

#### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

#### **Financial liabilities at fair value through profit or loss**

Financial liabilities measured at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at FVTPL are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

#### **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated Statement of Profit and Loss.

#### **Financial guarantee contracts**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

### **De-recognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.



The difference in the respective carrying amounts is recognised in the Consolidated Statement of Profit and Loss.

#### **Reclassification of Financial Assets and Financial Liabilities**

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

#### **Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the restated Consolidated Ind AS Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **8. 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:

- i. In the principal market for the asset or liability, or-
- ii. 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 Group.

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 Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements 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:

- i. Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ii. Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- iii. Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group 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.

### **9. Cash and Cash Equivalent**

Cash and cash equivalent in the Consolidated 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.

## 10. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria are described below:

### i. Sale of Goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Revenue from Sale of Land, Transfer of Development Rights and Building Materials are recognized upon transfer of significant risks and rewards to the buyers / Customers.

### ii. Revenue from contracts with customers:

The Group has adopted Ind AS 115 with effect from 01 April 2018.

The Group has applied the following accounting policy in the preparation of its consolidated financial statements:

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

When the Group satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent.

For projects executed through joint development arrangements, the land owner provides land and the Group undertakes to develop the project on such land.

The Group has agreed to transfer a certain percentage of constructed area or certain percentage of the revenue proceeds in lieu of land owner providing land.

As the Group cannot reasonably estimate the fair value of the consideration received, revenue from the development and transfer of constructed area/ revenue sharing arrangement and its corresponding project cost is being accounted based on the stand-alone selling price of the construction services provided by the Group to such land owners.

Revenue is recognised in the consolidated income statement to the extent that it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably.

Unbilled revenue shall be disclosed under other financial assets which represents revenue recognised over and above the amount due as per payment plans agreed with the customers. Progress billings which exceed the costs and recognised profits to date on projects under construction shall be disclosed under other current liabilities.

Any billed amount that has not been collected is disclosed under trade receivables and is net of any provisions for amounts doubtful of recovery.

### **iii. Rendering of Services**

Revenue from the Contract / Support services is recognised by reference to the terms of contract/ agreement. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

### **iv. Interest Income**

For all debt instruments measured at amortised cost. Interest income is recorded using the effective interest rate (EIR).

### **v. Rental Income**

Rental income arising from operating leases is accounted over the lease terms.

### **vi. Dividends**

Revenue is recognised when the Group's right to receive the payment is established.

## **11. Current Income Tax**

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable profit for the period. The tax rates and tax laws used to compute the amount are those that are enacted by the reporting date and applicable for the period.

### **Deferred Tax**

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for all deductible and taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial

recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of transaction.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax asset in respect of carry forward of unused tax credits and unused tax losses are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

The Group recognizes deferred tax liabilities for all taxable temporary differences except those associated with the investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal tax during the specified period.

#### **Presentation of Current and Deferred Tax:**

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in OCI, in which case, the current and deferred tax income/expense are recognized in OCI. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

### **12. Borrowing Costs**

Borrowing costs that are directly attributable to long term project development activities are inventorised / capitalized as part of project cost.

Borrowing costs are inventorised / capitalised as part of project cost when the activities that are necessary to prepare the inventory / asset for its intended use or sale are in progress. Borrowing costs are suspended from inventorisation / capitalisation when development work on the project is interrupted for extended periods and there is no imminent certainty of recommencement of work.

All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the group incurs in connection with the borrowing of funds.

### **13. Retirement and Other Employee Benefits**

Retirement and other Employee benefits are accounted in accordance with Ind AS 19 – Employee Benefits.

#### **a) Defined Contribution Plan**

The Group contributes to a recognised provident fund for all its employees. Contributions are recognised as an expense when employees have rendered services entitling them to such benefits.

#### **b) Gratuity (Defined Benefit Scheme)**

The Group provides for its gratuity liability based on actuarial valuation as at the balance sheet date which is carried out by an independent actuary using the Projected Unit Credit Method. Actuarial gains and losses

are recognised in full in the OCI for the period in which they occur.

c) **Compensated absences (Defined Benefit Scheme)**

Liability in respect of earned leave expected to become due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of benefit expected to be availed by the employees. Liability in respect of earned leave expected to become due or expected to be availed beyond one year after the balance sheet date is estimated on the basis of actuarial valuation performed by an independent actuary using the projected unit credit method.

#### **14. Business Combinations under Common Control**

Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the Net Worth of transferor entity or business is recognised as Goodwill or capital reserve.

#### **15. Earning Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year (after deducting preference dividends and attributable taxes) attributable to equity share holders to by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue and consolidation of equity shares. For the purpose of calculating diluted earnings per share, the net profit or loss for the year and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year (after deducting preference dividends and attributable taxes) attributable to equity share holders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

#### **16. Goodwill**

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the fair value of net identifiable tangible assets acquired and liabilities assumed. If the consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised as capital reserve. After initial recognition, goodwill is measured at the cost less any accumulated impairment losses.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the operation disposed off is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed off in this circumstance is measured based on the relative values of the operation disposed off and the portion of the cash-generating unit retained.

### **Principal Components of Income and Expenditure**

#### **Income**

Our income comprises revenue from operations and other income.

#### ***Revenue from Operations***

Revenue from operations comprises revenue received from the sale of units in the projects developed by us as well as other operating revenue.

Other operating revenue includes general charges such as electric meter installation charges, infrastructure charges, application and entrance fees for the society and advance maintenance charges for common areas for a limited period. See, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations* –

*Significant Factors Affecting our Results of Operation and Financial Condition – Sales of our projects and revenue recognition” on page 271.*

### **Other Income**

Other income comprises primarily dividend income on investments, fair value gain, interest received. Other income also includes rent received, flat cancellation charges, sundry balances/ excess provisions written back and miscellaneous income.

### **Expenditure**

Our expenses consist of operating costs, employee benefit expenses, finance cost, depreciation and amortization expenses, and other expenses.

### **Operating Costs**

Operating costs includes expenses such as land, construction and development cost and municipal charges.

### **Depreciation and Amortization Expenses**

Our depreciation and amortization expenses adjustments to our profit and loss statements made due to depreciation of certain fixed and movable assets.

### **Employee Benefit Expenses**

Employee benefit expenses include salaries and wages, staff welfare and contribution to provident fund and other funds.

### **Finance Costs**

Finance costs includes interest paid by us on our borrowings.

### **Other Expenses**

Other expenses comprise administrative and marketing expenses, interest on statutory dues, legal and professional fees, commission and brokerage, and other expenses.

### **Other Comprehensive Income**

Other comprehensive income consists of re-measurement of gains/ (losses) on defined benefit plans and foreign currency translation reserve.

## **RESULTS OF OPERATIONS**

### **FOUR MONTHS ENDED JULY 31, 2021 COMPARED TO FOUR MONTHS ENDED JULY 31, 2020**

The following table sets forth certain information with respect to our results of operations for the periods indicated:

Particulars	Four months ended July 31, 2021		Four months ended July 31, 2020	
	(₹ million)	Percentage of Total Income	(₹ million)	Percentage of revenue Total Income
<b>Income</b>				
Revenue from operations	1,906.06	99.73%	417.22	98.44%
Other income	5.24	0.27%	6.60	1.56%
<b>Total income</b>	<b>1,911.30</b>	<b>100.00%</b>	<b>423.82</b>	<b>100.00%</b>
<b>Expenses</b>				
Operating Cost	1,370.70	71.72%	314.63	74.23%
Employee Benefit Expenses	13.10	0.69%	12.83	3.03%

Particulars	Four months ended July 31, 2021		Four months ended July 31, 2020	
	(₹ million)	Percentage of Total Income	(₹ million)	Percentage of revenue Total Income
Depreciation and Amortization	2.36	0.12%	3.98	0.94%
Finance Cost	299.68	15.68%	79.92	18.86%
Other Expenses	9.20	0.48%	4.11	0.97%
<b>Total Expenses</b>	<b>1,695.04</b>	<b>88.69%</b>	<b>415.47</b>	<b>98.03%</b>
Exceptional Items	-	-	-	-
<b>Profit Before Tax</b>	<b>216.26</b>	<b>11.31%</b>	<b>8.35</b>	<b>1.97%</b>
<b>Tax Expense</b>				
- Current Tax	39.53	2.07%	3.90	0.92%
- Deferred Tax	1.47	0.07%	0.51	0.12%
<b>Profit for the period</b>	<b>175.26</b>	<b>9.17%</b>	<b>3.94</b>	<b>0.93%</b>
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified to profit or loss</b>				
Remeasurements of Defined Benefit Plans	(9.95)	(0.52)%	(6.82)	(1.61)%
Less: Income Tax relating to Items that will not be reclassified to Profit or Loss	0.73	0.04%	1.53	0.36%
<b>Total Other Comprehensive Income</b>	<b>(9.22)</b>	<b>(0.48)%</b>	<b>(5.29)</b>	<b>(1.25)%</b>
<b>Total Comprehensive Income for the period</b>	<b>166.04</b>	<b>8.69%</b>	<b>(1.35)</b>	<b>(0.32)%</b>

The following table sets forth certain information with respect to our Earnings Before Interest, Taxes, Depreciation and Amortization Expenses (“EBITDA”) for the periods indicated:

Particulars	Four months ended July 31, 2021		Four months ended July 31, 2020	
	(₹ million)	Percentage of revenue from operations (%)	(₹ million)	Percentage of revenue from operations (%)
EBITDA	513.06	26.92	85.65	20.53

EBITDA presented in this Draft Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, IFRS or US GAAP. Furthermore, EBITDA is not a measurement of our financial performance or liquidity under Ind AS, IFRS or US GAAP and should not be considered as an alternative to net profit/loss, revenue from operations or any other performance measures derived in accordance with Ind AS, IFRS or US GAAP or as an alternative to cash flow from operations or as a measure of our liquidity. In addition, EBITDA is not a standardized term, hence a direct comparison of EBITDA between companies may not be possible. Other companies may calculate EBITDA differently from us, limiting its usefulness as a comparative measure.

#### Reconciliation of EBITDA Margin to Profit for the Year

Particulars	Four months ended July 31,	
	2021	2020
	(₹ million, except percentages)	
<b>Total Comprehensive Income for the Year [A]</b>	<b>166.04</b>	<b>(1.35)</b>
Add: Other Comprehensive Income	9.22	5.29
Add: Total Tax Expenses	41.00	4.41
Add: Depreciation and Amortization expenses	2.36	3.98
Add: Finance Cost	299.68	79.92
<b>Total Adjustments [B]</b>	<b>352.26</b>	<b>93.60</b>
<b>Other Income [C]</b>	<b>5.24</b>	<b>6.60</b>
<b>EBITDA [A+B-C]</b>	<b>513.06</b>	<b>85.65</b>
Revenue from Operations	1,906.06	417.22
EBITDA margin (EBITDA/Revenue from Operations in %)	26.92%	20.53%

## **Income**

Total income significantly increased by 350.97% from ₹423.82 million in the four months ended July 31, 2020, to ₹1,911.30 million in the four months ended July 31, 2021 primarily due to an increase in revenue from operations.

### ***Revenue from Operations***

Revenues from operations significantly increased by 356.85% from ₹417.22 million in four months ended July 31, 2020, to ₹1,906.06 million in the four months ended July 31, 2021, primarily due to increase in sale of units on account of ease in lockdown restrictions by Government of India during to second wave of COVID-19 pandemic as compared to first wave of COVID -19 pandemic wherein a nation-wide lockdown was announced due to which we were unable to conduct site visits and subsequently the sales enquiries from prospective customers that typically follow site-visits were significantly affected.

### ***Other Income***

Other income decreased by 20.61% from ₹6.60 million in four months ended July 31, 2020 to ₹5.24 million in four months ended July 31, 2021, primarily due to increase in non-recurring income during the four months ended July 31, 2020.

## **Expenses**

Total expenses significantly increased by 307.98% from ₹415.47 million in the four months ended July 31, 2020 to ₹1,695.04 million in the four months ended July 31, 2021, primarily due to increase in operating cost.

### ***Operating Costs***

Operating costs increased by 335.65% from ₹314.63 million in the four months ended July 31, 2020 to ₹1,370.70 million in the four months ended July 31, 2021, primarily due to progress in the construction of our Ongoing Projects.

### ***Employee Benefit Expenses***

Employee benefit expenses increased by 2.10% from ₹12.83 million in the four months ended July 31, 2020 to ₹13.10 million in the four months ended July 31, 2021.

### ***Finance Costs***

Finance costs increased by 274.97% from ₹79.92 million in the four months ended July 31, 2020 to ₹299.68 million in the four months ended July 31, 2021, largely due to increase in revenue recognized and therefore higher expensed out during the period.

### ***Depreciation and Amortisation Expense***

Depreciation and amortisation expense decreased by 40.78% from ₹3.98 million in the four months ended July 31, 2020, to ₹2.36 million in the four months ended July 31, 2021.

### ***Other Expenses***

Other expenses increased by 124.11% from ₹4.11 million in the four months ended July 31, 2020 to ₹9.20 million in the four months ended July 31, 2021, primarily due to an increase in administration and marketing expenses on account of ease in lockdown restrictions by Government of India during to second wave of COVID-19 pandemic as compared to first wave of COVID -19 pandemic wherein a nation-wide lockdown due to which the administration and marketing activity were significantly affected.

## **Profit before Tax**

For the reasons discussed above, profit before tax increased by 2,490.40% from ₹8.35 million in the four months



ended July 31, 2020 to ₹216.26 million in the four months ended July 31, 2021.

### Tax Expense

Current tax expenses increased from ₹208.90 million in Fiscal 2020 to ₹83.88 million in Fiscal 2021, primarily on account of increase in profit before tax.

### Profit for the Period

For the various reasons discussed above, and following adjustments for tax expense, our profit for the period increased by 29.14% from ₹512.29 million in Fiscal 2020 to ₹363.03 million in Fiscal 2021.

### Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)

Total comprehensive income for the period (comprising profit and other comprehensive income for the period) increased from (₹507.90) million in Fiscal 2020 to ₹349.36 million in Fiscal 2021.

### Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)

EBITDA was ₹1,642.67 million in Fiscal 2021 compared to EBITDA of ₹1,922.87 million in Fiscal 2020, while EBITDA margin (EBITDA as a percentage of our revenue from operations) was 32.71% in Fiscal 2021 compared to 26.68% in Fiscal 2020.

### FISCAL 2021, FISCAL 2020 AND FISCAL 2019

The following table sets forth certain information with respect to our results of operations on a consolidated basis for the periods indicated:

Particulars	Fiscal 2021		Fiscal 2020		Fiscal 2019	
	(₹ million)	Percentage of Total Income	(₹ million)	Percentage of Total Income	(₹ million)	Percentage of Total Income
<b>Income</b>						
Revenue from operations	5,022.66	97.80%	7,206.14	98.68%	7,151.90	99.16%
Other income	112.94	2.20%	96.26	1.32%	60.40	0.84%
<b>Total Income</b>	<b>5,135.60</b>	<b>100.00%</b>	<b>7,302.40</b>	<b>100.00%</b>	<b>7,212.30</b>	<b>100.00%</b>
<b>Expenses</b>						
Operating Cost	3,304.98	64.35%	4,966.83	68.02%	4,655.37	64.55%
Employee Benefit Expenses	37.75	0.74%	261.93	3.59%	344.12	4.77%
Depreciation and Amortization	11.72	0.23%	19.84	0.27%	21.16	0.29%
Finance Cost	1,294.86	25.21%	1,279.74	17.52%	1,149.72	15.94%
Other Expenses	37.26	0.73%	54.51	0.75%	59.82	0.83%
<b>Total Expenses</b>	<b>4,686.57</b>	<b>91.26%</b>	<b>6,582.85</b>	<b>90.15%</b>	<b>6,230.19</b>	<b>86.38%</b>
Exceptional Items	-	-	-	-	-	-
<b>Profit Before Tax</b>	<b>449.03</b>	<b>8.74%</b>	<b>719.55</b>	<b>9.85%</b>	<b>982.11</b>	<b>13.62%</b>
<b>Tax Expense</b>						
- Current Tax	83.88	1.63%	208.90	2.86%	275.68	3.82%
- Deferred Tax	2.12	0.04%	(1.64)	(0.03)%	(6.27)	(0.10)%
<b>Profit for the year</b>	<b>363.03</b>	<b>7.07%</b>	<b>512.29</b>	<b>7.02%</b>	<b>712.70</b>	<b>9.88%</b>
<b>Other comprehensive income</b>						
<b>Items that will not be reclassified to profit or loss</b>						
Re-measurements of Defined Benefit Plans	(17.12)	(0.33)%	(6.35)	(0.09)%	2.55	0.04%

Particulars	Fiscal 2021		Fiscal 2020		Fiscal 2019	
	(₹ million)	Percentage of Total Income	(₹ million)	Percentage of Total Income	(₹ million)	Percentage of Total Income
Less: Income Tax relating to Items that will not be reclassified to Profit or Loss	3.45	0.06%	1.96	0.03%	(0.43)	(0.01)%
<b>Total Other Comprehensive Income</b>	<b>(13.67)</b>	<b>(0.27)%</b>	<b>(4.39)</b>	<b>(0.06)%</b>	<b>2.12</b>	<b>0.03%</b>
<b>Total Comprehensive Income for the year</b>	<b>349.36</b>	<b>6.80%</b>	<b>507.90</b>	<b>6.96%</b>	<b>714.82</b>	<b>9.91%</b>

The following table sets forth certain information with respect to our Earnings Before Interest, Taxes, Depreciation and Amortization Expenses (“**EBITDA**”) for the periods indicated:

Particulars	Fiscal 2021		Fiscal 2020		Fiscal 2019	
	(₹ million)	Percentage of revenue from operations (%)	(₹ million)	Percentage of revenue from operations (%)	(₹ million)	Percentage of revenue from operations (%)
EBITDA	1,642.67	32.71%	1,922.87	26.68%	2,092.59	29.26%

EBITDA presented in this Draft Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, IFRS or US GAAP. Furthermore, EBITDA is not a measurement of our financial performance or liquidity under Ind AS, IFRS or US GAAP and should not be considered as an alternative to net profit/loss, revenue from operations or any other performance measures derived in accordance with Ind AS, IFRS or US GAAP or as an alternative to cash flow from operations or as a measure of our liquidity. In addition, EBITDA is not a standardized term, hence a direct comparison of EBITDA between companies may not be possible. Other companies may calculate EBITDA differently from us, limiting its usefulness as a comparative measure.

#### Reconciliation of EBITDA Margin to Profit for the Year

Particulars	For the year ended at March 31,		
	2021	2020	2019
	(₹ million, except percentages)		
<b>Total Comprehensive Income for the Year [A]</b>	<b>349.36</b>	<b>507.90</b>	<b>714.82</b>
Add: Other Comprehensive Income	13.67	4.39	(2.12)
Add: Total Tax Expenses	86.00	207.26	269.41
Add: Depreciation and Amortization expenses	11.72	19.84	21.16
Add: Finance Cost	1,294.86	1,279.74	1,149.72
<b>Total Adjustments [B]</b>	<b>1,406.25</b>	<b>1,511.23</b>	<b>1,438.17</b>
<b>Other Income [C]</b>	<b>112.94</b>	<b>96.26</b>	<b>60.40</b>
<b>EBITDA [A+B-C]</b>	<b>1,642.67</b>	<b>1,922.87</b>	<b>2,092.59</b>
Revenue from Operations	5,022.66	7,206.14	7,151.90
EBITDA margin (EBITDA/Revenue from Operations in %)	32.71%	26.68%	29.26%

#### Fiscal 2021 compared to Fiscal 2020

##### Income

Total income decreased by 29.67% from ₹7,302.40 million in Fiscal 2020 to ₹5,135.60 million in Fiscal 2021, primarily due to decrease in revenue from operations.

### ***Revenue from Operations***

Revenue from operations decreased by 30.30% from ₹7,206.14 million in Fiscal 2020 to ₹5,022.66 million in Fiscal 2021, primarily due to the decrease in sale of units which was primarily due to COVID-19 and related measures including the lockdown, as a result of which our operations were significantly disrupted. Due to the nation-wide lockdown and inability to conduct site visits, sales enquiries from prospective customers that typically follow site-visits were significantly affected.

### ***Other Income***

Other income increased by 17.32% from ₹96.26 million in Fiscal 2020 to ₹112.94 million in Fiscal 2021. The increase was primarily due to increase in interest income from ₹19.02 million in Fiscal 2020 to ₹103.16 million in Fiscal 2021, on account of interest income from temporary investments of surplus funds.

### ***Expenses***

Total expenses decreased by 28.81% from ₹6,582.85 million in Fiscal 2020 to ₹4,686.57 million in Fiscal 2021, primarily due to primarily due to a decrease in operating costs and employee benefit expenses.

### ***Operating Costs***

Operating costs decreased by 33.46% from ₹4,966.83 million in Fiscal 2020 to ₹3,304.98 million in Fiscal 2021, primarily due to complete standstill in construction activities for a significant period during the nation-wide lockdown whereby a number of workforce deployed at our construction sites returned to their native cities/ towns/ villages, after the sudden announcement of the nation-wide lockdown on March 25, 2020.

### ***Employee Benefit Expenses***

Employee benefit expenses decreased by 85.59% from ₹261.93 million in Fiscal 2020 to ₹37.75 million in Fiscal 2021, due to (i) allocation of direct employees cost in operating costs, on account of grouping of employees at the project level; and (ii) rationalisation of employees and conversion of our salary structure into a 'fixed plus variable' model, wherein the variable component is determined based on overall Company performance.

### ***Finance Costs***

Finance costs increased by 1.18% from ₹1,279.74 million in Fiscal 2020 to ₹1,294.86 million in Fiscal 2021, due to marginal increase in debt for Fiscal 2021.

### ***Depreciation and Amortisation Expense***

Depreciation and amortisation expense decreased by 40.94% from ₹19.84 million in Fiscal 2020 to ₹11.72 million in Fiscal 2021.

### ***Other Expenses***

Other expenses decreased by 31.65% from ₹54.51 million in Fiscal 2020 to ₹37.26 million in Fiscal 2021, primarily due to decrease in operations because of COVID-19 pandemic and decrease in administrative and marketing expenses from ₹41.72 million in Fiscal 2020 to ₹19.46 million in Fiscal 2021, because of the increase in adoption of digital channels for marketing activities, with reduced focus on print media.

### ***Profit before Tax***

For the reasons discussed above, profit before tax decreased by 37.60% from ₹719.55 million in Fiscal 2020 to ₹449.03 million in Fiscal 2021.

## **Tax Expense**

Current tax expenses decreased from ₹208.90 million in Fiscal 2020 to ₹83.88 million in Fiscal 2021, primarily on account of lower profit before tax.

## **Profit for the Period**

For the various reasons discussed above, and following adjustments for tax expense, our profit for the period decreased by 29.14% from ₹512.29 million in Fiscal 2020 to ₹363.03 million in Fiscal 2021.

## **Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)**

Total comprehensive income for the period (comprising profit and other comprehensive income for the period) decreased from ₹507.90 million in Fiscal 2020 to ₹349.36 million in Fiscal 2021.

## **Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)**

EBITDA was ₹1,642.67 million in Fiscal 2021 compared to EBITDA of ₹1,922.87 million in Fiscal 2020, while EBITDA margin (EBITDA as a percentage of our revenue from operations) was 32.71% in Fiscal 2021 compared to 26.68% in Fiscal 2020.

## **Fiscal 2020 compared to Fiscal 2019**

### **Income**

Total income increased by 1.25% from ₹7,212.30 million in Fiscal 2019 to ₹7,302.40 million in Fiscal 2020, primarily due to an increase in revenue from operations and other income.

### **Revenue from Operations**

Revenue from operations increased by 0.76% from ₹7,151.90 million in Fiscal 2019 to ₹7,206.14 million in Fiscal 2020, primarily due to an increase in other operating revenue, from ₹88.17 million in Fiscal 2019 to ₹136.18 million in Fiscal 2020, due to higher general charges collected at the time of delivering possession. Revenue from sale of flats marginally increased by 0.09% from ₹7,063.73 million in Fiscal 2019 to ₹7,069.96 million in Fiscal 2020.

### **Other Income**

Other income increased by 59.39% from ₹60.40 million in Fiscal 2019 to ₹96.26 million in Fiscal 2020. The increase was primarily due to an increase in flat cancellation charges from ₹2.33 million in Fiscal 2019 to ₹30.13 million in Fiscal 2020, due to recognition of flat cancellation charges based on reviews conducted internally. Sundry balances/ excess provisions written back (net) also increased from no such income in Fiscal 2019 to ₹18.15 million in Fiscal 2020, on account of revised judgments based on internal review. The increase was partially offset by a decrease in dividend income from ₹6.17 million in Fiscal 2019 to ₹0.01 million in Fiscal 2020, and a decrease in rent received from ₹11.28 million in Fiscal 2019 to ₹4.67 million in Fiscal 2020.

### **Expenses**

Total expenses increased by 5.66% from ₹6,230.19 million in Fiscal 2019 to ₹6,582.85 million in Fiscal 2020, primarily due to an increase in operating costs.

### **Operating Costs**

Operating costs increased by 6.69% from ₹4,655.37 million in Fiscal 2019 to ₹4,966.83 million in Fiscal 2020, primarily due to an increase in opening work-in-progress, which was led by progress in the construction of our Ongoing Projects. Operating costs represented 68.92% of our revenue of operations in Fiscal 2020 compared to 65.09% of our revenue from operations in Fiscal 2019.

### ***Employee Benefit Expenses***

Employee benefit expenses decreased by 23.88% from ₹344.12 million in Fiscal 2019 to ₹261.93 million in Fiscal 2020, due to allocation of direct employees cost in project operating costs, on account of grouping of employees at the project level.

### ***Finance Costs***

Finance costs increased by 11.31% from ₹1,149.72 million in Fiscal 2019 to ₹1,279.74 million in Fiscal 2020 due to lesser amount capitalized to work-in-process.

### ***Depreciation and Amortisation Expense***

Depreciation and amortisation expense decreased by 6.23% from ₹21.16 million in Fiscal 2019 to ₹19.84 million in Fiscal 2020.

### ***Other Expenses***

Other expenses decreased by 8.87% from ₹59.82 million in Fiscal 2019 to ₹54.51 million in Fiscal 2020, primarily due to (i) a decrease in administrative and marketing expenses from ₹52.39 million in Fiscal 2019 to ₹41.72 million in Fiscal 2020, primarily because of optimization of expenses. This was partially offset by an increase in legal and professional fees from ₹0.22 million in Fiscal 2019 to ₹4.77 million in Fiscal 2020.

### **Profit before Tax**

For the reasons discussed above, profit before tax decreased by 26.73% from ₹982.11 million in Fiscal 2019 to ₹719.55 million in Fiscal 2020.

### **Tax Expense**

Current tax expenses decreased from ₹275.68 million in Fiscal 2019 to ₹208.90 million in Fiscal 2020, primarily on account of decrease in profit before tax. Deferred tax expenses were ₹(6.27) million in Fiscal 2019 and were ₹(1.64) million in Fiscal 2020.

### **Profit for the Period**

For the various reasons discussed above, and following adjustments for tax expense, our profit for the period decreased by 28.12% from ₹712.70 million in Fiscal 2019 to ₹512.29 million in Fiscal 2020.

### **Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)**

Total comprehensive income for the period (comprising profit and other comprehensive income for the period) decreased from ₹714.82 million in Fiscal 2019 to ₹507.90 million in Fiscal 2020.

### **Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)**

EBITDA was ₹1,922.87 million in Fiscal 2020 compared to EBITDA of ₹2,092.59 million in Fiscal 2019, while EBITDA margin (EBITDA as a percentage of our revenue from operations) was 26.68% in Fiscal 2020 compared to 29.26% in Fiscal 2019.

### **Liquidity and Capital Resources**

We have historically financed our working capital requirements and the expansion of our business and operations primarily through funds generated from our operations and borrowings. From time to time, we may obtain loan facilities to finance our working capital requirements.

## Cash Flows

The following table sets forth certain information relating to our cash flows in the periods indicated:

Particulars	Four months ended July 31,		Fiscal		
	2021	2020	2021	2020	2019
	(₹million)				
Net cash flow (used in)/ from operating activities	579.48	(288.91)	519.97	(433.80)	(1,156.61)
Net cash flow (used in)/ from investing activities	7.27	4.60	138.01	111.96	152.03
Net cash flow (used in)/ from financing activities	(625.41)	305.72	(658.22)	121.01	1,026.72
Net increase/ (decrease) in cash/ cash equivalents	(38.67)	21.40	(0.25)	(200.81)	22.14

### Operating Activities

#### *Four months ended July 31, 2021*

During the four months ended July 31, 2021, net cash used in operating activities was ₹579.48 million and net profit before income tax from continuing operations was ₹216.26 million. The main adjustments to reconcile net profit before taxation to net cash flows were an increase in inventory of ₹487.53 million due to increase in construction activity and increase in other current financial liabilities of ₹321.90 million. This was partially offset by a decrease in trade receivables of ₹269.65 million.

#### *Four months ended July 31, 2020*

During the four months ended July 31, 2020, net cash used in operating activities was ₹288.91 million and net profit before income tax from continuing operations was ₹8.35 million. The main adjustments to reconcile net profit before taxation to net cash flows were an increase in inventory of ₹719.31 million due to increase in unsold inventory and increase in other current financial liabilities of ₹188.93 million. This was partially offset by a decrease in trade receivables of ₹7.31 million.

#### *Fiscal 2021*

In Fiscal 2021, net cash used in operating activities was ₹519.97 million and net profit before income tax from continuing operations was ₹449.03 million. The main adjustments to reconcile net profit before taxation to net cash flows were an increase in inventory of ₹732.55 million due to increase in construction activity, and increase in other current financial liabilities of ₹158.34 million. This was partially offset by a decrease in trade receivables of ₹470.99 million.

#### *Fiscal 2020*

In Fiscal 2020, net cash used in operating activities was ₹433.80 million and net profit before income tax from continuing operations was ₹719.55 million. The main adjustments to reconcile net profit before taxation to net cash flows were an increase in inventory of ₹1,181.86 million due to increase in land and property development work-in-progress as we continued construction of our projects, and decrease in other current financial liabilities of ₹839.96 million. This was partially offset by a decrease in trade receivables of ₹633.64 million.

#### *Fiscal 2019*

In Fiscal 2019, net cash used in operating activities was ₹1,156.61 million and net profit before income tax from continuing operations was ₹982.11 million. The main working capital adjustments were an increase in inventory of ₹2,474.59 million due to increase in land and property development work-in-progress as we continued construction of our projects, a decrease in other current financial liabilities of ₹283.72 million, which was partially offset by finance costs of ₹1,149.72 million due to increased borrowings.

### Investing Activities

#### ***Four months ended July 31, 2021***

Net cash from investing activities was ₹7.27 million during the four months ended July 31, 2021, primarily on account of proceeds from sale of investment of ₹13.71 million, increase in other non-current financial assets of ₹8.48 million and interest received of ₹2.59 million.

#### ***Four months ended July 31, 2020***

Net cash from investing activities was ₹4.60 million during the four months ended July 31, 2020, primarily on account of proceeds from sale of investment of ₹25.98 million, increase in other non-current financial assets of ₹24.87 million and interest received of ₹3.35 million.

#### ***Fiscal 2021***

Net cash from investing activities was ₹138.01 million in Fiscal 2021, primarily on account of purchase of investments of ₹17.79 million, decrease in other non-current financial assets of ₹54.01 million and interest received of ₹103.17 million.

#### ***Fiscal 2020***

Net cash from investing activities was ₹111.96 million in Fiscal 2020, primarily on account of decrease in other non-current financial assets of ₹77.66 million, decrease in current investments of ₹26.61 million, and interest received of ₹19.02 million.

#### ***Fiscal 2019***

Net cash from investing activities was ₹152.03 million in Fiscal 2019, primarily on account of decrease in current investments of ₹159.25 million, interest received on fixed deposit with banks of ₹22.19 million and dividend income on investment of ₹40.11 million. This was partly offset by purchase of fixed assets, including capital advances of ₹46.92 million.

### **Financing Activities**

#### ***Four months ended July 31, 2021***

Net cash from financing activities during four months ended July 31, 2021 was ₹625.41 million, primarily due to issue of equity shares/ introduction of Partners Capital of ₹170.54 million. This was significantly offset by repayment of long term borrowings of ₹284.07 million, finance cost of ₹299.68 million, and other non-current financial liabilities of ₹212.21 million.

#### ***Four months ended July 31, 2020***

Net cash from financing activities during four months ended July 31, 2020 was ₹305.72 million, primarily due to by repayment of long term borrowings of ₹396.21 million. This was significantly offset by issue of equity shares/ introduction of Partners Capital of ₹5.00 million, finance cost of ₹79.92 million, and other non-current financial liabilities of ₹5.57 million.

#### ***Fiscal 2021***

Net cash from financing activities in Fiscal 2021 was ₹658.22 million, primarily due to repayment of long term borrowings of ₹749.81 million and issue of equity shares/ introduction of Partners Capital of ₹326.00 million. This was significantly offset by finance cost of ₹1,294.86 million, and other non-current financial liabilities of ₹439.17 million.

#### ***Fiscal 2020***

Net cash from financing activities in Fiscal 2020 was ₹121.01 million, primarily due to increase in long term borrowings of ₹1,312.21 million, and issue of equity shares/ introduction of Partners Capital of ₹786.39 million. This was significantly offset by finance cost of ₹1,279.74 million, and other non-current financial liabilities of

₹697.84 million.

### **Fiscal 2019**

Net cash from financing activities in Fiscal 2019 was ₹1,026.72 million, primarily due to increase in long term borrowings of ₹2,145.02 million and issue of equity shares/ introduction of partners' capital of ₹965.32 million. This was partly offset by finance cost of ₹1,149.72 million and other non-current financial liabilities of ₹933.90 million.

### **Indebtedness**

As of July 31, 2021, our total borrowings was ₹13,667.43 million (with long-term borrowings of ₹12,532.31 million, short-term borrowings of ₹189.14 million, current maturities of long-term debt of ₹848.05 million and unsecured loans of ₹97.93 million) representing a debt to equity ratio of 3.23. For further information regarding our indebtedness, see “Financial Information” and “Financial Indebtedness” on pages 219 and 300, respectively.

The following table sets forth certain information relating to our outstanding borrowings as of July 31, 2021, and our repayment obligations in the periods indicated:

Particulars	As of July 31, 2021				
	Payment due by period				
	(₹million)				
	Total	Not later than 1 year	1-3 years	3 -5 years	More than 5 years
Borrowings					
- Long Term Borrowings	12,532.31	-	7,071.69	5,214.02	246.60
- Short Term Borrowings	189.14	189.14	-	-	-
Current Maturities of Long term Debt	848.05	848.05	-	-	-
Unsecured loans	97.93	87.04	-	-	10.89
<b>Total</b>	<b>13,667.43</b>	<b>1,124.23</b>	<b>7,071.69</b>	<b>5,214.02</b>	<b>257.49</b>

Note: Above indebtedness is net of Ind AS adjustments

Some of our financing agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions. For further information, see “Financial Indebtedness” and “Risk Factors – Our indebtedness and the conditions and restrictions imposed by our financing agreements could adversely affect our ability to conduct our business and operations.” on pages 300 and 28, respectively.

### **Contractual Obligations and Commitments**

#### **Contractual Obligations on account of capital transactions**

As of July 31, 2021, other than in the ordinary course, we do not have any future payments due under known contractual commitments.

#### **Commitments**

As of July 31, 2021, we do not have any contracts remaining to be executed on capital account that has not provided for.

### **Contingent Liabilities**

As of July 31, 2021, our contingent liabilities were as follows:

Particulars	Amount
	(₹million)
Guarantees given by bank, counter guarantee by the Company	18.84
Claims under direct and indirect taxes	272.05
Claims not acknowledged as debts represent cases filed by parties in the	415.96



Particulars	Amount
	(₹million)
Consumer forum, Civil Court and High Court and disputed by the Company as advised by our advocates. In the opinion of the management the claims are not sustainable	
<b>Total</b>	<b>706.85</b>

For further information on our contingent liabilities, see “*Financial Statements*” on page 219.

### Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

### Capital Expenditures

As of July 31, 2021, and 2020, and as of March 31, 2021, 2020 and 2019, our capital expenditure towards additions to fixed assets (that include premises, site and sales offices and sample flats, computers and furniture and fixtures, and intangible assets) was ₹0.56 million, ₹ Nil, ₹0.03 million, ₹6.52 million and ₹39.44 million, respectively. The following table sets forth our fixed assets as of July 31, 2021 and 2020, and as of March 31, 2021, 2020 and 2019:

Particulars	Four months ended July 31,		Fiscal		
	2021	2020	2021	2020	2019
	(₹million)				
Property Plant and Equipment	0.06	Nil	0.03	4.72	38.42
Computer Software	0.50	Nil	Nil	1.80	0.98
<b>Total</b>	<b>0.56</b>	<b>Nil</b>	<b>0.03</b>	<b>6.52</b>	<b>39.44</b>

We expect to meet our capital expenditure in the next three Fiscals through a mix of internal accruals and funding from financial institutions.

### Related Party Transactions

We enter into various transactions with related parties in the ordinary course of business. Primarily these transactions include loans and advances given, reimbursement expenses, labour charges and guarantees taken. For further information relating to our related party transactions, see “*Note 30: Related Party of our Restated Consolidated Financial Statements*” on page 217.

### Changes in Accounting Policies and Recent Accounting Pronouncements

Other than required for the preparation of Restated Financial Information, there have been no changes in the accounting policies of the Company during four months ended July 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019.

### Quantitative and Qualitative Disclosures about Market Risk

We are exposed to various types of market risks during the normal course of business. We are exposed to interest rate risk, commodity price risk, credit risk, liquidity risk and inflation risk and in the normal course of our business. Our risk mitigation framework has been designed to identify, assess and mitigate risks to minimize potential adverse effects on our financial performance.

#### *Interest Rate Risk*

As our real estate development business is capital intensive, we are exposed to interest rate risk. Interest rates for borrowings have been volatile in India in recent periods. Our projects are funded to a large extent by debt and increases in interest expense may have an adverse effect on our results of operations and financial condition. Although we may in the future engage in interest rate hedging transactions or exercise any right available to us under our financing arrangements to terminate the existing debt financing arrangement on the respective reset dates and enter into new financing arrangements, there can be no assurance that we will be able to do so on

commercially reasonable terms, that our counterparts will perform their obligations, or that these agreements, if entered into, will protect us adequately against interest rate risks. Upward fluctuations in interest rates increase the cost of servicing existing and new debts, which adversely affects our results of operations and cash flows.

### ***Commodity Price Risk***

We are exposed to upward fluctuations in the price and availability of the materials we require for implementation of our projects, such as cement, bitumen, steel, wood and other construction materials. The costs of components sourced from outside manufacturers may also fluctuate based on their availability from suppliers. In the ordinary course of business, we purchase such raw materials and components on the basis of purchase order. We source materials from multiple suppliers and engage multiple contractors so that we are not dependent on any one supplier or contractor. We do not currently use any derivative instruments or enter into any other hedging arrangements so as to manage our exposure to price increases in raw materials.

### ***Credit Risk***

Credit risk is the risk of loss that may occur from the failure of a customer to abide by the terms of conditions of its financial contract with us, principally the failure to make required payments on amounts due to us. We allow customers to pay in instalments for projects during the construction period. The credit risk we face is mitigated by the terms of the standard agreement with our buyers whereby we may not hand over physical possession of the unit until we have received the amounts due and the unit may be returned to us in the event of a customer's failure to pay its instalment obligations.

### ***Liquidity Risk***

Liquidity risk is the risk that we will encounter difficulties in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure, as far as possible, that we will have sufficient liquidity to meet our liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation.

### ***Inflation***

In the past, India has experienced relatively high rates of inflation. While we believe inflation has not had any material impact on our business and results of operations, inflation generally impacts the overall economy and business environment and hence could affect us.

### **Interest Service Coverage Ratio**

Our interest service coverage ratio, which we define as earnings before interest depreciation and tax (which is the aggregate of profit before tax, finance costs, depreciation and amortization expense, excluding other income) divided by finance cost in the four months ended July 30, 2021, and in Fiscal 2021, 2020 and 2019 was 1.71, 1.27, 1.50 and 1.82, respectively.

### **Total Turnover of each Major Industry Segment in which the Company Operated**

We have one primary business activity and operate in one industry segment, which is real estate development.

### **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 Economic Changes that materially affected or are likely to affect our income from operations**

Other than as described in this section and the sections of this Draft Red Herring Prospectus titled "*Risk Factors*" and "*Industry Overview*" on pages on page 26 and on page 106, 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**

Other than as described in this Draft Red Herring Prospectus, particularly in “*Risk Factors*” and this “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 26 and 269, respectively, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our sales, revenues or income from continuing operations.

### **New Products or Business Segments**

We have not publicly announced any new products or business segments nor have there been any material increases in our revenues due to increased disbursements, increased sales prices, and introduction of new products.

### **Future Relationship between Cost and Income**

Other than as described elsewhere “*Risk Factors*”, “*Our Business*” and this “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 26, 132 and 269, respectively, to our knowledge there are no known events such as future increase in labour or material costs or prices, that will have a material change.

### **Seasonality of Business**

Our operations may be adversely affected by difficult working conditions during monsoons that restrict our ability to carry on construction activities to some extent and fully utilize our resources. Our sales may also increase during the last quarter of every Fiscal. Otherwise, we generally do not believe that our business is seasonal.

### **Significant Dependence on a Single or Few Customers or Suppliers**

Other than as described in this Draft Red Herring Prospectus, particularly in “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 26 and 269, respectively, to our knowledge, there is no significant dependence on a single or few customers or suppliers.

### **Competitive Conditions**

We operate in a competitive environment. See sections, “*Our Business*”, “*Industry Overview*” and “*Risk Factors*” on pages 132, 106 and 26, respectively.

### **Significant Developments after July 31, 2021 that may affect our Future Results of Operations**

Except as disclosed in this “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Factors Affecting Our Results of Operations and Financial Condition*”, “*Our Business*” and “*History and Certain Corporate Matters*” on pages 271, 132 and 171, respectively, to our knowledge no circumstances have arisen since July 31, 2021, that could materially and adversely affect or are likely to affect, our trading or profitability, or the value of our assets or our ability to pay our liabilities within the next twelve months.

## FINANCIAL INDEBTEDNESS

In accordance with the Articles of Association and subject to the provisions of the Companies Act, 2013, our Board may, from time to time, at its discretion, by a resolution passed at a meeting of the Board, borrow any sum of money for the purpose of our Company and the Board may secure repayment of such money in such manner and upon such terms and conditions in all respects as it thinks fit. For further details regarding the borrowing powers of our Board, see “*Our Management-Borrowing Powers*” on page 196.

Our Company and our Subsidiaries are engaged in the business of construction and development and accordingly, have availed borrowings in their respective ordinary course of business. Our Company, certain of our Subsidiaries, and our Promoters have provided guarantee(s) in relation to such borrowings, as and when required.

As on July 31, 2021, the aggregate outstanding borrowings (including fund based and non-fund based borrowings) of our Company, on a consolidated basis, as certified by our Statutory Auditors *vide* certificate dated September 20, 2021, are as follows:

<i>(in ₹ million)</i>		
Category of Borrowing/ Name of Lender	Sanctioned Amount	Outstanding amount as on July 31, 2021 <sup>#</sup>
<b>Secured</b>		
Union Bank of India (erstwhile Andhra Bank)	250.00	125.52
BMW India Financial Services Private Limited	15.79	6.11
HDFC Bank Limited	90.00	2.73
HDFC Limited	3,700.00	2,800.36
ICICI Home Finance Company Limited	80.00	15.00
Catalyst Trusteeship Limited *	8,450.00	5,547.03
Piramal Trusteeship Services Private Limited*	2,800.00	2,031.33
State Bank of India	850.00	76.55
Tata Capital Finance Services ltd	228.80	13.09
Vistra ITCL India Limited*	4,692.00	3,138.27
<b>Total Secured</b>	<b>21,156.59</b>	<b>13,755.99</b>
<b>Unsecured</b>		
Mahendra M. Shah	-	1.92
Sudha Infratech LLP	-	8.93
<b>Total Unsecured</b>	<b>-</b>	<b>10.85</b>
<b>Total Borrowing</b>	<b>-</b>	<b>13,766.84</b>

\*As trustee on behalf of the lenders

# Based on audited financial records

In addition to the above, our Company (on a consolidated basis) has availed an aggregate unsecured borrowing of ₹74.40 million from our Promoters, their relatives.

Accordingly, as on July 31, 2021, the total indebtedness under the various financing arrangements of our Company (on a consolidated basis) aggregated to ₹13,841.24 million.

For details of our outstanding borrowing obligations for the four month period ended July 31, 2021 and for the last three Fiscals, please see “*Financial Statements*” on page 219.

### **Principal terms of the borrowings currently availed by our Company and our Subsidiaries:**

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by us.

1. **Interest:** In terms of the borrowings availed by us, the interest rate is typically dependent on the guidelines of RBI and bank and ranges from 11.50% per annum to 15.75% per annum, either at floating rate or linked to base rate. Our Company has also issued certain non-convertible debentures. For such borrowings, debenture trust deeds are executed and in terms of such deeds, a specified interest or coupon rate is to be paid periodically. The interest rate/coupon rate for the non-convertible debentures issued by us ranges from 13.25% per annum to 13.50% per annum. The rate of interest on the vehicle loans availed by us ranges from 9.00% per annum to 11.15% per annum.

2. **Tenor:** The tenor of the borrowings availed by us ranges from 24 months to 72 months before being considered for renewal.
3. **Security:** Our borrowings are secured by, *inter alia*, the following:
  - (a) exclusive charge and hypothecation of the project lands (including unsold flats);
  - (b) exclusive charge over cash flows from sold and unsold units of our projects;
  - (c) issuing demand promissory notes and letters of continuity for specified amounts;
  - (d) issuing post-dated cheques;
  - (e) lien on the debt services reserve account to be maintained by us; and
  - (f) unconditional and irrevocable personal guarantees by us, our Promoters and certain of our Subsidiaries.
4. **Re-payment:** Our borrowings are repayable on monthly or quarterly basis, after the end of the specified moratorium period or as may be agreed between us and the respective lenders.
5. **Pre-payment:** Our borrowings typically have rescheduling and pre-payment provisions which allow for pre-payment of the outstanding amount at any given point in time, subject to the conditions specified in the borrowing arrangements.
6. **Penalty:** The borrowings availed by us contain provisions prescribing penalties for pre-payment as well as delayed payment or default in the repayment obligations, including delay in creation of the stipulated security and/or submission of documents such as annual reports, financial statements, insurance policies and stock statements.
7. **Restrictive Covenants:** The financing arrangement entered into by us entail various restrictive conditions and covenants restricting certain corporate actions, and we are required to take the prior approval of the lender before carrying out such activities.

For instance, certain corporate actions for which we require the prior written consent of the lender include:

- (a) to amend or modify the constitutional documents;
- (b) to change the constitution/composition;
- (c) to undertake any merger, de-merger, consolidation, reorganisation, dissolution, scheme of arrangement or compromise with our creditors or shareholders;
- (d) to declare or pay any dividend for any year;
- (e) to effect any change to our capital structure;
- (f) to buy back, cancel, retire, redeem, re-purchase, purchase or acquire any of our share capital or delist equity shares.

Further, in relation to the borrowings availed by our Company, the lender has the right to appoint a nominee director on our Board and has a right to convert the loan into Equity Shares of our Company, in case of an event of default.

8. **Events of Default:** The term loan and other facilities availed by us contain certain standard events of default, including:
  - (a) failure to make payment of any principal, interest, commission fee, costs or other amounts on due dates;
  - (b) failure to observe or comply with any of the terms and conditions of the transaction documents;
  - (c) any event that would likely constitute a material adverse change, as set out in the transaction documents;
  - (d) failure to get the facility rated by credit rating agencies;
  - (e) in case if we cease or threaten to cease to carry on all or a substantial part of our businesses;
  - (f) in case any step is taken against us for dissolution, winding up, liquidation, insolvency; and
  - (g) in case the security is in jeopardy or ceases to have effect or becomes illegal.

Further, in relation to the borrowings availed by our Company, any change in ownership, management and/or control of our Company without the prior written consent of the lender is deemed to be an event of default.

## SECTION VI – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

*Except as disclosed below and in accordance with the materiality policy set out hereunder, there are no (i) outstanding criminal proceedings involving our Company, our Subsidiaries, our Promoters and our Directors, (ii) outstanding actions taken by regulatory or statutory authorities involving our Company, our Subsidiaries, our Promoters and the Directors, (iii) outstanding claims relating to direct and indirect taxes involving our Company, our Subsidiaries, our Promoters and the Directors in a consolidated manner, (iv) other pending litigations involving our Company, our Subsidiaries, our Promoters and the Directors, which are identified as material in terms of the Materiality Policy. Further, except as disclosed in the section, there are no disciplinary actions including penalties imposed by SEBI or a recognized stock exchange against our Promoters, in the last five Fiscals immediately preceding the date of this Draft Red Herring Prospectus, including any outstanding action.*

*For the purpose of material litigation in (iv) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigation pursuant to Board resolution dated September 7, 2021 to be disclosed by our Company in this Draft Red Herring Prospectus:*

*As per the Restated Consolidated Financial Statements, the profit after tax of our Company for Fiscal 2021, was ₹363.03 million. Pursuant to the Materiality Policy, outstanding litigation involving our Company, its directors, promoters, subsidiaries and joint ventures shall be considered “material” if (a) the aggregate amount of liability by or against our Company, Directors, Promoters, Subsidiaries and/or joint ventures, in any such pending litigation is in excess of 5% of the profit after tax for the last completed financial year, as per the Restated Consolidated Financial Statements of the Company for Fiscal 2021; or (b) in the opinion of the board, any such litigation whether or not a monetary liability is quantifiable, an adverse outcome of which would materially and adversely affect the Company’s business, prospects, operations, performance, financial position or reputation, irrespective of the amount involved in such litigation. Except as disclosed hereunder, there are no legal proceedings which are material in accordance with the Materiality Policy.*

*Further, in relation to Group Companies, the Board has considered only such outstanding litigations involving Group Companies which have a material impact on the Company. As on the date of this Draft Red Herring Prospectus, there are no outstanding litigation involving our Group Companies which have a material impact on our Company.*

*Further, our Board has considered pursuant to the Materiality Policy, outstanding dues to any creditor of the Company having monetary value which exceeds 5% of the total consolidated trade payables of the Company as per the latest Restated Consolidated Financial Statements of the Company for Fiscal 2021 disclosed in this Draft Red Herring Prospectus, shall be considered as material. For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with the Company regarding status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended read with the rules and notifications thereunder.*

*It is clarified that pre-litigation notices (other than those issued by governmental, statutory or regulatory authorities) received by our Company, our Subsidiaries, our Directors, our Promoters or our Group Companies shall not be considered as litigations until such time that any of our Company, our Subsidiaries, our Directors, our Promoters or our Group Companies, as the case may be, is made a party to proceedings initiated before any court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.*

*Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.*

#### **I. Litigations involving our Company**

##### **Litigations against our Company**

###### **A. Civil Proceedings**

1. The office of the Commissioner, Thane Municipal Corporation, had granted our Company (the “**Petitioner**”) permission for constructing a residential premise over survey nos. 100/12, 100/14, 100/15, 100/17, 100/18,

100/19, 100/20, 100/22, 100/23, 100/24, 101/5, and 109/21 (“**Writ Property**”), in and around Thane, Maharashtra (“**Permit**”). By a show cause notice dated October 4, 2017, (“**SCN1**”) the office of the tehsildar, Thane (“**Authority**”), directed the Petitioner to among other things, furnish the permissions obtained by the Petitioner, for extraction and transfer of minerals from the soil located beneath the Writ Property. The Petitioner, by way of its response letter, furnished the Permit to the Authority, and clarified that the Petitioner was not required to obtain any additional permission for its construction purposes on the Writ Property, given that the Petitioner was not utilizing the soil beneath the Writ Property for extraction and transfer of minerals. By an order dated October 23, 2018 the Authority declared that the Petitioner had violated the Mines and Minerals (Development and Regulation) Act, 1957, and directed the Petitioner to pay a sum of ₹80.36 million (“**Tehsildar Order**”). Challenging the Tehsildar Order, the Petitioner filed a writ petition dated February 26, 2019, before the High Court of Bombay. The matter is currently pending.

2. The offices of the Sub-divisional officer, Thane and the Additional Collector, Thane had granted our Company (the “**Petitioner**”) permission to construct a residential premise over survey nos. 100/12, 100/14, 100/15, 100/17, 100/18, 100/19, 100/20, 100/22, 100/23, 100/24, 101/5, 109/30/3, 100/11A, 100/11/1, 98/1A, 98/2 (“**Writ Property**”) in and around Thane, Maharashtra (“**Permit**”). By a show cause notice dated February 23, 2018, (“**SCN1**”) the office of the tehsildar, Thane (“**Authority**”) directed the Petitioner to among other things, furnish the permissions obtained by the Petitioner, for extraction and transfer of minerals from the soil beneath the Writ Property. The Petitioner, by way its response letter dated March 7, 2018, furnished the Permit to the Authority, and clarified that the Petitioner was not required to obtain any additional permission for its construction purposes on the Writ Property, given that the Petitioner was not utilizing the soil beneath the Writ Property for extraction and transfer of minerals. Subsequently, by an order dated October 10, 2018 the Authority declared that the Petitioner was in violation of the Mines and Minerals (Development and Regulation) Act, 1957 and directed the Petitioner to pay a sum of ₹74.41 million (“**Tehsildar Order**”). Challenging the Tehsildar Order, the Petitioner filed a writ petition dated November 30, 2018, before the High Court of Bombay (“**High Court**”). Subsequently, by an order dated February 7, 2019, the High Court declared that it was of the *prima facie* opinion that the Authority had deliberately attempted to cause prejudice to the Petitioner and also issued a show-cause notice to the Authority, alleging that the Authority had breached the principles of law enunciated by the Supreme Court of India in the matter between *Promoters & Builders Association of Pune vs. State of Maharashtra*. The matter is currently pending.
3. Digambar Ratan Kavare and certain others (the “**Plaintiffs**”) have filed a suit on April 12, 2016, (“**Suit**”) for specific performance against our Company (the “**Defendant**”) (together, the “**Parties**”) before the Civil Court, Thane (“**Court**”), seeking *inter alia* (i) termination of a development agreement dated July 22, 2003, entered into between the Parties (“**Agreement**”), in terms of which the Defendant was granted rights to develop certain premises owned by the Plaintiffs in Thane (“**Suit Property**”) (ii) restriction on the Defendant from creation of any third-party interest on the Suit Property; and (iii) restriction on the Defendant from maintaining a watchman’s cabin within the Suit Property. Simultaneously with the Suit, the Plaintiffs have filed an application for temporary prohibitory injunction on April 12, 2016, (“**Injunction Application**”) before the Court, seeking a temporary prohibitory injunction restraining the Defendant from carrying out any activities on the Suit Property or creating any third party interests on the Suit Property. The Court rejected the Injunction Application by an order dated November 15, 2017. Aggrieved, the Plaintiffs filed an appeal dated January 1, 2018 before the District and Sessions Court, Thane. The matter is currently pending.
4. Skyway RMC Plants Private Limited (“**Petitioner/Operation Creditor**”) have filed an application for initiation of corporate insolvency Resolution Process under Section 9 of the Insolvency Bankruptcy Code, 2016 (“**Code**”) against our Company (“**Respondent**”/ “**Corporate Debtor**”) (together, the “**Parties**”) and appointment of interim resolution professional under the Code as the Respondent had defaulted in making payment of operational debt to the Petitioner. The Parties were involved in supply and purchase of ready mix concrete. The Petitioner then had raised various invoices to the Respondent total amounting to ₹ 193.69 million out of which ₹ 172.18 millions was paid by the Respondent as part payment and ₹21.51 millions remained due and payable against the Invoices raised. The Respondent had agreed to pay 24% interest on the amount due if not paid within time. Subsequently, the Respondent paid ₹5.02 millions out of the ₹21.51 millions which was due and handed two cheque of ₹ 2.50 millions and ₹2.52 millions. On depositing one of the cheque into the bank account of the Petitioner it was dishonoured and as on March 24, 2020, ₹24.01 millions were due and outstanding. The Petitioner further believes that the Corporate Debtor is insolvent and its current liabilities are in excess and therefore unable to pay debts and therefore this application is filed. The matter is currently pending.

## **B. Tax proceedings**

Nature of proceeding	Number of proceedings outstanding	Amount involved (in ₹ million)
Direct tax	10	136.65
Indirect tax	2	42.37
<b>Total</b>	<b>12</b>	<b>179.02</b>

## Litigations by our Company

### A. Criminal Proceedings

1. Our Company, (“**Complainant**”) filed a criminal complaint dated November 6, 2019, against one Sopanrao Bhaskar Sonavane (“**Accused**”), before the Judicial Magistrate (First Class), Thane (the “**Court**”), alleging that the Complainant had in 2016 handed over possession of Flat No. C/1905, Hometown, Ghodbunder Road, Thane (W) to the Accused for temporary accommodation for a period of four months, which flat the Accused refused to vacate. Further, the Complainant advanced financial assistance to the Accused from time to time, amounting to ₹0.70 million, which the Accused refused to reimburse and to the contrary, threatened the Complainant with defamation, false complaints to the media and also resorted to extortion by claiming money to vacate the said flat. The Complainants have sought investigation of the matter and orders for the offences of *inter alia* criminal breach of trust, cheating and dishonestly inducing delivery of property, criminal trespass and criminal intimidation. The matter is currently pending.
2. Our Company (“**Complainant**”) filed a complaint dated December 4, 2020 under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881, against M/s. Multistoreys Projects Private Limited (“**Accused**”) before the Judicial Magistrate (First Class), Thane (“**Court**”) in relation to a dishonour of cheque drawn for an amount of ₹20.54 million in favour of our Company (“**Cheque**”). The Complainant alleges that the Accused failed and neglected to carry out and complete their agreed upon scope of work. Accordingly, the Complainant was required to invoke the security by depositing the Cheque, which was dishonoured. The matter is currently pending.

### B. Civil Proceedings

1. Our Company (“**Claimant**”) entered into an Agreement of Exchange, along with a supplementary agreement, each dated March 6, 2014 (“**Claim Agreement**”) with Haware Engineers and Builders Private Limited (“**Respondent**”) (the Claimant and Respondent, together, the “**Parties**”), to record the mutual exchange of exclusive developmental and purchase rights over eight properties situated in and around Thane, Maharashtra. Upon the alleged breach of the Claim Agreement by the Respondent, the Claimant filed an arbitration petition before the High Court of Bombay seeking appointment of an arbitrator. The High Court of Bombay, vide an order dated August 14, 2018, appointed an arbitrator (“**Arbitrator**”) in relation to the dispute. The Claimant submitted its statement of claim dated October 22, 2018 (“**SOC**”) before the Arbitrator, claiming specific performance of the Claim Agreement or, alternatively, damages to the tune of ₹1,608.90 million from the Respondent (“**Claim**”) for non-compliance with the Claim Agreement. The Respondent filed its statement of defence and counterclaim to the Claim on January 10, 2019, contending among other things, that the Claim Agreement was invalid and illegal (“**Counterclaim**”). The Claimant filed its rejoinder in response to the Counterclaim on January 29, 2019, re-asserting the allegations made in the SOC. The matter is currently pending.

## II. Litigations involving our Subsidiaries

### Litigations against our Subsidiaries

#### (i) Fortune Infracreators Private Limited (“**Fortune Infracreators**”)

##### Civil Proceedings

1. Vartak Nagar Flat Purchaser’s Association and others (together, the “**Plaintiffs**”) have filed a suit for specific performance (“**Suit**”) against Fortune Infracreators and others (“**Others**”) (together with Fortune Infracreators, the “**Defendants**”), before the High Court of Bombay (“**Court**”) on April 30, 2019, *inter alia* alleging that the Others had violated the terms of various development agreements entered into with the Plaintiffs in relation to the re-development of certain premises in Vartak Nagar, Thane (“**Suit Property**”) and



had *inter alia* failed to (i) hand over possession of the re-developed Suit Property to the Plaintiffs; and (ii) obtain the requisite registrations of the Plaintiffs as the owners of the Suit Property. It has also been alleged that development rights over the Suit Property had been illegally assigned to Fortune Infracreators. The Plaintiffs have *inter alia* sought directions from the Court to the Defendants to hand over possession of the Suit Property to the Plaintiffs and duly complete registration formalities. Alternatively, the Plaintiffs have sought damages of ₹36.78 million, along with interest, from the Defendants. By way of a subsequent order passed by the Court, the Plaintiffs withdrew a parallel leave petition filed by it under clause XII of the letters patent of the Court, choosing to pursue its remedy only by way of the Suit. The matter is currently pending.

2. Vartak Nagar Lucky Star Cooperative Housing Society Limited (“**Claimant**”) filed a statement of claim dated March 5, 2020 (the “**Claim**”) against Fortune Infracreators (“**Respondent**”) (together, the “**Parties**”) and others before the sole arbitrator Sadashiv S Deshmukh (“**Arbitrator**”) in relation to a development agreement dated November 10, 2016, which was entered into among the Parties, wherein the Respondent had agreed to continue with the reconstruction of Claimant society’s building located at Building No. 20, Plot Bearing Survey No. 207, Vartaknagar, Village Majiwada, Taluka, Thane, and clear corpus fund amounts (with rent amounts) due to the members of the Claimant society (the “**Claim Agreement**”). It was alleged that the Respondent failed to pay the due amounts July 2019 onwards and also delayed the construction work. Parallely, Claimant’s civil miscellaneous application before the District Judge, Thane filed in December 2019 for seeking interim relief of arrears of rent, brokerage, corpus fund, bank guarantee, execution of tripartite agreements from the Respondent, was dismissed by an order dated March 2, 2020. Aggrieved, by way of the Claim, the Claimant has sought specific performance of the Claim Agreement, seeking *inter alia* following directions to the Respondent: (i) payment to members of the Claimant society, the dues of rent amount (₹12.05 million) and rent amount of ₹0.035 million from January, 2020, with 10% increase after every 11 months till the Respondent offers permanent accommodation in a new building; brokerage dues (₹4.64 million) with further brokerage due payable from September, 2020 onwards on expiry of every 11 months till Respondent offers permanent accommodation in a new building; corpus fund amount (₹17.72 million) and balance corpus fund of ₹10 million, which is ₹0.25 million to each member of Claimant society while taking possession of new flats; (ii) pay shifting charges of ₹0.01 million to each member of Claimant society; (iii) execute individual tripartite agreement of individual members of Claimant society with respect to individual flats in the newly constructed building; and (iv) furnish security deposit/ bank guarantee for an amount of ₹20.00 million with advocates of the Claimant society. The Respondent filed a statement of defence as well as counter-claim-cum-set off (“**CC**”) before the Arbitrator on August 30, 2020, denying the allegations by the Claimant, claiming that the Claimant failed to perform its part of the Claim Agreement and wilfully obstructed the reconstruction of the Claimant Society’s building. Through the CC the Respondent prayed for *inter alia* (i) damages of ₹100.00 million with interest of 18% per annum on account of false complaints filed by Claimant before SEBI against the Respondent and our Company; (ii) ₹22.31 million with interest of 18% per annum as repayment of amounts originally paid as advances to members of the Claimant society; and (iii) ₹175.00 million with interest of 18% per annum as repayment of amounts which was spent by the Respondent for deducing clear and marketable title to the suit property which the Respondent were due to reconstruct. By way of a subsequent letter dated January 31, 2021, the Arbitrator has withdrawn from adjudicating in the matter. The matter is pending.
  
3. Vikas Kadam and 33 others (the “**Complainants**”) have filed a Compliant under section 31 of Real Estate (Regulation and Development) Act, 2016 (“**Act**”), (“**Compliant**”) against (i) Fortune Infra Creators Private Limited (the “**Respondent 1**”), (ii) Shilpa Surve (the “**Respondent 2**”) and Uday Surve (the “**Respondent 3**”) (together “**Respondents**”) (together, the “**Parties**”) before the The Maharashtra Real Estate Regulatory Authority Office, Mumbai (“**RERA Office**”), seeking *inter alia* (i) to earmark flats equivalent to 11,000 sq.ft in the Project Grand Central (“**Project**”) being constructed by the Respondent 1 and execute and register sale agreement and (ii) upon completion of the construction to handover possession of the said flat alongwith promised amenities, after receipt of Occupation Certificate (“**OC**”). Respondent 1 has been constructing building/s under redevelopment scheme of undertaken by 12 societies on the larger plot in the Project which was originally assigned to Saaga Infra Creators Private Limited wherein the Respondent 2 and 3 were directors. Under a memorandum of understanding dated November 23, 2015 the Project was assigned by Saaga Infra Creators Private Limited to the Respondent 1. The Respondent 2 and 3 had informed the Complainants that the Project was terminated. After several rounds of follow ups the Complainants were informed that Saaga Infra Creators Private Limited had assigned their rights to Respondent 1 in the Project and pursuant to memorandum of understanding dated July 4, 2016 agreed to allot flats equivalent to 11,000 sq.ft. to the Complainants. The Respondent 1 has not yet given possession to the Complainants and being aggrieved, the Complainants had filed this Complaint before the RERA Office. The matter is currently pending.

## Tax proceedings

Nature of proceeding	Number of proceedings outstanding	Amount involved (in ₹ million)
Direct tax	1	0.27
<b>Total</b>	<b>1</b>	<b>0.27</b>

### (i) Sai Pushp Enterprises (“Sai Pushp”)

#### A. Criminal proceedings

1. Unnati Associates (“**Complainant**”) has filed two complaints during September and October 2019, under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 against *inter alia* Sai Pushp and Sai Shraddha (collectively, “**Accused**”) before the Judicial Magistrate (First Class), Thane (“**Court**”), in relation to alleged dishonour of cheques drawn for a cumulative amount of ₹80 million furnished as security, to assure performance by the Accused in terms of settlement deed and deed of conveyance dated March 18, 2019. The Court subsequently issued process against the Accused, against which the Accused have filed criminal revision petitions, each dated January 25, 2020 before the Sessions Judge, Thane, disputing the charges made, challenging the issue of process and seeking stays on orders of the Court till the disposal of the criminal revision petitions. The matter is pending.

#### B. Civil proceedings

1. Sai Pushp entered into an agreement dated November 18, 2015 to purchase two plots of land bearing old survey no. 108/8 and new survey no. 73/8 admeasuring 3,650 square metres and old survey no. 109(P) and new survey no. 70/1 admeasuring 5,220 square metres situated at Owale, Thane (“**Property**”) from Mahesh Kashinath Patil (“**Plaintiff**”) and Prajankumar Shantilal Tated for ₹90.00 million (“**Agreement**”). The payment schedule under the Agreement was as follows: (i) ₹5.00 million on or before execution of the Agreement; (ii) ₹15.00 million within 2 months of execution of the Agreement; (iii) ₹70.00 million payable in 5 equal instalments of ₹11.7 million each and one instalment of ₹11.50 million within 18 months of execution of the Agreement (“**Payment Schedule**”). Upon the alleged failure of Sai Pushp to pay as per the Payment Schedule, the Plaintiff served a notice dated September 12, 2017 upon Sai Pushp. Subsequently, the Plaintiff filed a suit dated December 11, 2017 before the Court of Civil Judge (S.D.), Thane (“**Thane Court**”) seeking, *inter alia*, declaration of the Agreement as terminated and Sai Pushp having no rights or interest accrued in the Property (“**Suit**”). The Plaintiff also filed an application dated December 11, 2017 before the Thane Court seeking to restrain Sai Pushp from creating any third-party interest in the Property (“**Application**”). Sai Pushp filed a response on December 21, 2017 to the Suit and the Application denying the allegations made by the Plaintiff and praying for the Application to be dismissed. Thereafter, the Thane Court dismissed the Application. Aggrieved, the Plaintiff filed an appeal before the High Court of Bombay. In addition, an FIR dated September 2, 2019, has been filed by the Plaintiff in the same cause of action, as well as a complaint before the Judicial Magistrate, First Class at Thane. The matter is currently pending.
2. A suit for declaration and injunction was filed before the Court of the Civil Judge (Senior Division) Thane (“**Civil Judge Court**”), by *inter alia* Ali Ahmed Mohammed Sharif Varekar, Farhana Mohammed Sharif Varekar and others (together, the “**Plaintiffs**”) against *inter alia* Sai Pushp, Veerdhawal Sitaram Ghag and certain others (together, the “**Defendants**”), whereby the Plaintiffs alleged that certain of the Defendants had illegally and unauthorizedly assigned a plot of land bearing old survey number 110 and new survey number 68 in village Ovale, Thane (“**Suit Property**”) to Sai Pushp, in which the Plaintiffs claimed succession, title and interest. Accordingly, the Plaintiffs have sought *inter alia* declaration of their joint rights, title, interest and share in the Suit Property, as well as temporary injunction restraining the Defendants from alienating or entering or dealing with the Suit Property. In its interim reply to the Civil Judge Court dated March 12, 2020, Sai Pushp has denied the said allegations, claiming *inter alia* that it has acquired legal title to the Suit Property, upon payment of due consideration, from the predecessors of the Plaintiffs, who were the owners of the Suit Property. In addition, an FIR dated December 13, 2019 has been filed by the Plaintiff in the same cause of action. The matter is currently pending.

3. A special suit for declaration, injunction, cancellation, partition and separate possession (and other ancillary reliefs) (“**Suit**”) was filed on October 5, 2017 before the Court of the Civil Judge (Senior Division) Thane (“**Civil Judge Court**”), by Damodar Vaman Gharat (“**Plaintiff**”) against *inter alia* Sai Pushp, Suresh Krushna Ture, Rajan Krushna Ture and certain others( together, the “**Defendants**”) whereby the Plaintiff claimed to have acquired limited, undivided, unrelinquished rights of co-ownership and joint protected tenancy, as applicable, in certain parcels of land in and around Mogharpada, Wadavali, Owale, and Borivade, Maharashtra. Of these parcels of land, land bearing survey no.72, hissa no. 6A, admeasuring 1600 square metres in village Owale (“**Suit Property**”) had been dealt with by certain Defendants, by way of deed of conveyance and a power of attorney dated October 14, 2015 executed in favour of Sai Pushp, which transferred and assigned rights to the Suit Property to Sai Pushp (“**Suit Agreements**”). The Plaintiff has claimed that the assignment to Sai Pushp was illegal and unlawful since it did not consider the Plaintiff’s rights, title, interest in the Suit Property, as well as the pending litigation in respect to the Suit Property, by way of which the Plaintiff was claiming his rights. Accordingly, the Plaintiff has *inter alia* sought a declaration that the Suit Agreements and ancillary documents thereto are illegal, null and not binding on the Plaintiff to the extent of his share in the Suit Property, hence Sai Pushp is not entitled to act on the same and should be permanently enjoined from undertaking development activities, as well as a temporary injunction restraining Sai Pushp from commencing any development activities in respect of the Suit Property. Thereafter, Sai Pushp has filed a written statement on October 8, 2020, denying the allegations in the Suit. The matter is currently pending.

### C. Tax proceedings

Nature of proceeding	Number of proceedings outstanding	Amount involved (in ₹ million)
Direct tax	1	23.01
Indirect tax	1	1.72
<b>Total</b>	<b>2</b>	<b>24.73</b>

#### (ii) Sai Shraddha Developers (“Sai Shraddha”)

##### A. Criminal proceedings

Other than as disclosed in “*Litigations involving our Subsidiaries- Litigations against our Subsidiaries-Sai Pushp Enterprises-Criminal Proceedings*” on page 302, there are no litigations involving Sai Shraddha as on the date of this Draft Red Herring Prospectus.

#### (iii) Puranik Buildcon Private Limited (“Puranik Buildcon”)

##### A. Civil proceedings

Niranjana Namdeo Meshram (the “**Plaintiff**”) filed a suit in January 2021 for possession, mandatory injunction and certain other reliefs (“**Suit**”) against Puranik Buildcon and Yogesh Puranik (the “**Defendants**”), before the Civil Judge (Senior Division), Pune (the “**Court**”) in respect of a plot of land bearing Plot No. 2, S. No. 12, Hissa No. 16, Village Mhalunge, Taluka Mulshi, District Pune, Maharashtra (the “**Suit Property**”) which allegedly was owned by the Plaintiff in light of an existing sale deed dated November 13, 1996. As part of the Aldea Espanola project of Puranik Buildcon (“**Project**”), a cement compound wall (“**Wall**”) was allegedly erected over the road in front of the Suit Property, preventing the Plaintiff from entering and the Suit Property was allegedly included in the plan of the Project without the Plaintiff’s consent. Subsequent correspondences between the Plaintiff and Defendants in relation to proposal by the Defendants to purchase the Suit Property, did not materialise. Thereafter, the Plaintiff filed the Suit seeking *inter alia* (i) mandatory injunction and demolition of the Wall and detachment of Suit Property from the layout of the Project; (ii) handover of possession of the Suit Property; and (iii) permanent injunction restraining the Defendants from creating third party interest or changing the nature of the Suit Property. Thereafter, the Plaintiff also filed an application for temporary injunction against the Defendants, before the Court, seeking to *inter alia* restrain the Defendants from (i) creating third party interest in the Suit Property; or (ii) changing the nature of the Suit Property, during pendency of the Suit. The matter is pending.

##### B. Tax proceedings

Nature of proceeding	Number of proceedings outstanding	Amount involved (in ₹ million)
Direct tax	6	8.17

Nature of proceeding	Number of proceedings outstanding	Amount involved (in ₹ million)
<b>Total</b>	<b>6</b>	<b>8.17</b>

(iv) *Shree Riddhi Siddhi Vinayak Developers Private Limited (“Riddhi Limited”)*

A. *Tax proceedings*

Nature of proceeding	Number of proceedings outstanding	Amount involved (in ₹ million)
Direct tax	6	28.95
<b>Total</b>	<b>6</b>	<b>28.95</b>

(v) *Puranik Constructions Private Limited (“Puranik Constructions”)*

A. *Tax proceedings*

Nature of proceeding	Number of proceedings outstanding	Amount involved (in ₹ million)
Direct tax	1	9.07
<b>Total</b>	<b>1</b>	<b>9.07</b>

(vi) *Annapurna Lifespaces LLP*

A. *Tax proceedings*

Nature of proceeding	Number of proceedings outstanding	Amount involved (in ₹ million)
Indirect tax	2	11.85
<b>Total</b>	<b>2</b>	<b>11.85</b>

(vii) *Ekdant Constructions and Developers Private Limited*

A. *Tax proceedings*

Nature of proceeding	Number of proceedings outstanding	Amount involved (in ₹ million)
Direct tax	2	9.98
<b>Total</b>	<b>2</b>	<b>9.98</b>

### III. Other material outstanding litigations

Vikrant Chandrahas Tawde (“**Petitioner**”) filed a public interest litigation petition dated August 4, 2015 before the High Court of Bombay against the Municipal Corporation of the City of Thane (“**TMC**”) and others alleging that TMC had failed to implement the erstwhile Municipal Solid Wastes (Management and Handling) Rules, 2000 (“**Municipal Waste Rules, 2000**”). The Petitioner prayed that TMC be directed to implement the Municipal Waste Rules, 2000 and require all new constructions to have a vermi-compost plant for processing of waste. Further, the Petitioner has prayed for interim relief to restrain TMC from dumping any solid waste without processing it in accordance with the Municipal Waste Rules, 2000 and granting any new permission for construction of residential complex without requiring such complex to have its own vermi-compost plant. TMC filed an affidavit in reply dated February 10, 2016 denying the allegations made by the Petitioner and stating that it was taking appropriate steps to ensure all the waste generated in Thane is processed scientifically as per the norms maintained by Maharashtra Pollution Control Board. The matter is currently pending.

### IV. Litigations involving our Directors

Other than proceedings wherein Directors have been impleaded as a party and as disclosed below, there are no litigations involving our Directors as on the date of this Draft Red Herring Prospectus.

#### Litigations against our Directors

(i) *Amol Shimpi*

A. *Civil proceedings*

Shobhna Rajesh Patil (“**Plaintiff**”) filed a suit (special case no. 833/2011) before Civil Judge, Senior Division, Nashik (“**Court**”) against Savita Dhage, Jyoti Dhage, Arun Aadke (collectively known as “**Original Owners**”), Charosa Winery Limited (“**CWL**”), Amol Shimpi and others (“**Defendants**”) (“**Suit**”). The Plaintiff alleged that she entered into an agreement for sale dated May 6, 2008 with the Original Owners agreeing to purchase a parcel of land admeasuring 4 hectares and 40 acres located at gate no. 193 village Charose, taluka Dindori, Nashik (“**Suit Property**”) for a consideration of ₹2.00 million (“**Agreement for sale**”). Further, the Plaintiff has alleged that despite her paying an advance of ₹0.50 million to the Original Owners, the Original Owners sold the Suit Property to one of the Defendants who thereafter sold part of the Suit Property to CWL and Amol Shimpi *vide* two separate sale deeds, each dated June 4, 2011. The Plaintiff in the Suit prayed for, *inter alia*, specific performance of the Agreement for Sale, declaration that the transactions between Original Owners and one of the Defendants and accordingly between such Defendant and CWL and Amol Shimpi to be held void and bad in law, or alternatively, a compensation of ₹9.7 million with interest to be paid to the Plaintiff. CWL and Amol Shimpi have submitted their replies stating that, *inter alia*, they are bonafide purchasers of the part of the Suit Property and have purchased the part of the Suit Property after making proper inquiry about the title and no notice of claim was received by them from the Plaintiff during the time of making such inquiries. The matter is currently pending.

#### **B. Tax proceedings**

Other than as disclosed below in “*Litigations involving our Promoters-Tax Proceedings*”, there are no tax proceedings involving our Directors as on the date of this Draft Red Herring Prospectus.

#### **V. Litigations involving our Promoters**

Other than proceedings wherein our Promoters have been impleaded as a party and as disclosed below, there are no litigations involving our Promoters as on the date of this Draft Red Herring Prospectus.

##### **A. Tax proceedings**

<b>Nature of proceeding</b>	<b>Number of proceedings outstanding</b>	<b>Amount involved (in ₹ million)</b>
Direct tax	6	0.20
<b>Total</b>	<b>6</b>	<b>0.20</b>

#### **VI. Defaults in or non-payment of any statutory dues by our Company**

Except as disclosed in “*Litigations involving our Company – Tax proceedings*”, on page 302, our Company has no outstanding defaults in relation to statutory dues payable.

#### **VII. Outstanding dues to creditors**

As per the Materiality Policy, a creditor of the Company shall be considered to be “*material*” for the purpose of disclosure in this Draft Red Herring Prospectus, if amounts due by our Company to such creditor exceeds 5% of the trade payables for the last completed financial year, as per the last annual restated consolidated balance sheet of our Company included in this Draft Red Herring Prospectus.

Based on the above, as on July 31, 2021, our Company does not owe any amount to any creditor in excess of ₹53.92 million, being the amount, which is 5% of the consolidated trade payables of the Company as of March 31, 2021.

Further, details in relation to the total outstanding dues (trade payables) owed to micro, small and medium enterprises, material creditors and other creditors as on July 31, 2021, is as set forth below:

<b>Particulars</b>	<b>Number of creditors</b>	<b>Amount involved (₹ in million)</b>
Dues to micro, small and medium enterprises	24	5.71
Dues to other creditors	1,304	927.96
<b>Total</b>	<b>1,328</b>	<b>933.67</b>

*The details pertaining to outstanding overdues to material creditors are available on the website of our Company at the following link: <https://www.puranikbuilders.com/investor-corner/creditors-information>. It is clarified that information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should*

*not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, [www.puranikbuilders.com](http://www.puranikbuilders.com) would be doing so at their own risk.*

### **VIII. Material Developments**

Except as stated in “*Management's Discussion and Analysis of Financial Condition and Results of Operation – Significant Developments after July 31, 2021 that may affect our Future Results of Operations*” on page 269, no circumstances have arisen since July 31, 2021, the date of the last Restated Consolidated Financial Statements disclosed in this Draft Red Herring Prospectus, which materially and adversely affect or are likely to affect, our operations or earnings taken as a whole, the value of our consolidated assets or our ability to pay our material liabilities within the next twelve months.

## GOVERNMENT AND OTHER APPROVALS

Except as disclosed herein and in “Risk Factors” on page 26, we have obtained all material consents, licenses, permissions, registrations and approvals, from various governmental, statutory and regulatory authorities in India, which are material and necessary for undertaking our current business activities and operations. Except as disclosed below, no further key approvals are required for carrying on the present business activities and operations of our Company and our Material Subsidiary. Unless otherwise stated, these approvals are valid as on the date of this Draft Red Herring Prospectus. Further, unless otherwise stated, these approvals are in respect of business and operations of our Company and our Material Subsidiary. For details in connection with the regulatory and legal framework within which we operate, see “Regulations and Policies” on page 162.

In view of the key approvals listed below, our Company can undertake this Issue and our Company and Material Subsidiary can undertake their respective current business activities and operations.

### I. Approvals in relation to the Issue

For the approvals and authorisations obtained by our Company and Selling Shareholders in relation to the Issue, see “Other Regulatory and Statutory Disclosures – Authority for the Issue” on page 314.

### II. Corporate approvals

For details regarding the approvals and authorisations obtained by our Company and our Material Subsidiary, in relation to their incorporation, see “History and Certain Corporate Matters” and “Our Subsidiaries” on pages 171 and 176, respectively.

### III. Tax related approvals of our Company

1. Permanent account number AABCP0109R issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961.
2. Tax deduction account number PNEP08029A issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961.
3. GST registration number 27AABCP0109R1Z9 issued for the State of Maharashtra.
4. P.T-R.C Number 27940923841P issued by Sales Tax Department, Government of Maharashtra under Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.

### IV. Business related key approvals

We are required to obtain approvals at various stages of each of our projects, including upon completion of the respective projects or phases thereof. Such approvals typically include, *inter alia*, layout plan approval from the municipal corporation or any other appropriate authority, commencement certificate or permission to convert the use of agricultural land for any non-agricultural purpose from the municipal departments or any other appropriate authority, no objection certificate from the chief fire officer, environmental clearances from the state pollution control boards and MoEF or state environment impact assessment authorities, as may be applicable, occupancy certificate from the municipal corporation, RERA registration certificate and other applicable project specific approvals. The requirement for such approvals for a particular project may vary depending on factors including the scale of the project, type of project, i.e., residential or commercial and the region where the project is located. Further, our obligation to obtain such approvals arises as we progress through different stages of construction and we make applications for such approvals at the appropriate stages. For details of our Projects, see “Our Business –Business Operations” on page 144.

#### A. List of key approvals for the completed projects of our Company and our Material Subsidiary:

Occupancy certificates and part occupancy certificates.

#### B. List of key approvals for the ongoing projects of our Company and our Material Subsidiary:

1. Commencement certificates or permission to convert the use of agricultural land for any non-agricultural purpose issued by municipality departments in the State of Maharashtra.



2. Environment clearances issued by the State of Maharashtra.
3. Consent to establish issued by Maharashtra Pollution Control Board for the establishment of construction activities to be undertaken on the ongoing projects.
4. Registrations under the RERA obtained from the Maharashtra Real Estate Regulatory Authority.

#### V. Other approvals of our Company and our Material Subsidiary

1. Shops and establishments registrations under the applicable provisions of the Maharashtra Establishment Act for our site offices and other premises, wherever applicable, issued by the ministry or department of labour of relevant State Government. These licenses are periodically renewed, whenever applicable.
2. Certificates for contract labour under CLRA including the state legislated amendments, as applicable, for our site offices and other premises, wherever applicable, issued by relevant registering officer. These approvals are periodically renewed, whenever applicable.
3. The permanent account numbers, the tax deduction account numbers, the goods and services tax registration number of our Material Subsidiary.
4. Certificate of registrations under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and under the Employees' State Insurance Act, 1948.

#### VI. Intellectual property rights related approvals of our Company and our Material Subsidiary

Our Company has registered certain trademarks, including but not limited to “Puranik Builders” “Puraniks”, “Puranik”, “PURANIKS Ideas that stay with you”, “IDEAS THAT STAY WITH YOU”, “TOKYO BAY” and the

logos  ,  appearing on the cover page of this Draft Red Herring Prospectus with the Registrar of Trademarks in India under various classes of the Trade Marks Act, 1999. Our Company has

also received the copyright NOC Label under The Copyright Act, 1957 for the usage of .

Additionally, our Company has licensed the use of its trademark, the logo appearing on the cover page of this Draft Red Herring Prospectus, to our Material Subsidiary, pursuant to entering into agreement of license without any consideration, the details of which are as follows:

Sr. No.	Name of the licensee	Relationship with our Company	Date of the agreement of license to use a trade mark	Purpose of license
1.	Puranik Buildcon Private Limited	Subsidiary of our Company	July 25, 2014	For its projects, ‘Abitante’ and ‘Aldea Espanola’.

The above-mentioned license is valid until terminated in case of (a) breach of terms and conditions of the license agreement; or (b) cessation of the relationship with our Company.

Further, our Company and our Material Subsidiary have made applications for the registration of the trademarks under the Trade Marks Act, 1999, details of which are as follows:

Sr. No.	Particulars of the mark	Application Number	Class	Date of Application
1.	ABITANTE FIORE	5054373	35	July 22, 2021
2.	PURANIK CITY NERAL	5054370	35	July 22, 2021
3.	SAYAMA	5054369	35	July 22, 2021

The following trademark application made by our Company under the Trade Marks Act, 1999 has been objected:

Sr. No.	Particulars of the mark	Application Number	Class	Date of Application
1.	CITY RESERVA	5054371	35	July 22, 2021

#### VII. Key approvals which have expired and for which renewal applications have been made by our



**Company and our Material Subsidiary**

<b>Sr. No.</b>	<b>Approval/Registration/License</b>	<b>Approval identification number</b>	<b>Renewal Application Number</b>	<b>Renewal Application Date</b>
1.	Registration of Establishment for the establishment situated at Puranik One, Kanchan Pushp, G B Road, Opp Vijay Garden Bus Stop, Thane, Thane (Municipal Corporation), Thane – 400615.	1910200312956829	107330602103	September 18, 2021
2.	Registration of Establishment for the establishment situated at Rumah Bali, Bhayander Pada, Next Hotel Royal Garden, G B Road, Thane, Thane (Municipal Corporation), Thane – 400615.	1810200311890896	107655212103	September 18, 2021
3.	Registration of Establishment for the establishment situated at Puranik City Reserva, G B Road, Kasaravadvali, Thane, Thane (Municipal Corporation), Thane – 400615.	1810200311890929	107657072103	September 18, 2021
4.	Registration of Establishment for the establishment situated at Puranik Builders Sayama, Sahyadri Nagar, Behind Hudco Colony, Lonavala Ease, Lonavala (M CL), Mawal, Pune – 410401.	1831000312099001	108574232103	September 18, 2021
5.	Registration of Establishment for the establishment situated at Aldea Espenola Flat No 102 D1 Building, Near Hotel Orchid, Mahalunge Road, Mahalunge, Mulshi, Pune – 411045.	1831000312013403	108577072103	September 18, 2021
6.	Registration of Establishment for the establishment situated at Abitante Plot No 235/1, Behind Crystal Honda Showroom, Uttam Nagar Near Hotel Sunday Monday, Bavadhan, Bavadhan BK, Mulshi, Pune – 411021.	1831000312087690	108576332103	September 18, 2021

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

The Issue has been authorised by our Board of Directors pursuant to the resolution passed at its meeting dated September 7, 2021 and our Shareholders have authorised the Fresh Issue pursuant to a resolution dated September 13, 2021 in terms of Section 62(1)(c) of the Companies Act, 2013. This DRHP has been approved by our Board and IPO Committee pursuant to a resolution passed on September 19, 2021 and September 20, 2021, respectively.

The Selling Shareholders have confirmed and approved their participation in the Offer for Sale in relation to their respective portions of Offered Shares. For details, see “*The Issue*” on page 63.

Our Company has received in-principle approval from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

### Prohibition by the SEBI or other Governmental Authorities

Our Company, the Selling Shareholders, our Promoters, our Directors, the members of the Promoter Group and the persons in control of our Company have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

### Compliance with the SBO Rules

Our Company, our Promoters, the Selling Shareholders and the members of the Promoter Group are in compliance with the SBO Rules, to the extent in force and as applicable.

### Directors associated with the Securities Market

None of our Directors are, in any manner, associated with the securities market and there is no outstanding action initiated by SEBI against any of our Directors in the five years preceding the date of this Draft Red Herring Prospectus.

### Eligibility for the Issue

Our Company is eligible for the Issue in accordance with the Regulation 6(1) of the SEBI ICDR Regulations, as described below:

- Our Company had net tangible assets of at least ₹30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each) of which not more than 50% are held in monetary assets;
- Our Company had an average operating profit of at least ₹150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;
- Our Company had a net worth of at least ₹10 million in each of the three preceding full years (of 12 months each), calculated on a restated and consolidated 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, derived from the Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus as at and for the last three Fiscals ended March 31, 2021, 2020 and 2019 are set forth below:

(₹ in million, unless otherwise stated)

Particulars	As at or for the Fiscal Year ended March 31		
	2021	2020	2019
Net tangible assets <sup>(i)</sup>	4,055.36	3,788.75	3,216.84

Particulars	As at or for the Fiscal Year ended March 31		
	2021	2020	2019
Operating profit <sup>(ii)</sup>	1,630.95	1,903.03	2,071.43
Net worth <sup>(iii)</sup>	3,367.28	3,029.05	2,588.63
Monetary assets <sup>(iv)</sup>	197.65	197.90	398.71
Monetary assets as a percentage of the net tangible assets <sup>(v)</sup>	4.87%	5.22%	12.39%

Notes:

- (i) 'Net tangible assets' are defined as the sum of all assets (non-current assets and current assets) excluding intangible assets (as defined in Ind AS 38 and goodwill (as defined in Ind AS ) deducted by total non-current and current liabilities.
- (ii) 'Operating profit' has been calculated as net profit before exceptional items and tax excluding finance costs and other income (including finance income).
- (iii) 'Net worth': Net worth has been defined as aggregate of equity share capital and other equity as on March 31, 2021, 2020 and 2019.
- (iv) Monetary Assets = cash on hand + cheques on hand + balance with bank in current account, escrow account & fixed deposits with original maturity of up to 12 months;
- (v) Monetary Assets as a percentage of the net tangible assets means Monetary Assets as restated divided by net tangible assets, as restated, expressed as a percentage;

Our Company had operating profits in each of Fiscal 2021, 2020 and 2019 in terms of our Restated Consolidated Financial Statements. Our average operating profit for Fiscals 2021, 2020 and 2019 is ₹ 1,868.47 million.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Issue shall be not less than 1,000, the Bid Amounts received by our Company shall be refunded to the Bidders, 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 Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 5 of the SEBI Regulations, to the extent applicable. The details of compliance with Regulation 5 of the SEBI Regulations are as follows:

- (a) Neither our Company nor the Promoters, members of the Promoter Group, the Directors or the Selling Shareholders are debarred from accessing the capital markets by the SEBI.
- (b) None of the Promoters or the Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
- (c) None of our Company, the Promoters, the Selling Shareholders and the Directors has been categorized as a wilful defaulter.
- (d) None of the Promoters or the Directors has been declared a fugitive economic offender.
- (e) 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.

The Selling Shareholders confirm that the Equity Shares offered by each Selling Shareholder as part of the Offer for Sale have been held in compliance with Regulation 8 of the SEBI Regulations.

#### **DISCLAIMER CLAUSE OF THE SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS 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 ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BRLMS BEING, ELARA CAPITAL (INDIA) PRIVATE LIMITED AND YES SECURITIES (INDIA) LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS 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. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BRLMS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 20, 2021 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLMS, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.**

#### **Disclaimer from our Company, the Selling Shareholders and the BRLMs**

Our Company, the Directors, the Selling Shareholders and the BRLMs 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.puranikbuilders.com](http://www.puranikbuilders.com), would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders and the BRLMs 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 centres or elsewhere.

None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in downloading the Bids due to faults in any software/ hardware system or otherwise.

Investors who Bid in the Issue will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire 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, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective 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 group

companies, 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 Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only. The Issue 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, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with the SEBI, VCFs, AIFs, public financial institutions, scheduled commercial banks, state industrial development corporation, permitted national investment funds, NBFC-SIs, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to, offer to sell or purchase the Equity Shares in the Issue in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Issue will be made only pursuant to this Draft Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Issue, which comprises this Draft Red Herring Prospectus and the preliminary international wrap for the Issue, if the recipient is outside India. **No person outside India is eligible to bid for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.**

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 will be filed with the RoC. 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 our affairs or in the affairs of the Selling Shareholders from the date hereof or that the 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 under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, 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 and the applicable laws of each jurisdictions 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 issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Bidders are advised to ensure that any Bid from them does not exceed 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 in accordance with applicable laws.**

### **Disclaimer Clause of BSE**

As required, a copy of this Draft Red Herring Prospectus has been 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 the RoC filing.

### **Disclaimer Clause of the NSE**

As required, a copy of this Draft Red Herring Prospectus has been 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 the RoC filing.

### **Listing**

The Equity Shares offered pursuant to the Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised. Applications will be made to the BSE and NSE for permission to deal in and for an official quotation of the Equity Shares.

### **Consents**

Consents in writing of (a) the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, the legal counsels appointed for the Issue, lenders to our Company (wherever required), the Bankers to our Company, independent architect, the lawyer issuing the master title certificate regarding the land vested with our Company and our Subsidiaries, the BRLMs and Registrar to the Issue, in their respective capacities, have been obtained; and (b) consents in writing of the Syndicate Members, Sponsor Bank, Monitoring Agency, Escrow Collection Bank(s) and Refund Bank(s) 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 the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus with the RoC.

Our Company has received written consent from the Statutory Auditors namely, Sanjay Rane & Associates, to include their name in this Draft Red Herring Prospectus, in respect of the examination report of the Statutory Auditors on the Restated Consolidated Financial Statements dated September 7, 2021 and the statement of tax benefits dated September 20, 2021, included in this Draft Red Herring Prospectus and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

### **Expert opinions**

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

- (1) Our Company has received written consent dated September 20, 2021, from the Statutory Auditors namely, Sanjay Rane & Associates (Firm registration number: 121089W), to include their name as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as a statutory auditor, in respect of their examination report on the Restated Consolidated Financial Statements dated September 7, 2021 and written consent dated September 20, 2021 in relation to the statement of tax benefits dated September 20, 2021, included in this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U. S. Securities Act. The consent of the Statutory Auditors to be named as an expert in this Draft Red Herring Prospectus has not been withdrawn as on the date of this Draft Red Herring Prospectus.
- (2) Our Company has received written consent dated September 15, 2021, from the independent architect namely, Shashikant V. Deshmukh (registration number: CA/76/3262), to include his name as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in his capacity as an architect, in respect of his certificate regarding Completed Projects, Ongoing Projects, Forthcoming Projects and Land Reserves. The consent of the independent architect to be named as an expert in this Draft Red Herring Prospectus has not been withdrawn as on the date of this Draft Red Herring Prospectus.
- (3) Our Company has also received a consent dated September 14, 2021 from Lex Consultus, Advocates & Solicitors (registration number: MAH/242/1996), to include their name 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 their capacity as a lawyer in relation to a master title certificate dated September 14, 2021 issued by them regarding the land vested with our Company and Subsidiaries. The consent of Lex Consultus, Advocates & Solicitors (registration number: MAH/242/1996) to be named as an expert in this Draft Red Herring Prospectus has 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 five years**

Our Company has not made any public issue or rights issue during the five years immediately preceding the date of this Draft Red Herring Prospectus.

**Underwriting commission, brokerage and selling commission paid on previous issues of the Equity Shares in the last five years**

Since this is the initial public issue of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in since incorporation.

**Capital issue during the previous three years by our Company and/or listed Group Companies and/or listed Subsidiaries and Associates of our Company**

None of the securities of any of our Subsidiaries or Group Companies or Associates are currently listed on any stock exchange. For details in relation to the capital issuances by our Company since incorporation, see “*Capital Structure - Notes to the Capital Structure*” at page 80.

**Performance vis-à-vis objects – Public/ rights issue of our Company**

Our Company has not undertaken any public issue since incorporation or any rights issue in the five years immediately preceding the date of this Draft Red Herring Prospectus.

**Performance vis-à-vis objects – Public/ rights issue of the listed Subsidiaries/Promoters of our Company**

Neither our Promoters, nor any of our Subsidiaries have securities listed on any stock exchange.

## Price Information of past issues handled by the BRLMs

### A. Elara Capital (India) Private Limited

#### *Price information of past issues handled by Elara Capital (India) Private Limited*

S. No.	Issue Name	Issue Size (₹ in million)	Issue price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]-30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180th calendar days from listing
1	Rail Vikas Nigam Limited	4,771.12	19	April 11, 2019	19.00	+19.47% [-2.96%]	+40.26% [+0.32%]	+20.79% [-2.78%]

#### Notes:

1. The Designated Exchange for the Issue has been considered for the closing price, Benchmark index and other details
2. % of change in closing price on 30<sup>th</sup> / 90<sup>th</sup> / 180<sup>th</sup> calendar day from listing day is calculated vs Issue Price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30<sup>th</sup> / 90<sup>th</sup> / 180<sup>th</sup> calendar day from listing day.
3. 30<sup>th</sup>, 90<sup>th</sup>, 180<sup>th</sup> calendar day from listing day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30<sup>th</sup>, 90<sup>th</sup>, 180<sup>th</sup> calendar day is a holiday, in which case we have considered the closing data of the next trading day.

#### *Summary statement of price information of past issues handled by Elara Capital (India) Private Limited*

Fiscal year	Total no. of IPOs	Total funds raised (₹ million)	Number of IPOs trading at a discount as on 30th calendar day from listing day			Number of IPOs trading at a premium as on 30th calendar day from listing day			Number of IPOs trading at a discount as on 180th calendar day from listing day			Number of IPOs trading at a premium as on 180th calendar day from listing day		
			Over 50%	Between 25% and 50%	Less than 25%	Over 50%	Between 25% and 50%	Less than 25%	Over 50%	Between 25% and 50%	Less than 25%	Over 50%	Between 25% and 50%	Less than 25%
2019-2020	1	4,771.12	-	-	-	-	-	1	-	-	-	-	-	1
2020-2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2021-2022*	-	-	-	-	-	-	-	-	-	-	-	-	-	-

\* The information is as on the date of this Draft Red Herring Prospectus



Note:

1. The information for each of the financial years is based on issues listed during such financial year.
2. 30<sup>th</sup> and 180<sup>th</sup> calendar day from listing day have been taken as listing day plus 29 and 179 calendar days respectively, except wherever 30<sup>th</sup> and 180<sup>th</sup> calendar day is a holiday, in which case we have considered the closing data of the next trading day.

**B. YES Securities (India) Limited**

1. Price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscal) handled by YES Securities (India) Limited

No.	Issue name	Issue size (in ₹ million)	Issue price (in ₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Chemplast Sanmar Limited	38,500.00	541.00	August 24, 2021	550.00	-	-	-
2.	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	+30.22% [+5.21%]	+75.43% [+10.89%]	-
3.	Mazagon Dock Shipbuilders Limited	4,436.86	145.00	October 12, 2020	214.90	+18.90% [+5.87%]	+52.90% [+20.25%]	+45.79% [+24.34]
4.	Indian Railway Catering and Tourism Corporation Limited	6,379.72	320.00	October 14, 2019	626.00	+191.53% [+5.05%]	+186.64% [+8.07%]	+291.84% [-19.66%]
5.	Sterling and Wilson Solar Limited	28,496.38	780.00	August 20, 2019	706.00	-21.88% [-1.60%]	-48.63% [+7.97%]	-64.78% [+9.95%]
6.	Spandana Sphoorty Financial Limited	11,898.49	856.00	August 19, 2019	825.00	-0.56% [-2.14%]	+52.76% [+7.61%]	+17.32% [+9.59%]
7.	Polycab India Limited	13,452.60	538.00	April 16, 2019	633.00	+15.36% [-5.35%]	+14.70% [-1.99%]	+23.76% [-4.09%]
8.	Rail Vikas Nigam Limited	4,768.61	19.00	April 11, 2019	19.00	+19.47% [-2.74%]	+40.26% [-0.35%]	+20.53% [-4.06%]

Source: [www.nseindia.com](http://www.nseindia.com)

Notes:

- a. Benchmark Index taken as CNX NIFTY.
- b. Price on NSE is considered for all of the above calculations.

- c. % change taken against the Issue Price in case of the Issuer. % change taken against closing CNX NIFTY Index on the day of the listing date.  
d. If either of the 30th, 90th or 180th calendar day is a trading holiday, the previous trading day has been considered for the computation.

2. Summary statement of price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscal) handled by YES Securities (India) Limited:

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ in million)	No. of IPOs trading at discount as on 30 <sup>th</sup> calendar day from listing date			No. of IPOs trading at premium as on 30 <sup>th</sup> calendar day from listing date			No. of IPOs trading at discount as on 180 <sup>th</sup> calendar day from listing date			No. of IPOs trading at premium as on 180 <sup>th</sup> 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%
2021-2022	2	63,500.00	-	-	-	-	1	-	-	-	-	-	-	-
2020-2021	1	4,436.86	-	-	-	-	-	1	-	-	-	-	1	-
2019-20	5	64,995.80	-	-	2	1	-	2	1	-	-	1	-	3

**Notes:**

Data for number of IPOs trading at premium/discount taken at closing price on NSE on the respective date.

The information for the financial year is based on issue listed during such financial year.

## Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, see the websites of the BRLMs mentioned below:

BRLMs	Website
Elara Capital (India) Private Limited	www.elaracapital.com
YES Securities (India) Limited	www.yesinvest.in

## Stock Market Data of Equity Shares

This being an initial public offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

## Redressal of Investor Grievances

SEBI, by way of its circular dated March 16, 2021 (“**March 2021 Circular**”), has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism inter alia in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures. Per the March 2021 Circular, for initial public offerings opening for subscription on or after May 1, 2021, SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) hosting of a web portal by the Sponsor Bank containing statistical details of mandate blocks/unblocks; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for non-allotted/partially allotted applications is completed by the closing hours of one Working Day subsequent to the finalisation of the Basis of Allotment.

Separately, pursuant to the March 2021 Circular, the following compensation mechanism shall be 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	(i) Instantly revoke the blocked funds other than the original application amount; and (ii) ₹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
Blocking more amount than the Bid Amount	(i) Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and (ii) ₹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

Scenario	Compensation amount	Compensation period
		Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the post-Issue BRLM shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

The agreement between the Registrar to the Issue, our Company and the Selling Shareholders provides for retention of records with the Registrar to the Issue for a period of at least eight years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue in case of any pre- Issue or post- Issue related problems such as non-receipt of letters of Allotment, 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 Issue related queries and for redressal of complaints, Bidders may also write to the BRLMs, in the manner provided below.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

Anchor Investors are required to address all grievances in relation to the Issue to the BRLMs.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLMs and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact the Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre- Issue or post- Issue related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode. In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

Our Company has obtained authentication on the SCORES and comply with the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Our Company, the Selling Shareholders, BRLMs and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

#### **Disposal of Investor Grievances by our Company**

Our Company has also constituted a Stakeholders Relationship Committee to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends,

approve subdivision, consolidation, transfer and issue of duplicate shares. The Selling Shareholders have authorised the Company Secretary and Compliance Officer of the Company, and the Registrar to the Issue to redress any complaints received from Bidders in respect of the Offer for Sale.

Our Company has also appointed Ritu Baheti, Company Secretary of our Company, as the Compliance Officer for the Issue. For details, “*General Information- Company Secretary and Compliance Officer*” on page 71.

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.

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

**Other confirmations**

Any person connected with the Issue shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the initial public offer, except for fees or commission for services rendered in relation to the Issue.

## SECTION VII – ISSUE RELATED INFORMATION

### ISSUE STRUCTURE

The Issue comprises up to [●] Equity Shares, at an Issue Price of ₹[●] per Equity Share for cash, including a premium of ₹[●] per Equity Share, aggregating up to ₹[●] million, comprising of up to [●] Equity Shares aggregating up to ₹5,100 million through Fresh Issue by our Company and an Offer for Sale of up to 945,000 Equity Shares by the Selling Shareholders aggregating up to ₹[●] million.

The Issue comprises a Net Issue to the public of up to [●] Equity Shares and an Employee Reservation Portion of up to [●] Equity Shares (which shall not exceed 5% of the post-Issue Equity Share capital of our Company).

*\*A discount of up to [●]% to the Issue Price (equivalent of ₹ [●] per Equity Share) may be offered to Eligible Employees bidding in the Employee Reservation Portion in accordance with the SEBI ICDR Regulations and details of which will be announced at least two Working Days prior to the Bid/Issue Opening Date.*

Our Company may, in consultation with the BRLMs, consider undertaking a private placement of Specified Securities for cash consideration aggregating up to ₹1,500 million. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to the Issue size satisfying the minimum issue size requirements under the SCRR.

The Issue is being made through the Book Building Process.

Particulars	Eligible Employees <sup>#</sup>	QIBs*	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for allocation**	Up to [●] Equity Shares	Not more than [●] Equity Shares	Not less than [●] Equity Shares or Net Issue less allocation to QIBs and Retail Individual Investors	Not less than [●] Equity Shares or Net Issue less allocation to QIBs and Non-Institutional Investors
Percentage of Issue size available for allocation/ Allotment	The Employee Reservation Portion shall constitute up to [●]% of the Issue Size.	Not more than 50% of the Net Issue shall be available for allocation to QIBs.  However, upto 5% of the Net QIB Portion will be available for allocation on a proportionate basis to Mutual Funds only. Mutual Funds participating in the 5% reservation in the Net QIB portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion.	Not less than 15% of the Net Issue or net Issue less allocation to QIBs and Retail Individual Investors	Not less than 35% of the Net Issue or the Net Issue less allocation to QIBs and Non-Institutional Investors
Basis of Allotment if respective category is oversubscribed	Proportionate; unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed	Proportionate as follows (excluding the Anchor Investor Portion):  (a) Not more than [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds; and  (b) Not more than [●] Equity Shares will be available for allocation on a proportionate basis to all other QIBs including Mutual Funds receiving allocation as per (a) above.  Our Company and the Selling Shareholders may, in consultation	Proportionate	Allotment to each Retail Individual Investor 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 more information, see “Issue Procedure” on page 335.

Particulars	Eligible Employees <sup>#</sup>	QIBs*	Non-Institutional Investors	Retail Individual Investors
	portion may be allocated, on a proportionate basis, to Eligible Employees for value exceeding ₹200,000 up to ₹500,000 each	with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price on a discretionary basis, out of which at least one-third will be available for allocation to Mutual Funds only.		
Mode of Bidding	Through ASBA process only (except Anchor Investors)			
Minimum Bid	[●] Equity Shares	Such number of Equity Shares so that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹200,000	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹500,000	Such number of Equity Shares not exceeding the size of the Issue, subject to applicable limits.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Issue (excluding the QIB Portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000
Mode of Allotment	Compulsorily in dematerialised form			
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter			
Trading Lot	One Equity Share			
Who can Apply***	Eligible Employees	Public financial institutions specified in Section 2(72) of the Companies Act, FPIs, scheduled commercial banks, mutual funds registered with the SEBI, VCFs, AIFs, state industrial development corporations, insurance companies registered with IRDAI, provident funds with a minimum corpus of ₹250 million, pension funds with a minimum corpus of ₹250 million in accordance with applicable law, the National Investment Fund set up by the Government of India, insurance funds set up and managed by the army, navy, or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and NBFC-SI.	Resident Indian individuals, HUFs (in the name of Karta), companies, corporate bodies, Eligible NRIs, societies and trusts.	Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs.
Terms of Payment****	<p><i>In case of Anchor Investors:</i> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids</p> <p><i>In case of all other Bidders:</i> Full Bid Amount shall be blocked by the SCSBs in the bank account of the Bidders, or by the Sponsor Bank through the UPI Mechanism (for RIIs using the UPI Mechanism) at the time of the submission of the Bid cum Application Form.</p>			

\* Our Company and the Selling Shareholders may, in consultation with the BRLMs, 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 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 will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is being made to other Anchor Investors.

*\*\* This Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue will be Allotted to QIBs on a proportionate basis, provided that the Anchor Investor Portion may be allocated on a discretionary basis as mentioned above. Further, not less than 15% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Investors subject to valid Bids being received at or above the Issue Price. Further, not less than 35% of the Net Issue will be available for allocation to Retail Individual Investors in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Under-subscription, if any, in any category, except the QIB Portion, would be met with spill-over from any other category or categories, as applicable, on a proportionate basis, at the discretion of our Company and the Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws. Unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for value exceeding ₹200,000 up to ₹500,000. Any unsubscribed portion remaining in the Employee Reservation Portion shall be added to the Net Issue to the public.*

*\*\*\* 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 depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.*

*\*\*\*\* Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Bid cum Application Form, provided that any difference between the price at which allocation is made to the Anchor Investors and the Anchor Investor Issue Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.*

*Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

*# Eligible Employees Bidding in the Employee Reservation portion can Bid up to a Bid Amount of ₹500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹200,000. In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000. Further, an Eligible Employee Bidding in the Employee Reservation Portion (subject to the Payment Amount being up to ₹200,000) can also Bid in the Net Issue and such Bids will not be treated as multiple Bids subject to applicable limits. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Issue. In case of under-subscription in the Net Issue, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.*

*Bids by FPIs with certain structures as described under “Issue Procedure-Bids by FPIs” on page 340 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.*

The FEM Rules permit participation in the Issue by the following categories of non-residents, without application of the conditions imposed on FDI investments: (i) FPIs under Schedule II of the FEM Rules, in accordance with applicable law, in the Issue subject to the limit of an FPI holding below 10% of the post-Issue paid-up capital of our Company, on a fully diluted basis and the aggregate limit for FPI investment currently not exceeding 100% (sectoral limit); and (ii) Eligible NRIs only on non-repatriation basis under Schedule IV of the FEM Rules, in accordance with applicable law. Further, other non-residents such as FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government, OCBs cannot participate in this Issue. With effect from April 1, 2020, the aggregate limits for FPI investments are the sectoral caps applicable to our Company (i.e., up to 100% under the automatic route).



## TERMS OF THE ISSUE

The Equity Shares offered and Allotted in the Issue will be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SCRA, the SCRR, the Memorandum of Association, the Articles of Association, the terms of this Draft Red Herring Prospectus and the Prospectus, the abridged prospectus, the Bid cum Application Form, the Revision Form, any 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 Issue. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue and offer for sale and listing and trading of securities, issued from time to time, by the SEBI, GoI, Stock Exchanges, the RoC, the RBI and/or other authorities to the extent applicable or such other conditions as maybe prescribed by such governmental, statutory and/or regulatory authority while granting approval for the Issue.

For details in relation to Issue expenses, see “*Objects of the Issue*” and “*Other Regulatory and Statutory Disclosures*” on pages 92 and 314, respectively.

### Ranking of Equity Shares

The Equity Shares being offered and transferred in the Issue will be subject to the provisions of the Companies Act, the Memorandum of Association and the Articles of Association and will rank *pari passu* with the existing Equity Shares, including in respect of dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act and Articles of Association. For more information, see “*Main Provisions of the Articles of Association*” on page 355.

### Mode of Payment of Dividend

Our Company will pay dividends, if declared, to our Shareholders, as per the provisions of the Companies Act, the SEBI Listing Regulations, our Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the GoI in this respect. Any dividends declared by our Company, after the date of Allotment, will be payable to the Allottees for the entire year, in accordance with applicable law. For more information, see “*Dividend Policy*” and “*Main Provisions of our Articles of Association*” on pages 218 and 355, respectively.

### Face Value and Price Band

The face value of each Equity Share is ₹10. At any given point of time there will be only one denomination for the Equity Shares. The Floor Price of Equity Shares is ₹[●] per Equity Share and the Cap Price is ₹[●] per Equity Share.

The Price Band and the Minimum Bid Lot size will be decided by our Company and the Selling Shareholders in consultation with the BRLMs and each shall be published at least two Working Days prior to the Bid/Issue Opening Date, in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and Mumbai edition of Mumbai [●] (a widely circulated Marathi newspaper, Marathi being the regional language of Maharashtra where our Registered Office is located), 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 website of the Stock Exchanges.

### Rights of the Shareholder

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, the Shareholders will have the following rights:

- to receive dividend, if declared;
- to attend general meetings and exercise voting powers, unless prohibited by law;
- to vote on a poll either in person or by proxy and e-voting;
- to receive offers for rights shares and be allotted bonus shares, if announced;
- to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- of free transferability of their Equity Shares, subject to applicable law; and

- such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, see “*Main Provisions of the Articles of Association*” on page 355.

### **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.

### **Employee Discount**

Employee Discount, if any, may be offered to Eligible Employees bidding in the Employee Reservation Portion, respectively. Eligible Employees bidding in the Employee Reservation Portion respectively at the Cut-Off Price have to ensure payment at the Cap Price, less Employee Discount, as applicable, at the time of making a Bid.

### **Allotment of Equity Shares in dematerialised form**

Pursuant to Section 29 of the Companies Act, 2013, 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 the dematerialised form only. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated March 28, 2018 among our Company, NSDL and the Registrar to the Issue.
- Tripartite Agreement dated March 22, 2018 among our Company, CDSL and the Registrar to the Issue.

### **Market Lot and Trading Lot**

Further, the trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares. For the method of Basis of Allotment, see “*Issue Procedure*” on page 335.

### **Joint Holders**

Subject to the provisions of our Articles of Association, where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of the Issue is with the competent courts/authorities in Mumbai.

### **Period of operation of subscription list**

See “– *Bid/Issue Period*” on page 332.

### **Nomination facility to investors**

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or first Bidder, 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, will vest, to the exclusion of all other person, unless the nomination is varied or cancelled in the prescribed manner. A nominee entitled to the Equity Shares by reason of the death of the original holder(s), will, in accordance with Section 72 of the Companies Act, 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the Equity Shares. 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 the holder's death during minority. A nomination shall stand rescinded upon a sale or transfer of Equity Shares by the holder of such Equity Shares. A nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered Office or with the RTA of our Company.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, as amended, will, on the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as holder of 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 of Equity Shares in the Issue will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participant.

#### **Minimum Subscription**

If our Company does not receive the minimum subscription of 90% of the Fresh Issue on the date of closure of the Issue; or withdrawal of applications; or after technical rejections; or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares so offered under this Draft Red Herring Prospectus, our Company and our every director, who will be an officer in default, shall be jointly and severally liable to refund the entire subscription amount received and in case of a delay beyond the prescribed time, interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and other applicable law, shall also be payable.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be Allotted will be not less than 1,000.

In the event of an undersubscription in the Issue, Equity Shares offered pursuant to the Fresh Issue shall be allocated in the Fresh Issue, prior to the Equity Shares offered pursuant to the Offer for Sale. However, after receipt of minimum subscription of 90% of the Fresh Issue, the Offered Shares shall be allocated prior to the Equity Shares offered pursuant to the Fresh Issue.

#### **Arrangement 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 lock-in of pre-Issue equity shareholding, Minimum Promoters' Contribution and lock-in of shares Allotted to Anchor Investor, as detailed in "*Capital Structure*" on page 80, and as provided in our Articles as detailed in "*Main Provisions of Articles of Association*" on page 355, there are no restrictions on transfers and transmission of Equity Shares and or/on their consolidation/splitting.

#### **Option to receive Equity Shares in dematerialised form**

Allotment of Equity Shares to successful Bidders will only be in the dematerialised 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 dematerialised segment of the Stock Exchanges.

#### **Withdrawal of the Issue**

Our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right not to proceed with the Issue after the Bid/Issue Opening Date but before Allotment. If our Company and the Selling Shareholders withdraw the Issue, our Company will issue a public notice within two days from the Bid/Issue Closing Date or such time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The BRLMs, through the Registrar to the Issue, will instruct the SCSBs and Sponsor Banks, as applicable, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchanges will also be informed promptly. If the Issue is withdrawn after the Designated Date, amounts that have been credited to the Public Issue Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company and the Selling Shareholders, in consultation with the BRLMs, withdraw the Issue after the Bid/Issue Closing Date and thereafter determine that it will proceed with a public offering of Equity Shares, a fresh draft red herring prospectus will be filed with SEBI and the Stock Exchanges.

### **Bid/Issue Period**

<b>BID/ISSUE OPENS ON*</b>	[●]
<b>BID/ISSUE CLOSES ON**</b>	[●]

\* Our Company and the Selling Shareholders, in consultation with the BRLMs may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.

\*\* Our Company and the Selling Shareholders may, in consultation with the BRLMs, decide to close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date.

An indicative timetable in respect of the Issue is set out below:

<b>FINALISATION OF BASIS OF ALLOTMENT WITH THE DESIGNATED STOCK EXCHANGE</b>	On or about [●]
<b>INITIATION OF REFUNDS FOR ANCHOR INVESTORS/UNBLOCKING OF FUNDS*</b>	On or about [●]
<b>CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS OF ALLOTTEES</b>	On or about [●]
<b>COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK EXCHANGES</b>	On or about [●]

*\*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular 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 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.*

**The above timetable is indicative in nature and does not constitute any obligation or liability on our Company, the Selling Shareholders, or the BRLMs.**

**SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in change of the above mentioned timelines.**

**While our Company will use best efforts to ensure that listing and trading of our Equity Shares on the Stock Exchanges commences within six Working Days of the Bid/Issue Closing Date, or such other period as may be prescribed by SEBI with such reasonable support and co-operation of Selling Shareholders, as may be required in respect of their respective Offered Shares, the timetable may be subject to change for various reasons, including extension of Bid/Issue Period by our Company 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.**

**The Selling Shareholders confirm that they shall extend complete cooperation as may be required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Issue Closing Date or such other period as may be prescribed by SEBI.**

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding four Working Days from the Bid / Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid / Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI circular 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 subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. The following compensation mechanism shall be 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
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 the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the BRLMs shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company will apply for only after Allotment and within six Working Days of the Bid/Issue Closing Date; and (ii) the final RoC approval of the Prospectus after it is filed with the RoC and the Stock Exchanges.

Except in relation to Anchor Investors, Bids and any revision in Bids will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Bid/Issue Period at the Bidding Centres, except that on the Bid/Issue Closing Date (which for QIBs may be a day prior to the Bid/Issue Closing Date), Bids will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until (i) 4.00 p.m. (Indian Standard Time) for Bids by QIBs and Non-Institutional Investors; and (ii) 5.00 p.m. (Indian Standard Time) or such

extended time as permitted by the Stock Exchanges in case of Bids by Retail Individual Investors and Eligible Employees Bidding under the Employee Reservation Portion. On the Bid/Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors and Eligible Employees Bidding under the Employee Reservation Portion 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 reported by the BRLMs to the Stock Exchanges. Due to limitation of time available for uploading Bids on the Bid/Issue Closing Date, Bidders are advised to submit Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 3.00 p.m. (Indian Standard Time) on the Bid/Issue Closing Date. If a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public issues, which 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 in the Issue. 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 the SCSBs would be rejected. Our Company, the Selling Shareholders and the members of Syndicate will not be responsible for any failure in uploading Bids due to faults in any hardware/software system or otherwise. Bids will be accepted only on Working Days. Bidders may please note that as per letter no. List/smd/sm2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006, issued by the BSE and NSE respectively, Bids and any revisions in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges.

Our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Issue Period, in accordance with the SEBI ICDR Regulations, provided that the Cap Price will be less than or equal to 120% of the Floor Price and the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price may be revised accordingly. The Floor Price shall not be less than the face value of Equity Shares.

**In case of any revision in the Price Band, the Bid/Issue Period will be extended for at least three additional Working Days after such revision of the Price Band subject to the total Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges by issuing a public notice and by indicating the change on the websites of the BRLMs and terminals of the Syndicate members. However, in case of revision in the Price Band, the Bid Lot shall remain the same.**

In case of discrepancy in data entered in the electronic book vis-à-vis data contained in the 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.

## ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the Circulars on Streamlining of Public Issues (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 2013, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment Instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note ("CAN") and Allotment in the Issue; (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; (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 Companies Act, 2013 relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 as amended from time to time, including pursuant to circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 ("UPI Circular") has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("UPI") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days ("UPI Phase I"), until June 30, 2019. Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II") with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-2019 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors ("UPI Phase III"), as may be prescribed by SEBI. Accordingly, the Issue will be made under UPI Phase II, unless UPI Phase III becomes effective and applicable on or prior to the Bid / Issue Opening Date. If the Issue is made under UPI Phase III, the same will be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a Hindi national daily newspaper) and the Mumbai edition of Mumbai [●] (a widely circulated Marathi newspaper, Marathi being the regional language of Maharashtra where our Registered Office is located) on or prior to the Bid / Issue Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites. Further, SEBI, vide the UPI Streamlining Circular, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus.

Our Company, the Selling Shareholders and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section 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 the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus and the Prospectus.

Further, our Company, the Selling Shareholders and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

## Book Building Procedure

The Issue is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations, through the Book Building Process and in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Issue shall be Allotted to QIBs on a proportionate basis, provided that our Company and the Selling Shareholders, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors, on a discretionary basis, 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 to Mutual Funds only and the remainder of the Net QIB Portion, including any unsubscribed portion of the reservation for Mutual Funds, if any, shall be available for allocation on a proportionate basis to QIBs including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. Further, not less than 15% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Issue will be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Further, up to [●] Equity Shares (which shall not exceed 5% of the post-Issue Equity Share capital of our Company), aggregating up to ₹[●] million shall be made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received at or over the Issue Price. All Bidders (except Anchor Investors) shall mandatorily participate in this Issue only through the ASBA process and shall provide details of their respective bank account in which the Bid amount will be blocked by the SCSBs. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process.

Under-subscription, if any, in any category (including Employee Reservation Category), except in QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and Designated Stock Exchange. In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation up to ₹500,000), shall be added to the Net Issue to the public. The Equity Shares, on Allotment, shall be traded only in the dematerialised 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 RIIs bidding 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.**

### Phased implementation of UPI for Bids by Retail Individual Investors as per the UPI Circular

SEBI has issued the UPI Circular in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circular, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA process) 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 Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- (a) **UPI Phase I:** This phase was applicable from January 1, 2019 till June 30, 2019. Under this phase, a RII had the option to submit the Bid cum Application Form with any of the intermediaries and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.
- (b) **UPI Phase II:** This phase has become applicable from July 1, 2019 and was supposed to continue up till March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. Under this phase, submission of the Bid cum Application Form by a RII 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 would continue to be six Working Days during this phase.

- (c) **UPI Phase III:** Subsequently, under this phase, the time duration from public issue closure to listing would be reduced to be three Working Days.

The Issue will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Bid/Issue Opening Date. If the Issue is made under UPI Phase III of the UPI Circular, the same will be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a Hindi national daily newspaper) and the Mumbai edition of Mumbai [●] (a widely circulated Marathi newspaper, Marathi being the regional language of Maharashtra where our Registered Office is located) on or prior to the Bid/Issue Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their respective websites.

Pursuant to the UPI Streamlining Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, a requirement that SCSBs must send SMS alerts for the blocking and unblocking of UPI mandates, the requirement that the Registrar must submit details of cancelled, withdrawn or deleted applications, and the requirement that the bank accounts of unsuccessful Bidders be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within such 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 BRLM will be required to compensate the concerned investor.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The issuers are 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 RIIs into the UPI Mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

### **Bid cum Application Form**

Copies of the ASBA Forms and the abridged prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered Office. The ASBA Forms will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/Issue Opening Date. The Bid cum Application Forms for Eligible Employees Bidding in the Employee Reservation Portion will be available only at our Registered Office.

For Anchor Investors, the Bid cum Application Forms will be available at the offices of the BRLMs.

Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Issue. Anchor Investors are not permitted to participate in this Issue through the ASBA process.

Bidders (other than Anchor Investors and RIIs bidding using the UPI Mechanism) must provide bank account details and authorisation by the ASBA bank account holder to block funds in their respective ASBA Accounts in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such detail are liable to be rejected.

RIIs bidding using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms from RIIs that does not contain the UPI ID or details required for the ASBA process are liable to be rejected.

RIIs submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only the UPI ID is mentioned in the Field Number 7 i.e., Payment Details in the Bid cum Application Form. ASBA Forms submitted by RIIs to Designated Intermediary (other than SCSBs) with ASBA Account details in Field Number 7, are liable to be rejected.

Further, such Bidders (other than Anchor Investors), including RIIs using the UPI Mechanism, shall ensure that the Bids are submitted at the Bidding Centres only on Bid cum Application Forms bearing the stamp of the relevant Designated Intermediary (except in case of electronic Bid-cum-Application Forms) and Bid cum Application Forms (except electronic Bid cum Application Forms) not bearing such specified stamp may be liable for rejection. 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 under the UPI Mechanism, as applicable, at the time of submitting the Bid. Designated Intermediaries (other than SCSBs) shall not accept any ASBA Form from a RII who is not Bidding using the UPI Mechanism.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians <sup>^</sup>	[●]
Eligible NRIs applying on a non-repatriation basis <sup>^</sup>	[●]
Anchor Investors <sup>**</sup>	[●]
Non-Residents including FPIs and Eligible NRIs, FVCIs and registered bilateral and multilateral development financial institutions applying on a repatriation basis <sup>^</sup>	[●]
Eligible Employees Bidding in the Employee Reservation Portion <sup>***</sup>	[●]

\* Excluding electronic Bid cum Application Forms

\*\* Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLMs.

\*\*\* The Bid cum Application Forms for Eligible Employees Bidding in the Employee Reservation Portion will be available only at our Registered Office.

<sup>^</sup> Electronic Bid cum Application forms will also be available for download on the website of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)).

In case of ASBA Forms, Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges. Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form (except a Bid cum Application Form from RIIs using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any escrow bank. Designated Intermediaries (other than SCSBs) shall not accept any ASBA Form from a RII who is not Bidding using the UPI Mechanism.

For RIIs 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 RIIs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIIs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate RIIs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Offer for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021.

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 a daily basis and share reports with the Book Running Lead Manager 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.

#### **Participation by associates and affiliates of the BRLMs and the Syndicate Members, Promoters, Promoter Group and persons related to Promoter/Promoter Group/BRLMs**

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs

and the Syndicate Members may purchase Equity Shares in the Issue, either in the 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 BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

In terms of SEBI ICDR Regulations, neither the BRLMs or any associates of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of BRLMs or AIFs sponsored by the entities which are associates of the BRLMs or FPIs sponsored by entities which are associates of the BRLMs) nor any person related to the Promoter/ Promoter Group shall apply in the Issue under the Anchor Investor Portion.

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 Promoters or Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the 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 BRLMs.

The Promoter and members of the Promoter Group will not participate in the Issue except to the extent of the Offered Shares.

#### **Bids by Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted. Further, Bids by Mutual Funds submitted with the same PAN but with different beneficiary accounts numbers, Client IDs and DP IDs, shall not be considered as multiple Bids.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds 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 Book Running Lead Manager, Syndicate Member and sub-syndicate members at select locations as specified in the Bid cum Application Form. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their SCSB or should confirm / accept the UPI Mandate Request (in case of RIBs using the UPI Mechanism) to block their Non-Resident External (“NRE”) accounts or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorise their SCSBs or should confirm / accept the UPI Mandate Request (in case of RIBs Bidding using the UPI Mechanism) to block their Non-Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. However, NRIs applying in the Offer through the UPI Mechanism, are advised to enquire with the relevant bank where their account is UPI linked prior to submitting their Bid cum Application.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Offer, provided the UPI facility is enabled for their NRE / NRO accounts.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents. Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents.

For details of investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 353. Participation of Eligible NRIs shall be subject to the FEMA NDI Rules.

### **Bids by FPIs**

In terms of the SEBI FPI Regulations, the issue of equity shares to a single FPI or an investor group (which means multiple entities having common ownership, directly or indirectly, of more than 50% or common control) must be below 10% of the post-Offer equity share capital of a company. The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the FEMA Regulations, except as respects things done or omitted to be done before such supersession. FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. 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 Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Additionally, the aggregate foreign portfolio investment up to 49% of the paid-up capital on a fully diluted basis or the sectoral / statutory cap, whichever is lower, does not require Government approval or compliance of sectoral conditions as the case may be, if such investment does not result in transfer of ownership and control of the resident Indian company from resident Indian citizens or transfer of ownership or control to persons resident outside India. Other investments by a person resident outside India will be subject to conditions of Government approval and compliance with sectoral conditions as laid down in these regulations.

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 issue 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 the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI 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 the SEBI FPI Regulations (as mentioned above from points (a) to (d)); 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.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager (“MIM”) 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 the 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 the 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 confirmation from the relevant FPIs, such multiple Bids shall be rejected.

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 and AIFs**

The SEBI VCF Regulations and the SEBI AIF Regulations, *inter-alia*, prescribe the respective investment restrictions on the VCFs and AIFs registered with SEBI. Accordingly, the holding by any individual VCF registered with SEBI, in any company should not exceed 25% of the corpus of the VCF. Further, VCFs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings.

Category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A VCF registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations 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.

Neither our Company, nor the Selling Shareholders nor the BRLMs will 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 reserves 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 reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 as amended ("**Banking Regulation Act**"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under Section 6(1) of the Banking Regulation Act. A banking company would require a prior approval of the RBI to make 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. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves.

### **Bids by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the circulars dated September 13, 2012 and January 2, 2013 issued by the 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 systemically important non-banking financial companies**

In case of Bids made by NBFC-SI 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 and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the NBFC-SI, are required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason thereof. NBFC-SI participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for NBFC-SI shall be as prescribed by RBI from time to time.

### **Bids by insurance companies**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers is prescribed in Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("**IRDAI Investment Regulations**") are set forth below:

- (a) equity shares of a company: the lower of 10%\* of the investee company's outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer/investment assets in case of a general insurer or a reinsurer;
- (b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) the industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or general insurance or 15% of the investment assets, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) or (iii) above, as the case may be.

*\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000 million or more but less than ₹2,500,000 million.*

Insurer companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDAI from time to time including the IRDAI Investment Regulations.

### **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 BRLMs, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, in consultation with the BRLMs, may deem fit, without assigning any reasons thereof.

### **Bids by HUFs**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs may be considered at par with Bids from individual.

### **Bids by provident funds/pension funds**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of 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 reserves the right to reject any Bid, without assigning any reason, therefore.

### **Bids by Eligible Employees**

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹500,000. The Allotment in the Employee Reservation Portion will be on a proportionate basis. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹500,000. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000. Only in the event of an under-subscription in the Employee Reservation Portion post the initial allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000. Subsequent under subscription, if any, in the Employee Reservation Portion shall be added back to the Net Issue. Eligible Employees under the Employee Reservation Portion may Bid at Cut-off Price provided that their Bid does not exceed ₹200,000 (excluding employee discount).

Bids under Employee Reservation Portion by Eligible Employees shall be:

1. The Bidder should be an Eligible Employee as defined above. In case of joint bids, the first Bidder shall be an Eligible Employee; Eligible Employee shall not Bid through the UPI Mechanism.
2. Made only in the prescribed Bid cum Application Form or Revision Form (i.e., pink colour form);
3. In case of joint bids, the sole/ First Bidder shall be the Eligible Employee;
4. Only those Bids, which are received at or above the Issue Price, would be considered for allocation under this portion;
5. The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. The maximum Bid in this category by an Eligible Employee cannot exceed ₹500,000;
6. Eligible Employees should mention their employee number at the relevant place in the Bid cum Application Form;
7. Bid by Eligible Employees (subject to Bid Amount being up to ₹500,000) in the Employee Reservation Portion and in the Net Issue shall not be treated as multiple Bids. Further, bids by Eligible Employees in the

Employee Reservation Portion (subject to the Payment Amount being up to ₹200,000) shall also not be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all portions.

8. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full allocation shall be made to the Eligible Employees to the extent of their demand; and
9. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹500,000 on a net basis. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000. Only in the event of an under-subscription in the Employee Reservation Portion post the initial allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (which will be less employee discount).

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis.

**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. All non-resident investors should note that only such applications as are accompanied by payment in free foreign exchange shall be considered for allotment under the reserved category. The non-resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and shall not use the forms meant for reserved category.**

**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, the Selling Shareholders 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, the Red Herring Prospectus and Prospectus.**

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Issue.

#### **Announcement of pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company will, after filing this Draft Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and Mumbai edition of [●] (a widely circulated Marathi newspaper, Marathi also being the regional language of Maharashtra where our Registered Office is located). Our Company shall, in the pre-Issue advertisement state the Bid/Issue Opening Date, the Bid/Issue Closing Date and the QIB Bid/Issue 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.

#### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Stock Exchanges, along with the BRLMs 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 offered through the Issue 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 1% of the net-Issue to public 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 Investors 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 Investor shall not be less than the Minimum Bid Lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

### **Signing of Underwriting Agreement and filing of Prospectus with the RoC**

Our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters on or immediately after the finalisation of the Issue 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 Issue Price, Anchor Investor Issue Price, Issue size and underwriting arrangements and will be complete in all material respects.

### **GENERAL INSTRUCTIONS**

Please note that QIBs and Non-Institutional Investors 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 Investors can revise their Bid(s) during the Bid/Issue Period and withdraw their Bid(s) until Bid/Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date.

#### ***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;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form;
4. 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;
5. Ensure that your Bid cum Application Form bearing the stamp of the relevant Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;
6. 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;
7. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than RIIs bidding using the UPI Mechanism) in the Bid cum Application Form;
8. RIIs bidding using the UPI Mechanism should ensure that the correct UPI ID is mentioned in the Bid cum Application Form;
9. RIIs bidding shall ensure that the bank, where the bank account linked to their UPI ID is maintained along with the application and UPI handle being used for making the Bid is listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
10. RIIs submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only UPI ID is included in the Field Number 7: Payment Details in the Bid cum Application Form;
11. RIIs using the UPI Mechanism shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI.
12. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

13. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
14. 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;
15. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
16. Bidders, other than RIIs using the UPI Mechanism, shall ensure that they have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
17. Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
18. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;
19. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market; (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006; and (iii) any other category of Bidders, which are exempted from specifying, may be exempted from specifying their PAN for transacting in the securities market, for Bids of all values, ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for 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;
20. Ensure that Anchor Investors submit their Anchor Investor Application Form only to the BRLMs;
21. Ensure that the Demographic Details are updated, true and correct in all respects;
22. 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;
23. Ensure that the correct investor category and the investor status is indicated in the Bid cum Application Form;
24. 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;
25. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
26. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID 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 and PAN available in the Depository database;
27. Ensure that where the Bid cum Application Form is submitted in joint names, the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;

28. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors) is submitted to a Designated Intermediary in a Bidding Centre and in case of Bidding through a Designated Intermediary (other than for Anchor Investors and RIIs) 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 [www.sebi.gov.in](http://www.sebi.gov.in)) or such other websites as updated from time to time;
29. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
30. For RIIs bidding using the UPI Mechanism, ensure that you approve the 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. RIIs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RII may be deemed to have verified the attachment containing the application details of the RII in the UPI Mandate Request and have agreed to block the entire Bid Amount under the UPI Mechanism, as mentioned in the Bid Cum Application Form;
32. RIIs bidding using the UPI Mechanism should mention valid UPI ID of only the Applicant (in case of single account) and of the first Applicant (in case of joint account) in the Bid cum Application Form
33. RIIs bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of allotment in a timely manner; and
34. Bids by Eligible NRIs and HUFs for a Bid Amount of less than ₹200,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding ₹200,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Issue.

***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 or the Anchor Investor Application Form, as the case maybe, after you have submitted a Bid to a Designated Intermediary;
4. RIIs should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to their UPI ID is maintained, is listed on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
5. RIIs should not submit a Bid using the UPI Mechanism, using an application or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
6. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
7. Do not send Bid cum Application Forms by post; instead, submit the same to the Designated Intermediary only;
8. Anchor Investors should not Bid through the ASBA process;

9. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company or at a location other than the Bidding Centres. Provided that RIIs not using the UPI Mechanism should not submit Bid cum Application Forms with Designated Intermediaries (other than SCSBs);
10. Do not Bid on a physical ASBA Form that does not have the stamp of the relevant Designated Intermediary;
11. Do not Bid at Cut-off Price in case of Bids by QIBs and Non-Institutional Investors;
12. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue 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;
13. If you are a Non-Institutional Investor or a Retail Individual Investor, do not submit your Bid after 3.00 pm on the Bid/Issue Closing Date;
14. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/ Issue Closing Date;
15. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
16. Do not Bid for a Bid Amount exceeding ₹200,000 for Bids by Retail Individual Investors and ₹500,000 for Bids by Eligible Employees Bidding in the Employee Reservation Portion;
17. Do not submit the General Index Register (GIR) number instead of the PAN;
18. Do not submit incorrect UPI ID details if you are a RII bidding through the UPI Mechanism;
19. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
20. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account;
21. Do not submit more than one Bid cum Application Form per ASBA Account;
22. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIIs using the UPI Mechanism. If you are an Eligible Employee bidding under the Employee Reservation Portion, do not use the UPI Mechanism to submit a Bid;
23. Do not submit Bids to a Designated Intermediary at a location other than Specified Locations;
24. 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;
25. 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;
26. 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;
27. 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 RII Bidder using the UPI Mechanism;
28. 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;
29. 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);
30. Do not submit a Bid cum Application Form with third party ASBA bank account or third party UPI ID (in case of in case of Bids submitted by RII Bidder using the UPI Mechanism); and

31. Do not Bid if you are a FVCI, OCB, multilateral or bilateral financial institution or an NRI applying on a non-repatriation basis.

**The Bid cum Application Form is liable to be rejected if any of the above instructions or any other condition mentioned in this Draft Red Herring Prospectus, as applicable, is not complied with.**

### **Grounds for Technical Rejections**

In addition to the grounds for rejection of Bids on technical grounds as provided in General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bid submitted without instruction to the SCSB to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account or UPI ID (for RIIs using the UPI Mechanism) details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by RIIs using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
5. Bids by HUFs not mentioned correctly as provided in General Information Document;
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by Retail Individual Investors with Bid Amount for a value of more than ₹200,000;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids accompanied by stock invest, money order, postal order or cash; and
14. Bids by OCB.

### **Payment into Escrow Account**

Anchor Investors are not permitted to Bid in the Issue through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NEFT). 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: “[●]”

### **Depository Arrangements**

The Allotment of the Equity Shares in the Issue 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 Issue:

- Tripartite Agreement dated March 28, 2018 among NSDL, our Company and the Registrar to the Issue.

- Tripartite Agreement dated March 22, 2018 among CDSL, our Company and Registrar to the Issue.

### **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 months extending up to 10 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.

## **Undertakings by our Company**

Our Company undertakes the following:

- (i) that the complaints received in respect of the Issue 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 six Working Days of the Bid/Issue Closing Date;
- (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 Issue 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 Issue after the Bid/Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue 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 and the Selling Shareholders, in consultation with the BRLMs, withdraw the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh draft Issue document with the SEBI, in the event our Company subsequently decides to proceed with the Issue thereafter;
- (viii) that our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;
- (ix) at any given point of time there will be only one denomination for the Equity Shares;
- (x) that the intimation of credit of securities/refund orders to Eligible NRIs shall be dispatched within specified time;
- (xi) 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
- (xii) that other than the Equity Shares which may be issued pursuant to exercise of options under ESOP 2018 and the Pre-IPO Placement, no further issue of Equity Shares shall be made until the Equity Shares offered through this Draft 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 each Selling Shareholder**

Each Selling Shareholder undertakes the following in respect of itself and its respective portion of the Offered Shares:

- (i) that the Offered Shares are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or encumbrances and have been held by the respective Selling Shareholder for a period of at least one year prior to the date of the Draft Red Herring Prospectus and shall continue to be in dematerialised form at the time of transfer.
- (ii) that it is the legal and beneficial owner of and has full title to its respective portion of the Offered Shares.

- (iii) that it shall provide all reasonable cooperation as requested by our Company and the BRLMs in relation to the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of its respective portion of the Offered Shares;
- (iv) that each Selling Shareholder specifically confirms that it shall not have any recourse to the proceeds of the Issue, until final listing and trading approvals have been received from the Stock Exchanges;
- (v) that 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 Issue, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Issue, except as permitted under applicable law;
- (vi) that it shall not offer, lend, pledge, create lien, charge, encumber, sell, contract to sell or otherwise transfer or dispose of, directly or indirectly, any of the Equity Shares offered in the Offer for sale;
- (vii) that it will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLMs in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Issue; and
- (viii) that it shall take all such steps as may be required to ensure that its respective portion of the Offered Shares are available for transfer in the Issue.

The Selling Shareholders have authorised the Compliance Officer of our Company and the Registrar to the Issue to redress any complaints received from Bidders in respect of the Offer for Sale.

#### **Utilisation of Issue Proceeds**

Our Board certifies that:

- (i) all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in Section 40(3) of the Companies Act;
- (ii) details of all monies utilised out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- (iii) details of all unutilised monies out of the Fresh Issue shall be disclosed under an appropriate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.



## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the FDI Policy and FEMA. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, earlier known as Department of Industrial Policy and Promotion (“**DPIIT**”) issued the Consolidated FDI Policy Circular of 2020 (“**FDI Policy**”) by way of circular bearing DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEM Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Issue shall be on the basis of the FEM Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investors**”), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government.

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 in writing about such approval along with a copy thereof within the Issue Period.

Currently, 100% FDI is permitted under the automatic route in the companies which are engaged in construction-development projects (including development of townships, construction of residential/commercial premises, roads or bridges, hotels, resorts, hospitals, educational institutions, recreational facilities, city and regional level infrastructure and townships), subject to compliance with prescribed conditions.

The conditions prescribed are as follows:

- (i) Each phase of the construction development project would be considered as a separate project;
- (ii) The investor will be permitted to exit on completion of the project or after development of trunk infrastructure i.e., roads, water supply, street lighting, drainage and sewerage. However, a person resident outside India will be permitted to exit and repatriate foreign investment before the completion of project under automatic route, provided that a lock-in-period of three years, calculated with reference to each tranche of foreign investment has been completed. Further, transfer of stake from a person resident outside India to another person resident outside India, without repatriation of foreign investment will neither be subject to any lock-in period nor to any government approval;
- (iii) The project shall conform to the norms and standards, including land use requirements and provision of community amenities and common facilities, as laid down in the applicable building control regulations, bye-laws, rules, and other regulations of the State Government/municipal/local body concerned;
- (iv) The Indian investee company will be permitted to sell only developed plots, i.e., plots where trunk infrastructure i.e., roads, water supply, street lighting, drainage and sewerage, have been made available;
- (v) The Indian investee company shall be responsible for obtaining all necessary approvals, including those of the building/layout plans, developing internal and peripheral areas and other infrastructure facilities, payment of development, external development and other charges and complying with all other requirements as prescribed under applicable rules/bye-laws/regulations of the State Government/municipal/local body concerned; and
- (vi) The State Government/municipal/local body concerned, which approves the building/development plans, will monitor compliance of the above conditions by the developer.

Condition of lock-in period does not apply to hotels and tourist resorts, hospitals, special economic zones, educational institutions, old age homes and investment by NRIs. Additionally, foreign investment up to 100% under automatic route is permitted in completed projects for operating and managing townships, malls/shopping complexes and business centres. Consequent to such foreign investment, transfer of ownership and/or control of the investee company from persons resident in India to persons resident outside India is also permitted. However, there would be a lock-in-period of three years, calculated with reference to each tranche of foreign investment and transfer of immovable property or part thereof is not permitted during this period. Completion of the project will be determined as per the local bye-laws/rules and other regulations of State Governments.

In accordance with FEM Rules, participation by non-residents in the Issue is restricted to participation by (i) FPIs through the portfolio investment scheme under Schedule II of the FEM Rules, in accordance with applicable law, subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of our Company, on a fully diluted basis and the aggregate limit for FPI investment currently not exceeding 100% (sectoral limit); and (ii) Eligible NRIs only on non-repatriation basis under Schedule IV of the FEM Rules, in accordance with applicable law. Further, other non-residents such as FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government, OCBs cannot participate in this Issue.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, 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 and the applicable laws of each jurisdictions 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 issued 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, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.**

## SECTION VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

*Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below.*

### PRELIMINARY

Article 1: No regulation contained in Table F contained in the First Schedule to the Companies Act, 2013, shall apply to this Company, but the regulations for the management of the Company and for the observance of the Members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of, or addition substitution, modification and variations thereto, by special resolution, as prescribed by the said Act, be such as are contained in these Articles.

### INTERPRETATION

Article 2: In the interpretation of these Articles, unless repugnant to the subject or context:-

“The Company” or “this Company” means “**Puranik Builders Limited**”.

“Act” means the Companies Act, 2013, including any statutory modification or re-enactment or amendment, clarifications and notification 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 a general meeting of the members held as such, in accordance with the provisions of the Act.

“Articles” or “Articles of Association” mean the articles of association or re-enactment thereof for the time being in force of the Company.

“Beneficial Owner” means a person as defined by section 2(1)(a) of the Depositories Act, 1996.

“The Board” or the “Board of Directors” means the collective body of the Directors of the Company.

“Capital” means the share capital, for the time being, raised or authorised to be raised, for purposes of the Company.

“Debenture” includes debenture stock, bonds or any other instrument of the Company evidencing the debts whether constituting the charge on the assets of the Company or not.

“Depositories Act 1996” means The Depositories Act, 1996 and includes any statutory modification or re-enactment thereof for the time being in force.

“Depository” means and includes a company as defined under section 2(1)(e) of the Depositories Act, 1996.

“Directors” means a director appointed to the Board of the Company.

“Dividend” includes any interim dividend.

“Extra-ordinary General Meeting” means an extraordinary general meeting of the members, duly called and constituted, and any adjourned holding thereof.

“In writing” or “written” include printing, lithography and other modes of representing or reproducing words in a visible form.

“Member” means member as defined under section 2(55) of the Companies Act, 2013

“Memorandum of Association” means the memorandum of association of the Company or re-enactment thereof for the time being in force.

“Office” means the registered office, for the time being, of the Company.

“Paid-up Capital” means paid up capital as defined under section 2(64) of the Act.

“Participant” means individual/institutions as defined under Section 2(1)(g) of the Depositories Act, 1996.

“Register of Members” means the Register of Members to be kept pursuant to the Act, and includes index of beneficial owners mentioned by a Depository.

“The Registrar” means, Registrar as defined under section 2(75) of the Companies Act, 2013.

“Secretary” means a Company Secretary, within the meaning of clause (c) of sub section (1) of section 2 of Company Secretaries Act, 1980, who is appointed by the Company to perform the functions of the Company Secretary under this Act

“Seal” means the common seal, for the time being, of the Company.

“Share” means a Share in the capital of the Company, and includes stock, except where a distinction between Stock and Shares is express or implied.

Words importing the singular number include, where the context admits or requires, the plural number and vice versa.

“Ordinary resolution” and “Special Resolution” shall have the same meaning assigned thereto by the Act.

“Year” means a calendar year and “financial year” shall have the same meaning as assigned thereto by or under the Companies Act, 2013.

Words importing the masculine gender also include the feminine gender.

The margin notes, if used or incorporated, or, after being used, removed, at any time thereafter, in these Articles shall not affect the construction hereof.

Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning so far as these Articles are concerned.

In these Articles, all capitalised items not defined herein below shall have the meanings assigned to them in the other parts of these Articles when defined for use. The Section number, with relation to the Act, referred to anywhere in these presents, may be deemed to have been replaced by such other number or numbers, as may, after the amendments or modifications effected in the Act or repeal of the Act and introduction of the new Act as such in its place, contain the relevant provisions, in the context or circumstances of that respective Article, as may be proper and justifiable and shall be interpreted in its true intention.

Notwithstanding anything contained in these Articles, any reference to a “person” in these Articles shall, unless the context otherwise requires, be construed to include a reference to a body corporate or an association, any individual, company, partnership, joint venture, firm, trust or body of individuals (whether incorporated or not).

## **GENERAL AUTHORITY**

Article 3: Where the Act requires that the Company cannot undertake any act or exercise any rights or powers or privilege or authority, unless expressly authorised by its Articles, these Articles shall in relation to the Company, be deemed to confer such right, authority or power or privilege and to carry out such transaction as have been permitted by the Act.

## **CAPITAL AND INCREASE AND REDUCTION THEREOF**

Article 4: The Authorised Share Capital of the Company is such amount, 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 of the Company, divided into such number, classes and descriptions of Shares and into such denominations, as stated therein, and further with such powers to increase the same or otherwise as stated therein.

Article 5: The Company may issue the following kinds of shares in accordance with these Articles, the Act and other applicable laws:

- (i) Equity Share Capital: with voting rights; and/or with differential rights as to dividend, voting or otherwise; and
- (ii) Preference Share Capital.

Article 6: 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.

Article 7: Except so far as otherwise provided by the conditions of issue or by these presents, 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 contained herein with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting or otherwise.

Article 8: Subject to the provisions of Section 55 of the Act and the rules made thereunder, the Company shall have the power to issue preference shares, which are liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.

Article 9: On the issue of Redeemable Preference Shares under the provisions of the preceding Article, the following provisions shall take effect:-

- (i) No such Shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of Shares made for the purpose of the redemption.
- (ii) No such Shares shall be redeemed unless they are fully paid. The period of redemption in case of preference shares shall not exceed the maximum period for redemption provided under Section 55 of the Act;
- (iii) The premium, if any, payable on redemption, must have been provided for, out of the profits of the Company or the Share Premium Account of the Company before, the Shares are redeemed; and
- (iv) Where any such Shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund to be called "Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed and the provisions of the Act, relating to the reduction of the Share Capital of the Company, shall, except as provided in Section 80 of the Act, apply as if "Capital Redemption Reserve Account" were paid up Share capital of the Company.

Article 10: Subject to the provisions of the Act, the Company may issue bonus shares to its Members out of (i) its free reserves; (ii) the securities premium account; or (iii) the capital redemption reserve account, in any manner as the Board may deem fit.

Article 11: The Company may issue any debentures, debenture-stock or other securities at a discount, premium or otherwise, if permissible under the Act, and may be issued on the condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawings, allotment of shares, attending (but not voting) at general meetings, appointment of Directors and otherwise. Debentures with the rights to conversion into or allotment of shares shall not be issued except with the sanction of the Company in a general meeting by a special resolution and subject to the provisions of the Act.

Article 12: Subject to the provisions of the Act, the Company shall have the power to make compromise or make arrangements with creditors and members, consolidate, demerge, amalgamate or merge with other company or companies in accordance with the provisions of the Act and any other applicable laws.

Article 13: Subject to Section 66 of the Companies Act, 2013, the Company may by special resolution, reduce its capital and any Capital Redemption Reserve Account or Other Premium Account, for the time being, in any manner, authorised by law, and, in particular, without prejudice to the generality of the foregoing powers, the capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power, the Company would have, if it were omitted.

Article 14: Subject to the applicable provisions of the Act, the Company, in general meeting, may, from time to time, 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 as regards dividend, capital or otherwise over or as compared with the other or others. Subject as aforesaid, the Company, in general meeting, may also cancel Shares, which have not been taken or agreed to be taken by any person, and diminish the amount of its Share capital by the amount of the Shares so cancelled.

Article 15: Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the applicable provisions of the Act, be modified, commuted, affected or abrogated, or dealt with by an agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified, in writing, by holders of at least three-fourths in nominal value of the issued Shares of the class or is confirmed by a special resolution passed at a separate general meeting of the holders of Shares of that class and all the provisions hereinafter contained as to general meetings, shall, mutatis mutandis, apply to every such meeting.

## **SHARES AND CERTIFICATES**

Article 16: The Company shall keep or cause to be kept a Register and Index of Members, in accordance with the applicable Sections of the Act. The Company shall be entitled to keep, in any State or Country outside India, a Branch Register of Members, in respect of those residents in that State or Country.

Article 17: The Shares, in the capital, shall be numbered progressively according to their several classes and denominations, and, except in the manner hereinabove mentioned, no Share shall be sub-divided. Every forfeited or surrendered Share may continue to bear the number by which the same was originally distinguished with, or as may be otherwise, as may be decided by the Board of Directors or required by any other authority, as may be, for the time being, in force.

Article 18: Further Issue of Shares

(a) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of Shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further Shares either out of the unissued or out of the increased Share capital then, such further Shares shall be offered to:

(a) the persons who at on date specified under the applicable law, are holders of the Equity Shares of the Company, in proportion by sending a letter of offer subject to the conditions set below, as near as circumstances admit, to the capital paid up on those Shares at that date:

(i) Such offer shall be made by a notice specifying the number of Shares offered and limiting a time not less than fifteen days and not exceeding thirty days from the date of the offer within which the offer if not accepted, will be deemed to have been declined;

(ii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him in favour of any other person and the notice referred to in sub-clause (i) hereof 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 expiry of the time specified in the aforesaid notice 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 as they think most beneficial to the Company; or

(b) employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to the rules and such other conditions, as may be prescribed under the law

- (b) Notwithstanding anything contained in sub-clause (i) thereof, the further Shares aforesaid may be offered to any persons, if it is authorised by a special resolution, (whether or not those persons include the persons referred to in clause (a) of sub-clause (i) hereof) in any manner either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the compliance with the applicable provisions of Chapter III and any other conditions as may be prescribed in the Act and the rules made thereunder.
- (c) The notice referred to in sub-clause (a) of clause (i) hereof shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least 3 (three) days before the opening of the issue.
- (d) Nothing in sub-clause (c) of (i) hereof shall be deemed:
  - (a) To extend the time within the offer should be accepted; or
  - (b) To authorise any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the remuneration was first made has declined to take the Shares comprised in the renunciation.
- (e) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the Debenture issued or loans raised by the Company to convert such Debenture or loans into Shares in the Company. Provided that the terms of issue of such Debentures or the terms of such loans include a term containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in general meeting.
- (f) The provisions contained in this Article shall be subject to the provisions of the section 42 and section 62 of the Act and other applicable provisions of the Act and rules framed thereunder.

#### Article 19: Shares at the disposal of the Board

Subject to the provisions of Section 62 of the Companies Act, 2013 and the rules made thereunder and these Articles of the Company for the time being, the Shares shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or discount, subject to Sections 53 and 54 of the Act, and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give any person or persons the option or right to call for any Shares either at par or premium or discount, subject to Sections 53 and 54 of the Act, during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call of Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting. The Board shall cause to be filed the returns as to allotment as may be prescribed from time to time.

Article 20: In addition to and without derogating from the powers for that purpose conferred on the Board under the preceding two Articles, the Company, in general meeting, may determine that any Shares, whether forming part of the original capital or of any increased capital of the Company, shall be offered to such persons, whether or not the members of the Company, in such proportion and on such terms and conditions and, subject to compliance with the provisions of applicable provisions of the Act, either at a premium or at par, as such general meeting shall determine and with full power to give any person, whether a member or not, the option to call for or be allotted Shares of any class of the Company either, subject to compliance with the applicable provision of the Act, at a premium or at par, such option being exercisable at such times and for such consideration as may be directed by such general meeting, or the Company in general meeting may make any other provision whatsoever for the issue, allotment or disposal of any Shares.

Article 21: Any application signed by or on behalf of an applicant for subscription for Shares in the Company, followed by an allotment of any Shares therein, shall be an acceptance of Shares within the meaning of these Articles, and every person, who, thus or otherwise, accepts any Shares and whose name is entered on the Registered shall, for the purpose of these Articles, be a member.

Article 22: The money, if any, which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly, in the manner prescribed by the Board.

Article 23: 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 thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time, in accordance with the Regulations of the Company, require or fix for the payment thereof.

Article 24:

- (i) Every Member shall be entitled, without payment, to one or more certificates in marketable lots, for all the Shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such Shares and the Company shall complete and have ready for delivery such certificates within the time specified by the law applicable at the time. Every certificate of shares shall be in the form and manner specified in the Articles and in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to the first named joint holders shall be sufficient delivery to all such holders.
- (ii) Particulars of every Share certificates issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.
- (iii) Any two or more joint allottees, in respect of a Share, shall, for the purpose of this Article, be treated as a single member, and the certificate of any Share, which may be subject of joint ownership, may be delivered to the person named first in the order or otherwise even to any one of such joint owners, on behalf of all of them. For any further certificate, the Board shall be entitled but shall not be bound to prescribe a charge not exceeding Rupee 50(fifty) per such certificate. In this respect, the Company shall comply with the applicable provisions, for the time being, in force, of the Act.
- (iv) A director may sign a Share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Directors shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

Article 25:

- (i) The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to receive from any member willing to advance the same, all or any part of the amount of his Shares beyond the sums actually called up and upon the monies so paid in advance or upon so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advances has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall on any Share may carry interest but shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

The member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The Provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.

- (ii) When a new Share certificate has been issued in pursuance of the preceding clause of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "Issued in lieu of Share Certificate No. \_\_\_ sub-divided/replaced/on consolidation of Shares".
- (iii) If any certificate be worn out, defaced, mutilated, or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, and a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificates under the Article shall be issued without payment of fees if the Directors so decide, or on payment



of such fees in accordance with law applicable at the time and as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

The provision of this Article shall mutatis mutandis apply to debentures of the Company. When a new Share certificate has been issued in pursuance of the preceding clause of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "DUPLICATE. Issued in lieu of Share Certificate No. \_\_\_\_" The word "DUPLICATE" shall be stamped or punched in bold letters across the face of the Share certificate.

- (iv) Where a new Share certificate has been issued in pursuance of clause (i) or clause (iii) of this Article, particulars of every such Share certificate shall be entered in a Register of Renewed and Duplicate Share Certificates, indicating against the names of the person or persons to whom the certificate is issued, the number and date of issue of the Share certificate, in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross reference in the "Remarks" column.
- (v) All blank forms to be issued for issue of Share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively numbered, whether by machine, hand or otherwise, and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary, where there is no Secretary, the Managing Director or Whole time Director, and where there is no such director, the Chairman of the Board, for the time being, or otherwise of such other person, as the Board may appoint for the purpose, and the Secretary, such director, Chairman or such other person shall be responsible for rendering an account of these forms to the Board.
- (vi) The Managing Director of the Company, for the time being, or, if the Company has no Managing Director, every director of the Company shall be severally responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of Share certificates except the blank forms of Share certificates referred to in Clause (vi) of this Article.
- (vii) All books referred to in clause (vii) of this Article shall be preserved in good order permanently, or for such period as may be prescribed by the Act or the Rules made thereunder.

Article 26: If any Share stands in the names of two or more persons, the person first named, in the Register, shall, as regards receipt of dividends or bonus or service of notices and all or any matter connected with the Company, except voting at meetings and the transfer of the Shares, be deemed the sole holder thereof but the joint holders of a Share shall be severally as well as jointly liable for the payment of all instalments of calls due in respect of such Share and for all incidents otherwise.

Article 27: Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any Share, or, except only as is, by these presents, otherwise expressly provided, any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person, from time to time, registered as the holder thereof, but the Board shall be, at liberty, at their sole discretion, to register any Share in the joint names of any two or more persons or the survivor or survivors of them.

Article 28: Subject to the provisions of Sections 68 to 70 of the Act 2013 and the rules thereunder, 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.

Article 29: Subject to the provisions contained in sections 68 to 70 and all applicable provisions of the Act and subject to such approvals, permissions, consents and sanctions from the concerned authorities and departments, including the Securities and 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.

### **COMMISSION AND BROKERAGE**

Article 30: Subject to the provisions of Section 40 of the Act 2013 and the rules thereof, the Company may, at any time, pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any Shares in or Debentures of the Company or procuring or agreeing to procure the subscribers, whether absolutely or conditional, for any Shares in or Debentures of the Company, but so that the rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under subsection (6) of Section 40 of the Act, and such commission may be satisfied in any such manner, including the allotment of the fully or partly paid up Shares or Debentures, as the case may be, as the Board thinks fit and proper.

Article 31: Subject to the provisions of the Act, the Company may pay a reasonable sum for brokerage.

### **CALLS**

Article 32: The Board may, from time to time, subject to the terms on which any Shares may have been issued and subject to the conditions of allotment, by a resolution passed only at a duly constituted meeting of the Board, make such call, as it thinks fit, upon the members in respect of all moneys unpaid on the Shares held by them respectively and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by instalments.

Article 33: 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.

Article 34: At least fourteen days' notice, in writing, of any call, shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call be paid.

Article 35: A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board.

Article 36: The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members whom owing to their residence at a distance or other cause, the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension, save as a matter of grace and favour.

Article 37: A call may be revoked or postponed at the discretion of Board.

Article 38: All calls shall be made on a uniform basis on all shares falling under the same class.

Article 39: The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.

Article 40: If any members fails to pay any call due from him 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 such 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.

Article 41: Any sum, which, by the terms of issue of a Share, becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and, in the case of non-payment, 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.

Article 42: On the trial or hearing of any action or suit brought by the Company against any member or his representative for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the member, in respect of whose Shares the money is sought to be recovered, appears or is entered on the Register of Members as the holder, at or subsequent to the date at which the money is

sought to be recovered, is alleged to have become due on the Shares in respect of which money is sought to be recovered, and that the resolution making the call is duly recorded in the minute book, and that notice, of which call, was duly given to the member or his representatives and used in pursuance of these Articles, and it shall not be necessary to prove the appointment of the Directors who made such call, and not that a quorum of Directors was present at the meeting of the Board at which any call was made, and nor that the meeting, at which any call was made, has duly been convened or constituted nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive of the debt.

Article 43: Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the Company in respect of his Shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.

Article 44:

- (i) The Board may, if it thinks fit, agree to and receive from any member willing to advance the same all or any part of the amounts of his respective Shares beyond the sums actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and, at any time thereafter, as exceeds the amount of the calls then made upon and due in respect of the Shares on account of which such advances are made, the Board may pay or allow interest at such rate, as the member paying the sum in advance and the Board agrees upon, subject to the provisions of the Act. The Board may agree to repay, at any time, any amount so advanced or may, at any time, repay the same upon giving to the member 3 (Three) months' notice, in writing, provided that moneys paid, in advance of calls, on any Shares may carry interest but shall not confer a right to dividend or to participate in profits.
- (ii) No member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him, until the same would, but for such payment, become presently payable. The provisions of this Article shall *mutatis mutandis* apply to any calls on debentures of the Company.

## **LIEN**

Article 45:

- (i) The Company shall have a first and paramount lien upon all the Shares/Debentures (other than fully paid-up Shares/Debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/Debentures and no equitable interest in any Shares shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in all respect of such Shares/Debentures. Unless otherwise agreed, the registration of a transfer of Shares/Debentures shall operate as a waiver of the Company's lien, if any, on such Shares/Debentures. The Directors may at any time declare any Shares/Debentures wholly or in part to be exempt from the provisions of this clause.
- (ii) Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares

Article 46: For the purpose of enforcing such lien, the Board may sell the Shares, subject thereto, in such manner, as it shall think fit, and, for that purpose, may cause to be issued a duplicate certificate in respect of such Shares, and may authorise one of their members to execute a transfer thereof, on behalf of and in the name of such manner. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien, provided that no sale shall be made (a) unless a sum in respect of which the lien exists is presently payable; or (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

Article 47: The net proceeds of any such sale shall be received by the Company and applied in or towards 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 persons entitled to the Shares at the date of the sale.

Article 48: A member shall exercise any voting rights in respect of the shares in regard to which the Company has exercised the right of Lien.

## **FORFEITURE OF SHARES**

Article 49: If any member fails to pay any call or instalment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or instalment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

Article 50: The notice shall name a day, not being less than 14 (Fourteen) days from the date of the notice, and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state, that, in the event of the non-payment at or before the time and at the place appointed, the Shares, in respect of which the call was made or instalment is payable, will be liable to be forfeited.

Article 51: If the requirements of any such notice, as aforesaid, shall not be complied with, every or any Share, in respect of which such notice has been given, may, at any time thereafter, before payment of all calls or instalments, interest and expenses, as may be due in respect thereof, 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.

Article 52: When any Share shall have been so forfeited, notice of the forfeiture shall be given to the member, in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof, shall, forthwith, be made in the Register of Members. But no forfeiture shall be, in any manner, invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

Article 53: Any Share, so forfeited, shall be deemed to be the property of the Company, and may be sold, re-allotted or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit.

Article 54: Any member, whose Shares have been forfeited, shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand, all calls, instalments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereof, until payment, at such rate, as the Board may determine, and the Board may enforce the payment thereof, if it thinks fit.

Article 55: The forfeiture of a Share shall involve extinction, at the time of the forfeiture, of all interests in and all claims and demands against the Company, in respect of such Share and all other rights, incidental to the Share, except only such of those rights as by these presents are expressly saved.

Article 56: A declaration, in writing, that the declarant is a director or Secretary of the Company and that a Share in the Company has duly been forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Shares.

Article 57: Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold, and cause the purchaser's name to be entered in the Register, in respect of the Shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and, after his name has been entered in the Register, in respect of such Shares, the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and exclusively against the Company and no one else.

Article 58: Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued, in respect of the relative Shares, shall, unless the same shall, on demand by the Company, have been previously surrendered to it by the defaulting member, stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates, in respect of the said Shares, to the person or persons entitled thereto.

## **TRANSFER AND TRANSMISSION OF SHARES**

Article 59: The Company shall keep the "Register of Transfers" and therein shall fairly and distinctly enter particulars of every transfer or transmission of any Share.

Article 60: No transfer shall be registered unless a proper instrument of transfer has been delivered to the Company. A common form of transfer shall be used. Every instrument of transfer shall be in writing and all

provisions of the Act, the rules and applicable laws shall be duly complied with. The instrument shall also be duly stamped, under the relevant provisions of the Law, for the time being, in force, and shall be signed by or on behalf of the transferor and the transferee, and in the case of a Share held by two or more holders or to be transferred to the joint names of two or more transferees by all such joint holders or by all such joint transferees, as the case may be, and the transferor or the transferors, as the case may be, shall be deemed to remain the holder or holders of such Share, until the name or names of the transferee or the transferees, as the case may be, is or are entered in the Register of Members in respect thereof. Several executors or administrators of a deceased member, proposing to transfer the Share registered in the name of such deceased member, or the nominee or nominees earlier appointed by the said deceased holder of Shares, in pursuance of the Article 88, shall also sign the instrument of transfer in respect of the Share, as if they were the joint holders of the Share.

Article 61: Shares in the Company may be transferred by an instrument, in writing, in the form, as shall, from time to time, be approved by the Directors provided that, if so required by the provisions of the Act, such instrument of Transfer shall be in the form prescribed thereunder and shall be duly stamped and delivered to the Company within the prescribed period. All the provisions of Section 56 of the Act, 2013 shall be duly complied with in respect of all transfers of Shares and registration thereof.

Article 62: The Board shall have power, on giving 7 (Seven) days' previous notice, by advertisement in some newspaper circulating in the district in which the Registered Office of the Company is, for the time being, situated, to close the transfer books, the Register of Members of Register of Debenture holders, at such time or times and for such periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year, as it may seem expedient.

Article 63: Subject to the provisions of Section 58 and 59 of the Companies Act 2013, these Articles and any other applicable provisions of the Act or any other law for the time being in force, the Board may, refuse, whether in pursuance of any power of the Company under these Articles or otherwise, to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a member in, or Debentures of the Company. The Company shall within the time required under the law applicable at that time send to the transferee and transferor or to the person giving intimation of such transmission, as the case may be, notice of the refusal to register such transfer, giving reasons for such refusal provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the Shares.

Article 64: An application for the registration of a transfer of Shares in the Company may be made either by the transferor or the transferee. Where such application is made by a transferor and relates to partly paid Shares, the Company shall give notice of the application to the transferee. The transferee may, within two weeks from the date of the receipt of the notice and not later, object to the proposed transfer. The notice to the transferee shall be deemed to have been duly given, if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been delivered at the time when it would have been delivered in the ordinary course of post.

Article 65: In the case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him jointly with any other person.

Article 66: Subject to the provisions of Article 87 hereunder, the executors or administrators or holders of a such Succession Certificate or the legal representative of a deceased member, not being one of two or more joint holders, shall be the only persons recognised by the Company as having any title to the Shares registered in the name of such member, and the Company shall not be bound to recognise such executors or administrators or holders of a Succession Certificate or the legal representatives, unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted Court in the Union of India, provided that, in cases, the Board may dispense with production of probate or letters of Administration or Succession Certificate upon such terms as to indemnify or otherwise, as the Board, in its absolute discretion, may think necessary, in the circumstances thereof, and, in pursuance of the Article 61 herein under, register the name of any person, who claims to be absolutely entitled to the Shares standing in the name of a deceased member, as a member.

Article 67: No Share shall, in any circumstances, be transferred to any infant, insolvent or person of unsound mind, and that no Share, partly paid up, be issued, allotted or transferred to any minor, whether alone or along with other transferees or allottees, as the case may be.

Article 68: So long as the director having unlimited liability has not discharged all liabilities, whether present or future, in respect of the period for which he is and continues to be, so long, liable, he shall not be entitled to transfer the Shares held by him or cease to be a member of the Stock Exchange(s) to the end and intent that he shall continue to hold such minimum number of Shares as were held by him prior to his becoming a director with unlimited liability.

Article 69: Subject to the provisions of Articles 64, 65 and 87 hereof, any person becoming entitled to Shares in consequences of the death, lunacy, bankruptcy or insolvency or any member, or the marriage of any female member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Board, which it shall not be under any obligation to give, upon producing such evidence that he sustains the character in respect of which he proposes to act under the Article or of his title, as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person, nominated by him and approved by the Board, registered as such person, provided, nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein to in these Articles as "The Transmission Article".

Article 70: Subject to the provisions of the Act, a person entitled to a Share by transmission shall, subject to the right of the Directors to retain such dividend or money as hereinafter provided, be entitled to receive and may be given a discharge for, any dividends or other moneys payable in respect of the Share.

Article 71: No fees 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 document.

Article 72: 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 of Members, to the prejudice of persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting of such transfer, and may have entered such notice, referred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

## **DEMATERIALISATION OF SECURITIES**

Article 73: Notwithstanding anything contained in the Articles, the Company shall be entitled to dematerialise its shares, debentures and other securities and offer such shares, debentures and other securities in a dematerialised form pursuant to the Depositories Act.

Article 74: Notwithstanding anything contained in the Articles, and subject to the provisions of the law for the time being in force, the Company shall on a request made by a beneficial owner, re-materialise the shares, which are in dematerialised form.

Article 75: Every Person subscribing to the shares offered by the Company shall have the option to receive share certificates or to hold the shares with a Depository. Where Person opts to hold any share with the Depository, the Company shall intimate such Depository of details of allotment of the shares to enable the Depository to enter in its records the name of such Person as the beneficial owner of such shares. Such a Person who is the beneficial owner of the shares can at any time opt out of a Depository, if permitted by the law, in respect of any shares in the manner provided by the Depositories Act and the Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of shares. In the case of transfer of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act shall apply.

Article 76: If a Person opts to hold his shares with a Depository, the Company shall intimate such Depository the details of allotment of the shares, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the shares.

Article 77: All shares held by a Depository shall be dematerialised and shall be in a fungible form.

- (a) Notwithstanding anything to the contrary contained in the Act or the Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of shares on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the Depository as the registered owner of the shares shall not have any voting rights or any other rights in respect of shares held by it.

Article 78: Every person holding shares of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be the owner of such shares and shall also be deemed to be a shareholder of the Company. The beneficial owner of the shares shall be entitled to all the liabilities in respect of his shares which are held by a Depository. The Company shall be further entitled to maintain a register of members with the details of members holding shares both in material and dematerialised form in any medium as permitted by law including any form of electronic medium.

Article 79: Notwithstanding anything in the Act or the Articles to the contrary, where shares are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of disks, drives or any other mode as prescribed by law from time to time.

Article 80: Nothing contained in the Act or the Articles regarding the necessity to have distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

### **CONVERSION OF SHARES INTO STOCK AND RECONVERSION**

Article 81: The Company, by resolution in general meeting, may convert any paid-up Shares into stock, or may, at any time, reconvert any stock into paid up Shares of any denomination. When any Shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interests therein, or any part of such interest, in the same manner and, subject to the same regulations as to which Shares in the Company may be transferred or as near thereto as circumstances will admit. But the Directors may, from time to time, if they think fit, fix the minimum amount of stock transferable, and restrict or forbid the transfer of fractions of that minimum, but with full power nevertheless, at their discretion, to waive such rules in any particular case. The notice of such conversion of Shares into stock or reconversion of stock into Shares shall be filed with the Registrar of Companies as provided in the Act.

Article 82: The Stock shall confer on the holders thereof respectively the same privileges and advantages, as regards participation in profits and voting at meetings of the Company and, for other purposes, as would have been conferred by Shares of equal amount in the capital of the Company of the same class as the Shares from which such stock was converted but no such privilege or advantage, except the participation in profits of the Company, or in the assets of the Company on a winding up, shall be conferred by any such aliquot part or, consolidated stock as would not, if existing in Shares, have conferred such privileges or advantages. No such conversion shall affect or prejudice any preference or other special privilege attached to the Shares so converted. Save as aforesaid, all the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to Shares and the words "Share" and "Shareholder" in these presents shall include "stock" and "stockholder".

Article 83: The Company may issue Share warrants in the manner provided by the said Act and accordingly the Directors may, in their discretion, with respect to any fully paid up Share or stock, on application, in writing, signed by the person or all persons registered as holder or holders of the Share or stock, and authenticated by such evidence, if any, as the Directors may, from time to time, require as to the identity of the person or persons signing the application, and on receiving the certificate, if any, of the Share or stock and the amount of the stamp duty on the warrant and such fee as the Directors may, from time to time, prescribe, issue, under the Seal of the Company, a warrant, duly stamped, stating that the bearer of the warrant is entitled to the Shares or stock therein specified, and may provide by coupons or otherwise for the payment of future dividends, or other moneys, on the Shares or stock included in the warrant. On the issue of a Share warrant the names of the persons then entered in the Register of Members as the holder of the Shares or stock specified in the warrant shall be struck off the Register of Members and the following particulars shall be entered therein.

- (i) fact of the issue of the warrant.
- (ii) a statement of the Shares or stock included in the warrant distinguishing each Share by its number, and
- (iii) the date of the issue of the warrant.

Article 84: A Share warrant shall entitle the bearer to the Shares or stock included in it, and, notwithstanding anything contained in these articles, the Shares or stock shall be transferred by the delivery of the Share-warrant, and the provisions of the regulations of the Company with respect to transfer and transmission of Shares shall not apply thereto.

Article 85: The bearer of a Share-warrant shall, on surrender of the warrant to the Company for cancellation, and on payment of such fees, as the Directors may, from time to time, prescribe, be entitled, subject to the discretion of the Directors, to have his name entered as a member in the Register of Members in respect of the Shares or stock included in the warrant.

Article 86: The bearer of a Share-warrant shall not be considered to be a member of the Company and accordingly save as herein otherwise expressly provided, no person shall, as the bearer of Share-warrant, sign a requisition for calling a meeting of the Company, or attend or vote or exercise any other privileges of a member at a meeting of the Company, or be entitled to receive any notice from the Company of meetings or otherwise, or qualified in respect of the Shares or stock specified in the warrant for being a director of the Company, or have or exercise any other rights of a member of the Company.

Article 87: The Directors may, from time to time, make rules as to the terms on which, if they shall think fit, a new Share warrant or coupon may be issued by way of renewal in case of defacement, loss, or destruction.

#### **NOMINATION BY SECURITY HOLDER**

Article 88:

- (i) Every holder of Securities in the Company may, at any time, nominate, in the prescribed manner, a person to whom his Securities in the Company, shall vest in the event of his death.
- (ii) Where the Securities in the Company are held by more than one person jointly, the joint-holders may together nominate, in the prescribed manner, a person to whom all the rights in the Securities in the Company shall vest in the event of death of all joint holders.
- (iii) Notwithstanding anything contained in these Articles or any other law, for the time being, in force, or in any disposition, whether testamentary or otherwise, in respect of such Securities in the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the Securities in the Company, the nominee shall, on the death of the Shareholders of the Company or, as the case may be, on the death of the joint holders, become entitled to all the rights in the Securities of the Company or, as the case may be, all the joint holders, in relation to such securities in the Company, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.
- (iv) In the case of fully paid up Securities in the Company, where the nominee is a minor, it shall be lawful for the holder of the Securities, to make the nomination to appoint in the prescribed manner any person, being a guardian, to become entitled to Securities in the Company, in the event of his death, during the minority.

Article 89:

- (i) Any person who becomes a nominee by virtue of the provisions of the preceding Article, upon the production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either –
  - (a) to be registered himself as holder of the Share(s); or
  - (b) to make such transfer of the Share(s) as the deceased Shareholder could have made.
- (ii) If the person being a nominee, so becoming entitled, elects to be registered as holder of the Share(s), himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects, and such notice shall be accompanied with the death certificate of the deceased shareholder.
- (iii) All the limitations, restrictions and provisions of the Act relating to the right to transfer and the registration of transfers of Securities shall be applicable to any such notice or transfer as aforesaid as if the death of the member had not occurred and the notice or transfer has been signed by that Shareholder.



- (iv) A person, being a nominee, becoming entitled to a Share by reason of the death of the holder, shall be entitled to the same dividends and other advantages which he would be entitled if he were the registered holder of the Share except that he shall not, before being registered a member in respect of his Share be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Share(s) and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Share(s) or until the requirements of the notice have been complied with.

## **MEETING OF MEMBERS**

Article 90:

- (i) The Company shall, in each year, hold a general meeting as its Annual General Meeting. Any meeting, other than Annual General Meeting, shall be called Extra-ordinary General Meeting.
- (ii) Not more than 15 (Fifteen) months or such other period, as may be prescribed, from time to time, under the Act, shall lapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of the Act to extend time within which any Annual General Meeting may be held.
- (iii) Every Annual General Meeting shall be called for a time during business hours i.e., between 9 a.m. and 6 p.m., on a day that is not a National Holiday, and shall be held at the Office of the Company or at some other place within the city, in which the Office of the Company is situated, as the Board may think fit and determine and the notices calling the Meeting shall specify it as the Annual General Meeting.
- (iv) Every member of the Company shall be entitled to attend, either in person or by proxy, and by way of a postal ballot whenever and in the manner as may permitted or prescribed under the provisions of the Act, and the Auditors to the Company, who shall have a right to attend and to be heard, at any general meeting which he attends, on any part of the business, which concerns him as the Auditors to the Company, further, the Directors, for the time being, of the Company shall have a right to attend and to be heard, at any general meeting, on any part of the business, which concerns them as the Directors of the Company or generally the management of the Company.
- (v) At every Annual General Meeting of the Company, there shall be laid, on the table, the Directors' Report and Audited Statements of Account, Auditors' Report, the proxy Register with forms of proxies, as received by the Company, and the Register of Directors' Share holdings, which Register shall remain open and accessible during the continuance of the meeting, and therefore in terms of the provisions of Section 96 of the Act, the Annual General Meeting shall be held within six months after the expiry of such financial year. The Board of Directors shall prepare the Annual List of Members, Summary of the Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with the applicable provisions of the Act.

Article 91: The Board may, whenever it thinks fit, call an Extra-ordinary General Meeting and it shall do so upon a requisition, in writing, by any member or members holding, in aggregate not less than one-tenth or such other proportion or value, as may be prescribed, from time to time, under the Act, of such of the paid-up capital as at that date carries the right of voting in regard to the matter, in respect of which the requisition has been made.

Article 92: Any valid requisition so made by the members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the office, provided that such requisition may consist of several documents, in like form, each of which has been signed by one or more requisitionists.

Article 93: Upon receipt of any such requisition, the Board shall forthwith call an Extra-ordinary General Meeting and if they do not proceed within 21 (Twenty-one) days or such other lessor period, as may be prescribed, from time to time, under the Act, from the date of the requisition, being deposited at the office, to cause a meeting to be called on a day not later than 45 (Forty-five) days or such other lessor period, as may be prescribed, from time to time, under the Act, from the date of deposit of the requisition, the requisitionists, or such of their number as represent either a majority in value of the paid up Share capital held by all of them or not less than one-tenth of such of the paid up Share Capital of the Company as is referred to in Section 100(4) of the Act, whichever is less, may themselves call the meeting, but, in either case, any meeting so called shall be held within 3 (Three) months

or such other period, as may be prescribed, from time to time, under the Act, from the date of the delivery of the requisition as aforesaid.

Article 94: Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible as that in which such meetings are to be called by the Board.

Article 95: At least 21 (Twenty-one) days' notice, of every general meeting, Annual or Extra-ordinary, and by whomsoever called, specifying the day, date, place and hour of meeting, and the general nature of the business to be transacted there at, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company, provided that in the case of an General Meeting, with the consent of members holding not less than 95 per cent of such part of the paid up Share Capital of the Company as gives a right to vote at the meeting, a meeting may be convened by a shorter notice. In the case of an Annual General Meeting of the Shareholders of the Company, if any business other than

- (i) the consideration of the Accounts, Balance Sheet and Reports of the Board and the Auditors thereon
- (ii) the declaration of dividend,
- (iii) appointment of directors in place of those retiring,
- (iv) the appointment of, and fixing the remuneration of, the Auditors,

is to be transacted, and in the case of any other meeting, in respect of any item of business, a statement setting out all material facts concerning each such item of business, including, in particular, the nature and extent of the interest, if any, therein of every director and manager, if any, where any such item of special business relates to, or affects any other company, the extent of shareholding interest in that other company or every director and manager, if any, of the Company shall also be set out in the statement if the extent of such Share-holding interest is not less than such percent, as may be prescribed, from time to time, under the Act, of the paid-up Share Capital of that other Company.

Where any item of business consists of the according of approval of the members to any document at the meeting, the time and place, where such document can be inspected, shall be specified in the statement aforesaid.

Article 96: The accidental omission to give any such notice as aforesaid to any of the members, or the non-receipt thereof shall not invalidate any resolution passed at any such meeting.

Article 97: No general meeting, whether Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.

Article 98: Subject to the provisions of the Act and these Articles, five(5) shareholders shall constitute quorum in Shareholders' Meetings of the Company if number of shareholders as on date of meeting is not more than One Thousand; Fifteen (15) shareholders shall constitute quorum in Shareholders' Meetings of the Company if number of shareholders as on date of meeting is more than One Thousand but not more than Five Thousand; Thirty (30) shareholders shall constitute quorum in Shareholders' Meetings of the Company if number of shareholders as on date of meeting exceeds five thousand.

Article 99: A body corporate, being a member, shall be deemed to be personally present, if it is represented in accordance with and in the manner as may be prescribed by, the applicable provisions of the Act.

Article 100: If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, then the meeting, if convened by or upon the requisition of members, shall stand dissolved, but in any other case, it shall stand adjourned to such time on the following day or such other day and to such place, as the Board may determine, and, if no such time and place be determined, to the same day in the next week, at the same time and place in the city or town in which the office of the Company is, for the time being, situate, as the Board may determine, and, if at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.

Article 101: The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting, whether Annual or Extra-ordinary. If there be no such Chairman, or, if, at any meeting, he shall not be present within 15 (Fifteen) minutes of the time appointed for holding such meeting, then the members present shall elect

another director as the Chairman of that meeting, and, if no director be present, or if all the Directors present decline to take the Chair, then the members present shall elect one among them to be the Chairman.

Article 102: No business shall be discussed at any general meeting, except the election of a Chairman, whilst the Chair is vacant.

Article 103: The Chairman, with the consent of the meeting, may adjourn any meeting, from time to time, and from place to place, in the city or town, in which the office of the Company is, for the time being, situate, but no business shall be transacted at any adjourned meeting, other than the business left unfinished, at the meeting, from which the adjournment took place.

Article 104: At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is demanded, before or on the declaration of the result of the show of hands, by any member or members present in person or by proxy and holding Shares in the Company, which confer a power to vote on the resolution not being less than one-tenth or such other proportion as may statutorily be prescribed, from time to time, under the Act, of the total voting power, in respect of the resolution or on which an aggregate sum of not less than Rs. 500,000/- or such other sum as may statutorily be prescribed, from time to time, under the Act, has been paid up, and unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried unanimously or by a particular majority, or has been lost and an entry to that effect in the minutes book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution.

Article 105: In the case of an equality of votes, the Chairman shall, both on a show of hands and at a poll, if any, have a casting vote in addition to the vote of votes, if any, to which he may be entitled as a member if he is.

Article 106: If a poll is demanded as aforesaid, the same shall, subject to Article 108 hereunder, be taken at Mumbai or, if not desired, then at such other place as may be decided by the Board, at such time not later than 48 (Forty-eight) hours from the time when the demand was made and place in the city or town in which the office of the Company is, for the time being, situate, and, either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment, or otherwise, and the result of the poll shall be deemed to be resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the persons, who made the demand.

Article 107: Where a poll is to be taken, the Chairman of the meeting shall appoint one or, at his discretion, two scrutiners, who may or may not be members of the Company to scrutinise the votes given on the poll and to report thereon to him, subject to that one of the scrutiners so appointed shall always be a member, not being an officer or employee of the Company, present at the meeting, provided that such a member is available and willing to be appointed. The Chairman shall have power, at any time, before the result of the poll is declared, to remove a scrutiner from office and fill the vacancy so caused in the office of a scrutiner arising from such removal or from any other cause.

Article 108: Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment of the meeting shall be taken forthwith at the same meeting.

Article 109: The demand for a poll, except on questions of the election of the Chairman and of an adjournment thereof, shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

## **VOTES OF MEMBERS**

Article 110: No member shall be entitled to vote either personally or by proxy at any general meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, or has exercised, any right of lien.

Article 111: Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions so to voting, for the time being, attached to any class of Shares, for the time being, forming part of the capital of the Company, every member, not disqualified by the last preceding Article shall be entitled to be present, speak and vote at such meeting, and, on a show of hands, every member, present in person, shall have one vote and, upon a poll, the voting right of every member present in person or by proxy shall be in proportion to his Share of the paid-up Equity Share Capital of the Company. Provided, however, if any preference Shareholder be present

at any meeting of the Company, subject to the provision of section 47, he shall have a right to vote only on resolutions, placed before the meeting, which directly affect the rights attached to his Preference Shares.

Article 112: On a poll taken at a meeting of the Company, a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes, he uses.

Article 113: A member of unsound mind or in respect of whom an order has been made by a court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian; and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote, in respect of his Share or Shares, be used by his guardian, or any one of his guardians, if more than one, to be selected, in the case of dispute, by the Chairman of the meeting.

Article 114: If there be joint registered holders of any Shares, any one of such persons may vote at any meeting or may appoint another person, whether a member or not, as his proxy, in respect of such Shares, as if he were solely entitled thereto, but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting, then one of the said persons so present, whose name stands higher on the Register, shall alone be entitled to speak and to vote in respect of such Shares, but the other of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased member in whose name Shares stand shall, for the purpose of these Articles, be deemed joint holders thereof.

Article 115: Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate, being a member, may vote either by a proxy or by a representative, duly authorised, in accordance with the applicable provisions, if any, of the Act, and such representative shall be entitled to exercise the same rights and powers, including the right to vote by proxy, on behalf of the body corporate, which he represents, as that body corporate could exercise, if it were an individual member.

Article 116: Any person entitled, under the Article 61 hereinabove, to transfer any Share, may vote, at any general meeting, in respect thereof, in the same manner, as if he were the registered holder of such Shares provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of his right to transfer such Shares and give such indemnity, if any, as the Directors may require or the Directors shall have provisionally admitted his right to vote at such meeting in respect thereof.

Article 117: Every proxy, whether a member or not, shall be appointed, in writing, under the hand of the appointer or his attorney, or if such appointer is a body corporate under the common seal of such corporate, or be signed by an officer or officers or any attorney duly authorised by it or them, and, for a member of unsound mind or in respect of whom an order has been made by a court having jurisdiction in lunacy, any committee or guardian may appoint such proxy. The proxy so appointed shall not have a right to speak on any matter at the meeting.

Article 118: An instrument of Proxy may state the appointment of a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.

Article 119: A member, present by proxy, shall be entitled to vote only on a poll.

Article 120: The instrument appointing a proxy and a Power of Attorney or other authority, if any, under which it is signed or a notarised certified copy of that power of authority, shall be deposited at the Office not later than 48 (Forty-eight) hours before the time for holding the meeting at which the person named in the Instrument proposes to vote, and, in default, the Instrument of Proxy shall not be treated as valid. No instrument appointing a proxy shall be a valid after the expiration of 12 (Twelve) months or such other period as may be prescribed under the Laws, for the time being, in force, or if there shall be no law, then as may be decided by the Directors, from the date of its execution.

Article 121: Every Instrument of proxy, whether for a specified meeting or otherwise, shall, as nearly as circumstances thereto will admit, be in any of the forms as may be prescribed from time to time.

Article 122: A vote, given in accordance with the terms of an Instrument of Proxy, shall be valid notwithstanding the previous death of insanity of the principal, or revocation of the proxy or of any power of Attorney under which such proxy was signed or the transfer of the Share in respect of which the vote is given, provided that no intimation, in writing, of the death or insanity, revocation or transfer shall have been received at the Office before the meeting.

Article 123: No objections shall be made to the validity of any vote, except at any meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, or not disallowed at such meeting or on a poll, shall be deemed as valid for all purposes of such meeting or a poll whatsoever.

Article 124: The Chairman, present at the time of taking of a poll, shall be the sole judge of the validity of every vote tendered at such poll.

Article 125:

- (i) The Company shall cause minutes of all proceeding of every general meeting to be kept by making, within 30 (Thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept, whether manually in the registers or by way of loose leaves bound together, as may be decided by the Board of Directors, for that purpose with their pages consecutively numbered.
- (ii) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a director duly authorised by the Board for that purpose.
- (iii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (iv) The minutes of each meeting shall contain a fair and correct summary of the proceedings there at.
- (v) All appointments made at any meeting aforesaid shall be included in the minutes of the meeting.
- (vi) Nothing herein contained shall require or to be deemed to require the inclusion, in any such minutes, of any matter, which, in the opinion of the Chairman of the meeting, (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.
- (vii) Any such minutes shall be conclusive evidence of the proceedings recorded therein.
- (viii) The book containing the minutes of proceedings of general meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than 2 (Two) hours, in each day, as the Directors determine, to the inspection of any member without charge.

## DIRECTORS

Article 126: Until otherwise determined by a general meeting of the Company and, subject to the applicable provisions of the Act, the number of Directors) shall not be less than three nor more than fifteen, provided that the Company may appoint more than fifteen directors after passing a special resolution. The Company shall have at the minimum such number of independent Directors on the Board of the Company, as may be required in terms of the provisions of applicable law. In addition, not less than two-thirds of the total number of Directors shall be persons whose period of office is liable to determination by retirement of Directors by rotation.

The First directors of the Company are:

1. Mr. Ravindra Puranik
2. Mr. Gopal Puranik

Article 127:

- (i) Whenever, Directors enter into a contract with any Government, whether central, state or local, bank or financial institution or any person or persons (hereinafter referred to as “**the appointer**”) for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever or in case of Promoters of the Company (hereinafter referred as “**Promoters**”), the Directors shall have, subject to the provisions of Section 152 and other applicable provisions, if any, of the Act, the power to agree that such appointer or Promoters

shall have the right to appoint or nominate by a notice, in writing, addressed to the Company, one or more Directors on the Board (hereinafter referred to as “**Special Director**”) for such period and upon such terms and conditions, as may be mentioned in the agreement if any, and that such Director or Directors may or may not be liable to retire by rotation, nor be required to hold any qualification Shares. The Directors may also agree that any such Director or Directors may be removed, from time to time, by the appointer or Promoter, entitled to appoint or nominate them and the appointer or Promoter may appoint another or others in his or their place and also fill in vacancy, which may occur as a result of any such director or directors ceasing to hold that office for any reasons whatsoever. The Directors, appointed or nominated under this Article, shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the directors of the Company including payment of remuneration, sitting fees and travelling expenses to such director or directors, as may be agreed by the Company with the appointer.

- (ii) The Special Directors, appointed under the preceding Article, shall be entitled to hold Office until required by the Government, person, firm, body corporate promoters or financial institution/s who may have appointed them. A Special Director shall not be required to hold any qualification Share(s) in the Company. As and when a Special Director vacates Office, whether upon request as aforesaid or by death, resignation or otherwise, the Government, person, firm or body corporate promoters or financial institution, who appointed such Special Director, may appoint another director in his place. Every nomination, appointment or removal of a Special Director or other notification, under this Article, shall be in writing and shall, in the case of the Government, be under the hand of a Secretary or some other responsible and authorised official to such Government, and in the case of a company or financial institution, under the hand of director of such company or institution duly authorised in that behalf by a resolution of the Board of Directors. Subject as aforesaid, a Special Director shall be entitled to the same rights and privileges and be subject to the same of obligations as any other director of the Company.

Article 128: If it is provided by the Trust Deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any person or persons shall have power to nominate a director of the Company, then in the case of any and every such issue of Debentures, the person or persons having such power may exercise such power, from time to time, and appoint a director accordingly. Any director so appointed is hereinafter referred to as “the Debenture Director”. A Debenture Director may be removed from Office, at any time, by the person or persons in whom, for the time being, is vested the power, under which he was appointed, and another director may be appointed in his place. A Debenture Director shall not be required to hold any qualification Share(s) in the Company.

Article 129: Subject to the provisions of section 161(2) of the Act, 2013, The Board may appoint an alternate director to act for a director (hereinafter called “the Original Director”) during his absence for a period of not less than 3 (Three) months or such other period as may be, from time to time, prescribed under the Act, from India, in which the meetings of Board are ordinarily held. An alternate director appointed, under this Article, shall not hold Office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate Office, if and when the Original Director returns to that State. If the term of Office of the Original Director is determined before he so returns to that State, any provisions in the Act or in these Articles for the automatic re-appointment of a retiring director, in default of another appointment, shall apply to the original director and not to the alternate director.

Article 130: Subject to the provisions of section 161(1) of the Act, 2013, the Board shall have power, at any time and from time to time, to appoint any other qualified person to be an Additional Director, but so that the total number of Directors shall not, at any time, exceed the maximum fixed under these Articles. Any such Additional Director shall hold Office only upto the date of the next Annual General Meeting.

Article 131: Subject to the provisions of section 152 and 162 of the Act, 2013, the Board shall have power, at any time and from time to time, to appoint any other qualified person to be a director to fill a casual vacancy. Any person so appointed shall hold Office only upto the date, upto which the director in whose place he is appointed would have held Office if it had not been vacated by him.

Article 132: A director shall not be required to hold any qualification Share(s) in the Company.

Article 133:

- (i) Subject to the provisions of section 196, 197 and read with schedule V of the Companies Act, 2013, a Managing Director or Director who is in the Whole-time employment of the Company may be paid

remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, or in any other manner, as may be, from time to time, permitted under the Act or as may be thought fit and proper by the Board or, if prescribed under the Act, by the Company in general meeting.

- (ii) Subject generally to the provisions of the Act, and, in the case of the Managing Director, subject to the provisions of the Articles herein below, as may be applicable, the Board shall have power to pay such remuneration to a director for his services, Whole-time or otherwise, rendered to the Company or for services of professional or other nature rendered by him, as may be determined by the Board. If any director, being willing, shall be called upon to perform extra services or make any special exception in going to or residing at a place other than the place where the director usually resides, or otherwise in or for the Company's business or for any of the purpose of the Company, then, subject to the provisions of the Act, the Board shall have power to pay to such director such remuneration, as may be determined by the Board.
- (iii) Subject to the provisions of the Act, a director, who is neither in the Whole-time employment nor a Managing Director, may be paid remuneration either;
  - (a) by way of monthly, quarterly or annual payment with the approval of the Central Government; or
  - (b) by way of commission, if the Company, by a special resolution, authorises such payment.
- (iv) The fee payable to a director, excluding a Managing or Whole time Director, if any, for attending a meeting of the Board or Committee thereof shall be such sum, as the Board may, from time to time, determine, but within and subject to the limit prescribed by the Central Government pursuant to the provisions, for the time being, under the Act.

Article 134: The Board may allow and pay to any director such sum, as the Board may consider fair compensation, for travelling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified and if any director be called upon to go or reside out of the ordinary place of his residence for the Company's business, he shall be entitled to be repaid and reimbursed of any travelling or other expenses incurred in connection with business of the Company. The Board may also permit the use of the Company's car or other vehicle, telephone(s) or any such other facility, by the director, only for the business of the Company.

Article 135: The continuing Directors may act, notwithstanding, any vacancy in their body but if, and so long as their number is not reduced below the minimum number fixed by Article 111 hereof. the continuing Directors, not being less than two, may only act, for the purpose of increasing the number of Directors to that prescribed minimum number or of summoning a general meeting but for no other purpose.

Article 136: The office of director shall be vacated, pursuant to the provisions of section 164 and section 167 of the Companies Act, 2013. Further, the Director may resign his office by giving notice to the Company pursuant to section 168 of the Companies Act, 2013

Article 137: The Company shall keep a Register, in accordance with Section 189(1) of the Act, and within the time as may be prescribed, enter therein such of the particulars, as may be relevant having regard to the application thereto of Section 184 or Section 188 of the Act, as the case may be. The Register aforesaid shall also specify, in relation to each director of the Company, names of the bodies corporate and firms of which notice has been given by him, under the preceding two Articles. The Register shall be kept at the Office of the Company and shall be open to inspection at such Office, and the extracts may be taken there from and copies thereof may be required by any member of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 189(3) of the Act shall apply accordingly.

Article 138: A director may be or become a director of any other Company promoted by the Company or in which it may be interested as a vendor, Shareholder or otherwise, and no such director shall be accountable for any benefits received as director or Shareholder of such Company except in so far as the provisions of the Act may be applicable.

Article 139:

- (i) At every Annual General Meeting of the Company, one-third of such of the Directors, for the time being, as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-

third shall retire from Office. The Independent, Nominee, Special and Debenture Directors, if any, shall not be subject to retirement under this clause and shall not be taken into account in determining the rotation of retirement or the number of directors to retire, subject to Section 152 and other applicable provisions, if any, of the Act.

- (ii) Subject to Section 152 of the Act, the directors, liable to retire by rotation, at every annual general meeting, shall be those, who have been longest in Office since their last appointment, but as between the persons, who became Directors on the same day, and those who are liable to retire by rotation, shall, in default of and subject to any agreement among themselves, be determined by lot.

Article 140: A retiring director shall be eligible for re-election and shall act as a director throughout the meeting at which he retires.

Article 141: Subject to Section 152 of the Act, the Company, at the general meeting at which a director retires in manner aforesaid, may fill up the vacated Office by electing a person thereto.

Article 142:

- (i) If the place of retiring director is not so filled up and further the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a public holiday, till the next succeeding day, which is not a public holiday, at the same time and place.
- (ii) If at the adjourned meeting also, the place of the retiring director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been re-appointed at the adjourned meetings, unless:-
  - (a) at that meeting or at the previous meeting, resolution for the re-appointment of such director has been put to the meeting and lost;
  - (b) the retiring director has, by a notice, in writing, addressed to the Company or its Board, expressed his unwillingness to be so re-appointed;
  - (c) he is not qualified, or is disqualified, for appointment.
  - (d) a resolution, whether special or ordinary, is required for the appointment or reappointment by virtue of any provisions of the Act; or
  - (e) Section 162 of the Act is applicable to the case.

Article 143: Subject to the provisions of Section 149 of the Act, the Company may, by special resolution, from time to time, increase or reduce the number of directors, and may alter their qualifications and the Company may, subject to the provisions of Section 169 of the Act, remove any director before the expiration of his period of Office and appoint another qualified person in his stead. The person so appointed shall hold Office during such time as the director, in whose place he is appointed, would have held, had he not been removed.

Article 144:

- (i) No person, not being a retiring director, shall be eligible for appointment to the office of director at any general meeting unless he or some member, intending to propose him, has, not less than 14 (Fourteen) days or such other period, as may be prescribed, from time to time, under the Act, before the meeting, left at the Office of the Company, a notice, in writing, under his hand, signifying his candidature for the Office of director or an intention of such member to propose him as a candidate for that office, along with a deposit of Rupees One lakh or such other amount as may be prescribed, from time to time, under the Act, which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a director or gets more than twenty-five per cent of total valid votes cast either on show of hands or on poll on such resolution.
- (ii) Every person, other than a director retiring by rotation or otherwise or a person who has left at the Office of the Company a notice under Section 160 of the Act signifying his candidature for the Office of a director,



proposed as a candidate for the Office of a director shall sign and file with the Company, the consent, in writing, to act as a director, if appointed.

- (iii) A person, other than a director re-appointed after retirement by rotation immediately on the expiry of his term of Office, or an Additional or Alternate Director, or a person filling a casual vacancy in the Office of a director under Section 161 of the Act, appointed as a director or reappointed as a director immediately on the expiry of his term of Office, shall not act as a director of the Company, unless he has, within thirty days of his appointment, signed and filed with the Registrar his consent, in writing, to act as such director.

Article 145: The Company shall keep at its Office a Register containing the particulars of its directors and key managerial personnel and their shareholding as mentioned in Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.

Article 146: Every director and Key Managerial Personnel within a period of thirty days of his appointment, or relinquishment of his office, as the case may be, disclose to the company the particulars specified in sub-section (1) of section 184 relating to his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association which are required to be included in the register under that section 189 of the Companies Act, 2013.

## **MANAGING DIRECTOR**

Article 147:

- (i) Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint, from time to time, any of its member as a Managing Director or Managing Directors of the Company for a fixed term, not exceeding 5 (Five) years at a time, and upon such remuneration and terms and conditions as the Board thinks fit, and subject to the provisions of any contract between him and the Company, remove or dismiss him from office and appoint another in his place and subject to the provisions of the succeeding Article hereof, the Board may, by resolution, vest in such Managing Director or Managing Directors such of the powers hereby vested in the Board generally, as it thinks fit, and such powers may be made exercisable for such period or periods; and upon such conditions and subject to such restrictions, as it may determine. The remuneration of a Managing Director may be by way of salary and/or allowances, commission or participation in profits or perquisites of any kind, nature or description, or by any or all of these modes, or by any other mode(s) not expressly prohibited by the Act or the Rules made thereunder, or any notification or circular issued under the Act.

Article 148: Subject to the superintendence, directions and control of the Board, the Managing Director or Managing Directors shall exercise the powers, except to the extent mentioned in the matters, in respect of which resolutions are required to be passed only at the meeting of the Board, under Section 179 of the Act and the rules made thereunder

## **PROCEEDINGS OF THE BOARD OF DIRECTORS**

Article 149: Unless decided by the Board to the contrary, depending upon the circumstances of the case, a Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation, in accordance with the Article 124 hereof. If he ceases to hold the office of director, he shall ipso-facto and forthwith ceases to hold the office of Managing Director.

Article 150: The Directors may meet together as a Board for the despatch of business, from time to time, and shall so meet at least once in every 3 (Three) months and at least 4 (Four) such meetings shall be held in every year in such a manner that not more than one hundred and twenty days (120) days shall intervene between two consecutive meetings of the Board. The Directors may adjourn and otherwise regulate their meetings as they think fit, subject to the provisions of the Act. The Board of directors may participate in a meeting of the Board either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognising the participation of the directors and of recording and storing the proceedings of such meetings along with date and time subject to the rules as may be prescribed.

Article 151: Not less than seven (7) days' Notice of every meeting of the Board may be given, in writing, in writing to every director at his address registered with the company and such notice shall be sent by hand delivery or by post or by electronic means. Subject to the provisions of section 173(3) meeting may be called at shorter notice.

Article 152: Subject to Section 174 of the Act, the quorum for a meeting of the Board shall be one-third of its total strength, excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one, or two directors, whichever is higher, provided that where, at any time, the number of interested directors exceeds or is equal to two-thirds of the total strength the number of the remaining directors, that is to say, the number of directors who are not interested, present at the meeting, being not less than two, shall be the quorum, during such time.

Article 153: If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned for 30 minutes in the same day and at same place.

Article 154: A director may, at any time, or Secretary shall, as and when directed by the any of the Directors to do so, convene a meeting of the Board, by giving a notice, in writing, to every other director.

Article 155: The Board may, from time to time, elect one of their member to be the Chairman of the Board and determine the period for which he is to hold the office. If at any meeting of the Board, the Chairman is not present at a time appointed for holding the same, the directors present shall choose one of them, being present, to be the Chairman of such meeting.

Article 156: Subject to the restrictive provisions of any agreement or understanding as entered into by the Company with any other person(s) such as the collaborators, financial institutions, etc., the questions arising at any meeting of the Board shall be decided by a majority of the votes of the directors present there at and, also subject to the foregoing, in the case of an equality of votes, the Chairman shall have a second or casting vote.

Article 157: A meeting of the Board, at which a quorum is present, shall be competent to exercise all or any of the authorities, powers and discretions, which, by or under the Act or the Articles of the Company, are, for the time being, vested in or exercisable by the Board generally.

Article 158: Subject to the restrictions contained in Section 179 of the Act 2013 and the rules made thereunder, the Board may delegate any of their powers to the committee of the Board, consisting of such number of its body, as it thinks fit, and it may, from time to time, revoke and discharge any such committee of the Board, either wholly or in part and either as to persons or purposes, but every committee of the Board, so formed, shall, in the exercise of the powers so delegated, conform to any regulations that may, from time to time, be imposed on it by the Board. All acts done by any such committee of the Board, in conformity with such regulations, and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if were done by the Board.

Article 159: The meetings and proceedings of any meeting of such Committee of the Board, consisting of two or more members, shall be governed by the provisions contained herein for regulating the meetings and proceedings of the meetings of the directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

Article 160: No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft, 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 for a meeting of the Board or Committee, as the case may be, and to all the directors or to all the members of the Committee, at their usual addresses in India and has been approved, in writing, by such of the directors or members of the Committee as are then in India, or by a majority of such of them, as are entitled to vote on the resolution.

Article 161: All acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a director shall notwithstanding that it shall, afterwards, be discovered that there was some defect in the appointment of such director or persons acting as aforesaid or that they or any of them were or was, as the case may be, disqualified or had vacated office or that the appointment of any of them was disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had duly been appointed and was qualified to be a director and had not vacated his office or his appointed had not been terminated, provided that nothing in this Article shall be deemed to give validity to any act or acts done by a director or directors after his or their appointment(s) has or have been shown to the Company to be invalid or to have terminated.

Article 162:

- (i) The Company shall cause minutes of all proceedings of every meeting of the Board and the Committee thereof to be kept by making, within 30 (Thirty) days of the conclusion of each such meeting, entries thereof

in books kept, whether manually in the registers or by way of loose leaves bound together, as may be decided by the Board of Directors, for that purpose with their pages consecutively numbered.

- (ii) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
- (iii) In no case, the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (iv) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (v) All appointment made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- (vi) The minutes shall also contain :-
  - (a) the names of the Directors present at the meeting; and
  - (b) in the case of each resolution passed at the meeting, the names of the directors, if any dissenting from or not concurring in the resolution.
- (vii) Nothing contained in sub-clauses (i) to (vii) shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting –
  - (a) is, or could reasonably be regarded as, defamatory of any person;
  - (b) is irrelevant or immaterial to the proceedings; or
  - (c) is detrimental to the interests of the Company;.

and that the Chairman shall exercise an absolute discretion with regard to the inclusion or non-inclusion of any matter in the minutes on the ground specified in this sub-clause.

- (viii) Minutes of the meetings kept in accordance with the aforesaid provisions shall be an evidence of the proceedings recorded therein.

Article 163: Without prejudice to the general powers as well as those under the Act, and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles or otherwise, it is hereby declared that the Directors shall have, inter alia, the following powers, that is to say, power -

- (i) to pay the costs, charges and expenses, preliminary and incidental to the promotion, formation, establishment and registration of the Company;
- (ii) to pay and charge, to the account of the Company, any commission or interest lawfully payable thereon under the provision of the Act;
- (iii) subject to the provisions of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges, which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and being in the interests of the Company, and in any such purchase or other acquisition to accept such title or to obtain such right as the directors may believe or may be advised to be reasonably satisfactory;
- (iv) at their discretion and subject to the provisions of the Act, to pay for any property, right or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in Shares, Bonds, Debentures, mortgages, or other securities of the Company, and any such Shares may be issued either as fully paid up, with such amount credited as paid up thereon, as may be agreed upon, and any such bonds, Debentures, mortgages or other securities may either be specifically charged upon all or any part of the properties of the Company and its uncalled capital or not so charged;

- (v) to secure the fulfilment of any contracts or engagement entered into by the Company or, in the interests or for the purposes of this Company, by, with or against any other Company, firm or person, by mortgage or charge of all or any of the properties of the Company and its uncalled capital, for the time being, or in such manner and to such extent as they may think fit;
- (vi) to accept from any member, as far as may be permissible by law, a surrender of his Shares or any part thereof, whether under buy-back or otherwise, on such terms and conditions as shall be agreed mutually, and as may be permitted, from time to time, under the Act or any other Law or the Regulations, for the time being, in force,
- (vii) to appoint any person to accept and hold in trust, for the Company, any property belonging to the Company, in which it is interested, or for any other purposes, and execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;
- (viii) to institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts, due and of any differences to arbitration and observe and perform any awards made thereon;
- (ix) to act on behalf of the Company in all matters relating to bankruptcy and insolvents;
- (x) to make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company;
- (xi) subject to the applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security, not being Shares of this Company, or without security and in such manner, as they may think fit, and from time to time, to vary or realise such investments, save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name;
- (xii) to execute, in the name and on behalf of the Company, in favour of any director or other person, who may incur or be about to incur any personal liability whether as principal or surety, for the benefit or purposes of the Company, such mortgages of the Company's property, present and future, as they may think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon;
- (xiii) to determine from time to time, who shall be entitled to sign, on behalf of the Company, bills, invoices, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and or any other document or documents and to give the necessary authority for such purpose, and further to operate the banking or any other kinds of accounts, maintained in the name of and for the business of the Company;
- (xiv) to distribute, by way of bonus, incentive or otherwise, amongst the employees of the Company, a Share or Shares in the profits of the Company, and to give to any staff, officer or others employed by the Company a commission on the profits of any particular business or transaction, and to charge any such bonus, incentive or commission paid by the Company as a part of the operational expenditure of the Company;
- (xv) to provide for the welfare of directors or ex-directors, Shareholders, for the time being, or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses or dwellings, or grants of moneys, whether as a gift or otherwise, pension, gratuities, allowances, bonus, loyalty bonuses or other payments, also whether by way of monetary payments or otherwise, or by creating and from time to time, subscribing or contributing to provident and other association, institutions, funds or trusts and by providing or subscribing or contributing towards places of worship, instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance, as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects, which shall have any moral or other claim to support or aid by the Company, either by reason of locality or place of operations, or of public and general utility or otherwise;

- (xvi) before recommending any dividend, to set aside out of the profits of the Company such sums, as the Board may think proper, for depreciation or to a Depreciation Fund, or to an Insurance Fund, a Reserve Fund, Capital Redemption Fund, Dividend Equalisation Fund, Sinking Fund or any Special Fund to meet contingencies or to repay debentures or debenture-stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes, including the purposes referred to in the preceding clause, as the Board may, in their absolute discretion, think conducive to the interests of the Company and, subject to the provisions of the Act, to invest the several sums so set aside or so much thereof, as required to be invested, upon such investments, other than shares of the Company, as they may think fit, and from time to time, to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes, as the Board, in their absolute discretion, think conducive to the interests of the Company, notwithstanding, that the matter, to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended, and to divide the Reserve Fund into such special funds, as the Board may think fit, with full power to transfer the whole or any portion of a Reserve Fund or divisions of a Reserve Fund and with full powers to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in the purchase of or repayment of debentures or debenture stock and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, subject to the provisions of the applicable laws, for the time being, in force.
- (xvii) to appoint and at their discretion, remove or suspend such general managers, secretaries, assistants, supervisors, clerks, agents and servants or other employees, in or for permanent, temporary or special services, as they may, from time to time, think fit, and to determine their powers and duties and to fix their salaries, emoluments or remuneration of such amount, as they may think fit.
- (xviii) to comply with the requirements of any local laws, Rules or Regulations, which, in their opinion, it shall, in the interests of the Company, be necessary or expedient to comply with.
- (xix) at any time, and from time to time, by power of attorney, under the Seal of the Company, to appoint any person or persons to be the attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions, not exceeding those vested in or exercisable by the Board under these presents and excluding the powers to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys, and for such period and subject to such conditions as the Board may, from time to time, think fit, and any such appointment may, if the Board thinks fit, be made in favour of the members or in favour of any Company, or the Share-holders, directors, nominees, or managers of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such Power of Attorney may contain such powers for the protection of convenience of person dealing with such Attorneys, as the Board may think fit, and may contain powers enabling any such delegates all or any of the powers, authorities and discretions, for the time being, vested in them;
- (xx) Subject to the provisions of the Act, for or in relation to any of the matters, aforesaid or otherwise, for the purposes of the Company, to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company, as they may consider expedient;
- (xxi) from time to time, make, vary and repeal bylaws for the regulation of the business of the Company, its Officers and Servants.

## MANAGEMENT

Article 164: The Company shall not appoint or employ, at the same time, more than one of the following categories of managerial personnel, namely

- (i) Managing Director, and
- (ii) Manager

## **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

Article 165: Subject to the provisions of the Act,—

- (i) A chief executive officer, manager, company secretary, 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, chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary, chief financial officer.

Article 166: A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary, chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary, chief financial officer.

## **COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS**

Article 167: Copies of the Memorandum and Articles of Association of the Company and other documents, referred to in Section 17 of the Act, shall be sent by the Company to every member, at his request, within 7 (Seven) days of the request, on payment, if required by the Board, of the sum of Re.1/- (Rupee One Only) or such other higher sum, as may be prescribed, from time to time, under the Act and further decided, from time to time, by the Board, for each such copy.

## **SEAL**

Article 168:

- (i) The Board shall provide a Common Seal for the purposes of the Company, and shall have power, from time to time, to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal, for the time being, and that the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. The Common Seal of the Company shall be kept at its office or at such other place, in India, as the Board thinks fit.

The seal, if any, shall not be affixed to any instrument except by the authority of a resolution of the Board or a committee of the Board authorised by it in that behalf, and except in the presence of such persons as the Board may authorise for the purpose and as may be required under applicable law.

## **DIVIDEND**

Article 169: The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles, and further subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid up or credited as paid up to the Shares held by them, respectively.

Article 170: The Company, in general meeting, may declare that dividends be paid to the members according to their respective rights, but no dividends shall exceed the amount recommended by the Board, but the Company may, in general meeting, declare a smaller dividend than was recommended by the Board.

Article 171: Subject to the applicable provisions of the Act, no dividend shall be declared or paid otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both provided that :-

- (i) if the Company has not provided for any previous financial year or years it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or out of the profits of any other previous financial year or years;
- (ii) if the Company has incurred any loss in any previous financial year or years the amount of loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is

less, shall be set off against the profits of the Company for the year for which the dividend is proposed to be declared or paid as against the profits of the Company for any financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of schedule II of the Act.

Article 172: The Board may, from time to time, pay to the members such interim dividend, as in their judgement, the position of the Company justifies.

Article 173: Where capital is paid in advance of calls, such capital may carry interest as may be decided, from time to time, by the Board, but shall not, in respect thereof, confer a right to dividend or to participate in profits.

Article 174: All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during which any portion or portions of the period in respect of which the dividend is paid up; but if any Share is issued on the terms providing that it shall rank for dividend as from a particular date or on such preferred rights, such Share shall rank for dividend accordingly.

Article 175: The Board may retain the dividends payable upon Shares in respect of which any person is, under the Article 61 hereinabove, entitled to become a member, or which any person under that article is entitled to transfer until such person shall become a member in respect of such Shares, or shall duly transfer the same and until such transfer of Shares has been registered by the Company, notwithstanding anything contained in any other provision of the Act or these Articles, the provisions of Section 206A of the Act or the corresponding section of Act, 2013 as and when notified shall apply.

Article 176: Any one of several persons, who are registered as joint holders of any Share, may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such Shares.

Article 177: No member shall be entitled to receive payment of any interest or dividend in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares or otherwise howsoever, either alone or jointly with any other person or persons, and the Board may deduct, from the interest or dividend payable to any member, all sums of money so due from him to the Company.

Article 178: Subject to the applicable provisions, if any, of the Act, a transfer of Shares shall not pass the right to any dividend declared thereon and made effective from the date prior to the registration of the transfer.

Article 179: Unless otherwise directed, any dividend may be paid up by cheque or warrant or by a pay-slip sent through the post to the registered address of the member or person entitled, or, in the case of joint holders, to that one of them first named in the Register in respect of the joint holdings. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or pay-slip lost in transmission or for any dividend lost to the member or person entitled thereto due to or by the forged endorsement of any cheque or warrant or the fraudulent recovery of the dividend by any other means.

Article 180:

- (i) If the Company has declared a dividend but which has not been paid or claimed within 30 (Thirty) days from the date of declaration the Company shall transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 (Thirty) days a special account to be opened by the Company in that behalf in any scheduled Bank called "the Unpaid Dividend Account of Puranik Builders Limited". The Company shall within a period of ninety days of making any transfer of an amount to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the Company and also on any other website approved by the Central Government, for this purpose. No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.
- (ii) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (Seven) years, from the date of such transfer shall be transferred by the Company to the Fund known as the Investor Education and Protection Fund established under sub section (1) of Section 125 of the Act.

Article 181: Subject to the provisions of the Act, no unpaid dividend shall bear interest as against the Company.

Article 182: Any general meeting declaring a dividend may, on the recommendation of the Directors, make a call on the members of such amount as the meeting decides, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the members, be set off against the calls.

## **CAPITALISATION**

Article 183:

- (i) The Company, in general meeting, may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Account or in the hands of the Company and available for dividend, or representing premium received on the issue of Shares and standing to the credit of the Share Premium Account, be capitalised and distributed amongst such of the Shareholders as would be entitled to receive the same, if distributed by way of dividend, and in the same proportion on the footing that they become entitled thereto as capital, and that all or any part of such capitalised fund be applied, on behalf of such Shareholders, in paying up in full either at par or at such premium, as the resolution may provide, any unissued Shares or Debentures or Debenture stock of the Company which shall be distributed accordingly on in or towards payment of the uncalled liability on any issued Shares or Debentures, stock and that such distribution or payment shall be accepted by such Shareholders in full satisfaction of their interest in the said capitalised sum, provided that a Share Premium Account and a Capital Redemption Reserve Account may, for the purposes of this Article, only be applied for the paying of any unissued Shares to be issued to members of the Company as, fully paid up, bonus Shares.
- (ii) A general meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company, not subject to charge for income tax, be distributed among the members on the footing that they receive the same as capital.
- (iii) For the purpose of giving effect to any resolution under the preceding paragraphs of this Article, the Board may settle any difficulty, which may arise, in regard to the distribution, as it thinks expedient, and, in particular, may issue fractional certificates and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any members upon the footing of the value so fixed or that fraction of value less than Rs.10/- (Rupees Ten Only) may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the person entitled to the dividend or capitalised funds, as may seem expedient to the Board. Where requisite, a proper contract shall be delivered to the Registrar for registration in accordance with Section 75 of the Act and the Board may appoint any person to sign such contract, on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.

## **BORROWING POWERS**

Article 184: Subject to the provisions of the Act, the Board may from time to time, at their discretion raise or borrow or secure the payment of any sum or sums of money for and on behalf of the Company. Any such money may be raised or the payment or repayment thereof may be secured in such manner and upon such terms and conditions in all respect as the Board may think fit by promissory notes or by opening loan or current accounts or by receiving deposits and advances at interest with or without security or otherwise and in particular by the issue of bonds, perpetual or redeemable debentures of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any lands, buildings, machinery, plant, goods or other property and securities of the Company or by other means as the Board deems expedient.

Article 185: The Board of Directors shall not except with the consent of the Company by way of a special resolution, borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceeds the aggregate of paid up capital of the Company and its free reserves.

Article 186: Subject to the Act and the provisions of these Articles, any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Board, who may issue them upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company.



## ACCOUNTS

Article 187: The Company shall keep at the Office or at such other place in India, as the Board thinks fit and proper, books of account, in accordance with the provisions of the Act with respect to :-

- (i) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place;
- (ii) all sales and purchases of goods by the Company;
- (iii) the assets and liabilities of the Company;
- (iv) such particulars, if applicable to this Company, relating to utilisation of material and/or labour or to other items of cost, as may be prescribed by the Central Government.

Where the Board decides to keep all or any of the books of account at any place, other than the Office of the Company, the Company shall, within 7 (Seven) days, or such other period, as may be fixed, from time to time, by the Act, of the decision, file with the Registrar, a notice, in writing, giving the full address of that other place.

The Company shall preserve, in good order, the books of account, relating to the period of not less than 8 (Eight) years or such other period, as may be prescribed, from time to time, under the Act, preceding the current year, together with the vouchers relevant to any entry in such books.

Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article, if proper books of account, relating to the transaction effected at the branch office, are kept at the branch office, and the proper summarised returns, made up to day at intervals of not more than 3 (Three) months or such other period, as may be prescribed, from time to time, by the Act, are sent by the branch office to the Company at its Office or other place in India, at which the books of account of the Company are kept as aforesaid.

The books of account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain the transactions represented by it. The books of account and other books and papers shall be open to inspection by any director, during business hours, on a working day, after a prior notice, in writing, is given to the Accounts or Finance department of the Company.

Article 188: The Board shall, from time to time, determine, whether, and to what extent, and at what times and places, and under what conditions or regulations, the accounts and books of the Company or any of them shall be open to the inspection of members, not being the directors, and no member, not being a director, shall have any right of inspecting any account or books or document of the Company, except as conferred by law or authorised by the Board.

Article 189: The Directors shall, from time to time, in accordance with sections 129 and 134 of the Act, cause to be prepared and to be laid before the Company in Annual General Meeting of the Shareholders of the Company, such Balance Sheets, Profit and Loss Accounts, if any, and the Reports as are required by those Sections of the Act.

Article 190: A copy of every such Profit & Loss Accounts and Balance Sheets, including the Directors' Report, the Auditors' Report and every other document(s) required by law to be annexed or attached to the Balance Sheet, shall at least 21 (Twenty-one) days, before the meeting, at which the same are to be laid before the members, be sent to the members of the Company, to every trustee for the holders of any Debentures issued by the Company, whether such member or trustee is or is not entitled to have notices of general meetings of the Company sent to him, and to all persons other than such member or trustees being persons so entitled.

Article 191: The Auditors, whether statutory, branch or internal, shall be appointed and their rights and duties shall be regulated in accordance with the provisions of the Act and the Rules made thereunder.

## DOCUMENTS AND NOTICES

Article 192:

- (i) 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.

- (ii) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, pre-paying, wherever required, and posting a letter containing the document or notice, provided that where a member has intimated to the Company, in advance, that documents or notices should be sent to him under a certificate of posting or by registered post, with or without the acknowledgement due, and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner and, such service shall be deemed to have been effected, in the case of a notice of a meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted, and in any other case, at the time at which the letter would be delivered in the ordinary course of post.

Article 193: A document or notice, whether in brief or otherwise, advertised, if thought fit by the Board, in a newspaper circulating in the neighbourhood of the Office shall be deemed to be duly served or sent on the day, on which the advertisement appears, on or to every member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending of notices to him.

Article 194: A document or notice may be served or given by the Company on or to the joint holders of a Share by serving or giving the document or notice on or to the joint holder named first in the Register of Members in respect of the Share.

Article 195: A document or notice may be served or given by the Company on or to the person entitled to a Share, including the person nominated in the manner prescribed hereinabove, in consequence of the death or insolvency of a member by sending it through the post as a prepaid letter addressed to them by name or by the title or representatives of the deceased, or assigned of the insolvent or by any like description, at the address, if any, in India, supplied for the purpose by the persons claiming to be entitled, or, until such an address has been so supplied, by serving the document or notice, in any manner in which the same might have been given, if the death or insolvency had not occurred.

Article 196: Documents or notices of every general meeting shall be served or given in some manner hereinafter authorised on or to (i) every member, (ii) every person entitled to a Share in consequence of the death or insolvency of member, (iii) the Auditor or Auditors of the Company, and (iv) the directors of the Company.

Article 197: Every person who, by operation of law, transfer or by other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which, previously to his name and address being entered on the Register of Members, shall have duly served on or given to the person from whom he derives his title to such Shares.

Article 198: Any document or notice to be served or given by the Company may be signed by a director or some person duly authorised by the Board for such purpose and the signature thereto may be written, printed or lithographed.

Article 199: All documents or notices to be served or given by members on or to the Company or any Officer thereof shall be served or given by sending it to the Company or Officer at the Office by post, under a certificate of posting or by registered post, or by leaving it at the Office, or by such other means such as fax, e-mail, if permitted under the Act.

## **WINDING UP**

Article 200: The Company may be wound up in accordance with the Act and the Insolvency and Bankruptcy Code, 2016 (to the extent applicable).

## **INDEMNITY AND RESPONSIBILITY**

Article 201: Subject to the provisions of the Act, every Director, Secretary and the other officers for the time being of the Company acting in relation to any of the affairs of the Company shall be indemnified out of the assets of the Company from and against all suits, proceedings, cost, charges, losses, damage and expenses which they or any of them shall or may incur or sustain by reason of any act done or committed in or about the execution of their duty in their respective office except such suits, proceedings, cost, charges, losses, damage and expenses, if any that they shall incur or sustain, by or through their own wilful neglect or default respectively.

Article 202: 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 or reasonably.

## **SECRECY**

Article 203:

- (i) Every director, manager, auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with the individuals and in matters relating thereto, and shall, by such declaration, pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by Law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions contained in these Articles or the Memorandum of Association of the Company and the provisions of the Act.
- (ii) Subject to the provisions of the Act, no member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors, or to require inspection of any books of accounts or documents of the Company or discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and, which in the opinion of the Directors, it would be inexpedient in the interests of the Company to disclose.

## SECTION IX – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company), which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be filed with the RoC. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date (except for such agreements executed after the Bid/Issue 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 the 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 Issue*

1. Issue Agreement dated September 20, 2021 entered into among our Company, the Selling Shareholders and the BRLMs.
2. Registrar Agreement dated September 20, 2021 entered into among our Company, the Selling Shareholders and the Registrar to the Issue.
3. Cash Escrow and Sponsor Bank Agreement dated [●] entered into among our Company, the Selling Shareholders, the BRLMs, the Escrow Bank, Refund Bank, Sponsor Bank and Public Issue Account Bank and the Registrar to the Issue.
4. Share Escrow Agreement dated [●] entered into among the Selling Shareholders, our Company, the BRLMs, and the Share Escrow Agent.
5. Syndicate Agreement dated [●] entered into among the members of the Syndicate, our Company and the Selling Shareholders.
6. Underwriting Agreement dated [●] entered into among our Company, the Selling Shareholders and the Underwriters.
7. Agreement dated [●] entered into between our Company and the Monitoring Agency.

#### *Material Documents*

1. Certified copies of our Memorandum of Association and Articles of Association, as amended until date.
2. Certificate of incorporation dated May 8, 1990 and a fresh certificate of incorporation dated May 10, 2018 consequent upon conversion to a public company.
3. Board resolution of our Company passed in their meetings held on September 7, 2021, authorising the Issue and other related matters.
4. Resolution passed by the Shareholders of our Company in their extraordinary general meeting held on September 13, 2021 authorising the Issue and other related matters.
5. Resolutions of our Board and IPO Committee passed in their respective meetings held on September 19, 2021 and September 20, 2021, approving this Draft Red Herring Prospectus.
6. Report titled 'Brand Health & Campaign Evaluation Study-Research Report' dated May 2018 prepared by Karvy Insights.
7. Report titled 'Industry Research Report – Mumbai & Pune (Residential and Commercial Real Estate)' dated September 2021 prepared by Cushman & Wakefield India.
8. Consent letters of the Selling Shareholders, each dated September 18, 2021, authorising their participation in the Offer for Sale.

9. Copies of annual report of our Company for the last three Fiscals.
10. The examination report of the Statutory Auditor dated September 7, 2021, on our Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus.
11. Copy of the ESOP 2018.
12. Copy of the scheme of amalgamation between our Company, Puranik Buildwell Private Limited and Shree Riddhi Siddhi Vinayak Developers Private Limited.
13. Statement of tax benefits dated September 20, 2021 issued by our Statutory Auditor.
14. Consents dated September 20, 2021, from the Statutory Auditors namely, Sanjay Rane & Associates, to include its name 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 its capacity as a statutory auditor, in respect of its examination report on the Restated Consolidated Financial Statements dated September 7, 2021 and the statement of tax benefits dated September 20, 2021, included in this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U. S. Securities Act.
15. Consent dated September 15, 2021, from the independent architect, namely, Shashikant V. Deshmukh (registration number: CA/76/3262), to include his name 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 an architect, in relation to his certificate regarding Completed Projects, Ongoing Projects, Forthcoming Projects and Land Reserves.
16. Architect certificate dated September 15, 2021, prepared and issued by Shashikant V. Deshmukh.
17. Consent dated September 14, 2021 from Lex Consultus, Advocates & Solicitors (registration number: MAH/242/1996), to include their name 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 their capacity as a lawyer in relation to a master title certificate dated September 14, 2021 issued by them regarding the land vested with our Company and Subsidiaries.
18. Master title certificate dated September 14, 2021, prepared and issued by Lex Consultus, Advocates & Solicitors.
19. Consents of bankers to our Company, the BRLMs, the Registrar to the Issue, legal counsel appointed for the Issue, Cushman & Wakefield, Karvy Insights Limited, Directors of our Company, Chief Financial Officer and Company Secretary and Compliance Officer, as referred to act, in their respective capacities.
20. In-principle listing approvals dated [●] and [●], from BSE and NSE, respectively.
21. Tripartite Agreement dated March 28, 2018 among our Company, NSDL and the Registrar to the Issue.
22. Tripartite Agreement dated March 22, 2018 among our Company, CDSL and the Registrar to the Issue.
23. Due diligence certificate to SEBI from the BRLMs, dated September 20, 2021.
24. SEBI observation letter bearing reference number [●] and dated [●].

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**Name:** Shailesh Puranik

**Designation:** Chairman and Managing Director

**Date:** September 20, 2021

**Place:** Thane

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**Name:** Shrikant Puranik

**Designation:** Whole Time Director

**Date:** September 20, 2021

**Place:** Thane

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**Name:** Yogesh Puranik

**Designation:** Whole Time Director

**Date:** September 20, 2021

**Place:** Thane



## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**Name:** Nilesh Puranik

**Designation:** Whole Time Director

**Date:** September 20, 2021

**Place:** Thane

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**Name:** Amol Shimpi

**Designation:** Independent Director

**Date:** September 20, 2021

**Place:** Thane

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**Name:** Satyendra J Sonar

**Designation:** Independent Director

**Date:** September 20, 2021

**Place:** Goa

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**Name:** Sneha Khandekar

**Designation:** Independent Director

**Date:** September 20, 2021

**Place:** Mumbai

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**Name:** Manikandan Ramasamy

**Designation:** Independent Director

**Date:** September 20, 2021

**Place:** Bengaluru

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

## **SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

**Name:** Suyash Bhise

**Designation:** Chief Financial Officer

**Date:** September 20, 2021

**Place:** Thane

**DECLARATION BY RAVINDRA PURANIK, AS A SELLING SHAREHOLDER**

The undersigned, Ravindra Puranik, as a Selling Shareholder, confirms and certifies that all statements, disclosures and undertakings made or confirmed by him in this Draft Red Herring Prospectus, about or in relation to himself and the Equity Shares offered by him through the Offer for Sale, are true and correct. Ravindra Puranik assumes no responsibility for any other statements, including statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

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**Name:** Ravindra Puranik

**Date:** September 20, 2021

**Place:** Thane

## **DECLARATION BY GOPAL PURANIK, AS A SELLING SHAREHOLDER**

The undersigned, Gopal Puranik, as a Selling Shareholder, confirms and certifies that all statements, disclosures and undertakings made or confirmed by him in this Draft Red Herring Prospectus, about or in relation to himself and the Equity Shares offered by him through the Offer for Sale, are true and correct. Gopal Puranik assumes no responsibility for any other statements, including statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

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**Name:** Gopal Puranik

**Date:** September 20, 2021

**Place:** Thane