



## Gensol Engineering Limited

Our Company was originally incorporated as Gensol Engineering Private Limited at Chandigarh as a Private Limited company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated September 25, 2012, bearing Corporate Identification Number U74210CH2012PTC034105, issued by the Registrar of Companies, Punjab and Chandigarh. Subsequently, our Company was converted into Public Limited Company pursuant to a special resolution passed by members in Extra-Ordinary General Meeting of Company held on February 08, 2019 and the name of our company was changed to Gensol Engineering Limited vide a fresh Certificate of Incorporation dated February 26, 2019, issued by the Registrar of Companies, Punjab and Chandigarh. The Corporate Identification Number of our Company is U74210CH2012PLC034105.

**Registered Office:** SCO: 156-157, Sector 9C, Madhya Marg, Chandigarh – 160031, India; **Tel:** 0172 - 4140004;

**Corporate Office:** A-2, 12th Floor, Palladium Building, Opp. Vodafone House Corporate Road, Prahladnagar, Ahmedabad – 380015, Gujarat, India

**Tel:** 079 – 40068236; **E-mail:** [communications@gensol.in](mailto:communications@gensol.in); **Website:** [www.gensolsolar.com](http://www.gensolsolar.com)

**Contact Person:** Rajesh Parmar, Company Secretary and Compliance officer; **Email ID:** [cs@gensol.in](mailto:cs@gensol.in)

### PROMOTERS OF OUR COMPANY: ANMOL SINGH JAGGI AND PUNEET SINGH JAGGI

#### THE ISSUE

INITIAL PUBLIC OFFER OF UPTO 21,60,000\* EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (“EQUITY SHARES”) OF GENSO ENGINEERING LIMITED (“COMPANY” OR “ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING UPTO ₹ [●]\*\* LAKHS (THE “ISSUE”). THE ISSUE INCLUDES A RESERVATION OF UPTO [●] EQUITY SHARES OF FACE VALUE ₹ 10/- EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING ₹ [●] LAKHS FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF UPTO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE, AGGREGATING ₹ [●] LAKHS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●]% AND [●]% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER (“BRLM”) AND WILL BE ADVERTISED IN [●] EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER, ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER AND ALL EDITIONS OF THE REGIONAL NEWSPAPER [●], EACH WITH WIDE CIRCULATION, AT LEAST 2 (TWO) WORKING DAYS PRIOR TO THE BID / ISSUE OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND THE CAP PRICE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED (“BSE”, REFERRED TO AS THE “STOCK EXCHANGE”) FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE.

IN CASE OF ANY REVISIONS IN THE PRICE BAND OR FORCE MAJEURE, BANKING STRIKE OR SIMILAR CIRCUMSTANCES, THE ISSUER MAY, FOR REASONS TO BE RECORDED IN WRITING, MAY EXTEND THE BID / ISSUE PERIOD NOT EXCEEDING 10 WORKING DAYS. ANY REVISION IN THE PRICE BAND AND THE REVISED BID / ISSUE PERIOD, WILL BE WIDELY DISSEMINATED BY NOTIFICATION TO THE STOCK EXCHANGE, BY ISSUING A PRESS RELEASE, AND ALSO BY INDICATING THE CHANGE ON THE WEBSITE OF THE BRLM AND THE TERMINALS OF THE SYNDICATE MEMBER(S).

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) the Issue is being made for at least 25% of the post- issue paid-up Equity Share capital of our Company. The Issue is being made through the Book Building Process, in compliance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations”) and allocation in the net issue to the public will be made in terms of regulation 253 of the SEBI (ICDR) Regulations, as amended. In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all investors shall participate in this issue mandatorily through the Applications Supported by Blocked Amount (“ASBA”) process by providing details of their respective bank accounts which will be blocked by SCSBs. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL/2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Bid Cum Application Form which is linked from Bank Account of the investor. For details, see “Issue Procedure” on page 187 of this Draft Red Herring Prospectus.

#### RISK IN RELATION TO FIRST ISSUE

This being the first public Issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Floor Price is [●] times the face value and the Cap Price is [●] times the face value of the Equity Shares of our Company. The Issue Price (determined and justified by our Company in consultation with the BRLM as stated in “Basis for Issue Price” on page 73 of this DRHP) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed on SME Platform of BSE Limited. No assurance can be given regarding an active 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 this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section “Risk Factors” beginning on page 24 of this Draft Red Herring Prospectus.

#### COMPANY’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the 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.

#### LISTING

The Equity Shares of our Company offered through this Draft Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE SME”) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated [●] from BSE Limited for using its name in the Offer document for listing of our shares on the BSE SME. For the purpose of this Issue, BSE Limited shall be the Designated Stock Exchange.

#### BOOK RUNNING LEAD MANAGER

**PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED**  
406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra East, Mumbai – 400 051, Maharashtra, India  
**Tel:** +91-22 6194 6700  
**Fax:** +91-22 2659 8690  
**Website:** [www.pantomathgroup.com](http://www.pantomathgroup.com)  
**Email:** [ipo@pantomathgroup.com](mailto:ipo@pantomathgroup.com)  
**Investor Grievance Id:** [ipo@pantomathgroup.com](mailto:ipo@pantomathgroup.com)  
**Contact Person:** Unmesh Zagade  
**SEBI Registration No:** INM000012110



#### REGISTRAR TO THE ISSUE

**LINK INTIME INDIA PRIVATE LIMITED**  
C-101, 1<sup>st</sup> Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra, India  
**Tel:** +91 22 4918 6200  
**Fax:** +91 22 4918 6195  
**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)  
**Email:** [gensol.ipo@linkintime.co.in](mailto:gensol.ipo@linkintime.co.in)  
**Investor Grievance Id:** [gensol.ipo@linkintime.co.in](mailto:gensol.ipo@linkintime.co.in)  
**Contact Person:** Shanti Gopalkrishnan  
**SEBI Registration Number:** INR000004058



#### ISSUE PROGRAMME

**BID / ISSUE OPENS ON : [●]**

**BID / ISSUE CLOSES ON : [●]**

\*Number of shares may need to be adjusted for lot size upon determination of issue price.

\*\* Subject to finalization of basis of Allotment.

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The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (“U.S. Securities Act”) or any state securities laws in the United States of America and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, requires or implies, the following terms shall have the following meanings in this DRHP. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments, modifications or reenactments notified thereto.

Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “Statement of Special Tax Benefits”, “Industry Overview”, “Key Industry Regulations and Policies”, “Financial Statements”, “Outstanding Litigation and Other Material Developments”, will have the meaning ascribed to such terms in these respective sections.

Term	Description
“Gensol Engineering Limited”, “our Company”, “the Company”, “the Issuer Company”, and “the Issuer”	Gensol Engineering Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered office at SCO: 156-157, Sector 9C Madhya Marg, Chandigarh-160031, India.
“We”, “our”, “us” or “Group”	Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiaries and Joint Venture.

### COMPANY RELATED TERMS

Term	Description
AOA/Articles / Articles of Association	The Articles of Association of our Company, as amended from time to time
Audit Committee	The Audit Committee of our Board constituted vide the Board meeting held on August 7, 2019 in accordance with Section 177 of the Companies Act and as described in the chapter titled "Our Management" beginning on page 119 of this DRHP.
Banker to the Company	Such banks which are disclosed as bankers to the Company in the chapter titled “General Information” on page 47 of this Draft Red Herring Prospectus.
Board of Directors / the Board / Our Board / Directors	The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof.
Chairman/ Chairperson	The Chairman / Chairperson of Board of Directors of Gensol Engineering Limited being Anmol Singh Jaggi.
Chief Financial Officer / CFO	The Chief Financial Officer of our Company being Jabir Mahendi
CIN	Corporate Identification Number of our Company U74210CH2012PLC034105
Company Secretary and Compliance Officer / (CS)	The Company Secretary and Compliance Officer of our Company being Rajesh Parmar.
Corporate Office(s)	A-2, 12th Floor, Palladium Building, Opp. Vodafone House Corporate Road, Prahladnagar, Ahmedabad – 380015, Gujarat, India
Director(s)	The Director(s) of our Company, unless otherwise specified
Equity Shares/Shares	The equity shares of our Company of face value of ₹ 10/- each fully paid up
Equity Shareholders/Shareholders	The holders of the Equity Shares of the Company
EPC	Engineering, Procurement and Construction
Executive Director	An Executive Director of our Company
Group Companies/Entities	Such companies as are included in the chapter titled “Our Group Companies” beginning on page 135 of this Draft Red Herring Prospectus.
Independent Director	A non-executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations
IPO Committee	The IPO committee constituted by our Board on vide Board resolution dated March 12, 2019
ISIN	International Securities Identification Number, in this case being INE06H201014
Joint venture /JV	Solarig Gensol Utilities Private Limited (“SGUPL”)

<b>Term</b>	<b>Description</b>
Key Management Personnel / KMP	Key management personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and Regulation 2(1)(bb) of the SEBI (ICDR) Regulations. and as identified in chapter titled “ <i>Our Management</i> ” on page 119 of this Draft Red Herring Prospectus
Materiality Policy	The policy adopted by our Board on March 12, 2019 for identification of Group Companies, material outstanding litigation and material dues outstanding to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI ICDR Regulations.
MD or Managing Director	The managing director of our Company being Mr. Anmol Singh Jaggi
MoA/ Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Nomination & Remuneration Committee	The Nomination and Remuneration Committee as constituted on August 7, 2019 in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013.
O & M	Operation & Maintenance
PV	Photovoltaics
Person or Persons	Any Individual, Sole Proprietorship, Unincorporated Association, Unincorporated Organization, Body Corporate, Corporation, Company, Partnership Firm, Limited Liability Partnership Firm, Joint Venture, or Trust or any other Entity or Organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Peer Reviewed Auditor	The Peer Reviewed Auditor of our Company means an, Independent Auditor having a valid Peer Review Certificate in our case being K. C. Parikh & Associates, Chartered Accountants, Chartered Auditors
“Promoter”, “Promoters” or “our Promoters”	Unless the context otherwise requires, refers to Anmol Singh Jaggi and Puneet Singh Jaggi
Promoter Group	Individuals, Companies and entities forming part of our Promoter Group as per clause 2(1)(pp) the SEBI Regulations. For details please see chapter titled “Our Promoters and Promoter Group” beginning on page 132 of this DRHP.
Registrar of Companies/ RoC	Registrar of Companies, Corporate Bhavan, 1st Floor, Plot No. 4-B, Madhya Marg, Sector 27B Chandigarh – 160019
Registered Office	The registered office of our Company situated at SCO:156-157, Sector 9C Madhya Marg, Chandigarh-160031, India
Stakeholders’ Relationship Committee	The Stakeholders Relationship Committee as constituted vide the Board meeting held on August 7, 2019 in accordance with the Regulation 20 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013.
Statutory Auditors or Auditors	The Statutory Auditors of our Company being M/s K C Parikh & Associates holding a valid peer review certificate dated May 18, 2017.
Subsidiary company	Gensun Renewables Private Limited
“you”, “your” or “yours”	Prospective Investors in this Issue

#### **ISSUE RELATED TERMS**

<b>Term</b>	<b>Description</b>
Acknowledgement Slip	The acknowledgement slips or document issued by the Designated Intermediary to a Bidder as proof of registration of Bid.
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Applicants
Allot / Allotment /Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Bidders.
Allottee(s)	A successful Bidders to whom the Equity Shares are being Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of the Red Herring Prospectus
Application Collecting Intermediaries	a SCSB with whom the bank account to be blocked, is maintained a syndicate member (or sub-syndicate member) If any

Term	Description
	<p>a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity)('broker') if any</p> <p>a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)</p> <p>a registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)</p>
Application Supported by Blocked Amount/ ASBA	Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB or account of the RIIs 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 Account	Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB to the extent of the appropriate Bid Amount in relation to a Bid by an ASBA Bidder.
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Ahmedabad.
ASBA Bidders	Any Bidder except Anchor Investor
ASBA form/ Bid cum Application	An Application form (with or without UPI ID, as applicable), whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus or the Prospectus.
Banker to the Issue/ Refund Banker/ Public Issue Bank / Escrow collection bank	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account and Refund Account will be opened and in this case being [●].
Bankers to the Issue Agreement / Cash Escrow Agreement / Escrow Agreement	Banker to the Issue Agreement entered on [●] amongst our Company, Book Running Lead Manager, the Registrar to the Issue and Public Issue Bank/ Banker to the Issue and Sponsor Bank for collection of the Bid Amount on the terms and conditions thereof.
Basis of Allotment	The basis on which the Equity Shares will be allotted to successful Bidders under the Issue, described in "Issue Procedure" on page 187 of this Draft Red Herring Prospectus
Bid	An indication to make an application during the Bid/ Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.
Bidding	The process of making a Bid.
Bid Lot	[●] equity shares and in multiples of [●] equity shares thereafter
Bid cum Application Form	The ASBA Form where the context so requires, in terms of which a Bidder makes a Bid in terms of the Red Herring Prospectus which will be considered as an application for Allotment.
Bid/ Issue Closing Date	The date after which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in All edition of the English national newspaper [●], All edition of the Hindi national newspaper [●], and [●] edition of the Regional newspaper [●], each with wide circulation, and in case of any revision, the extended Bid/ Issue closing Date also to be notified on the website and terminals of the Syndicate and members of the syndicate and Sponsor bank, as required under the SEBI ICDR Regulations
Bid/ Issue Opening Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in All edition of the English national newspaper [●], All edition of the Hindi national newspaper [●], and [●] edition of the Regional newspaper [●], each with wide



<b>Term</b>	<b>Description</b>
	circulation, and in case of any revision, the extended Bid/ Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations
Bid/ Issue Period	The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bidding/ Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders.
Bidder	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 ASBA Bidder and Anchor Investor
Bidding/Collection Centres	Centres at which the Designated intermediaries shall accept the ASBA Forms, i.e Designated SCSB Branch for SCSBs, specified locations for syndicate, broker centre for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs
Book Building Process/Book Building Method	The book building route as provided under Schedule XIII of the SEBI (ICDR) Regulations, 2018 in terms of which this Issue is being made
Book Running Lead Manager/ BRLM	Book Running Lead Manager to the Issue in this case being Pantomath Capital Advisors Private Limited SEBI Registered Category I Merchant Banker.
Broker Centers	Broker centers notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centers, along with the name and contact details of the Registered Brokers, are available on the website of the BSE Limited on the following link- <a href="http://www.bseindia.com">www.bseindia.com</a>
CAN/ Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/ transferred, after approval of Basis of Allotment by the Designated Stock Exchange.
Cap Price	The higher end of the price band above which the Issue Price will not be finalized and above which no Bids (or a revision thereof) will be accepted
Client ID	Client identification number of the Applicant's beneficiary account
Collecting Depository Participant	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Collecting Registrar and Share Transfer Agent	Registrar to an Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Book Running Lead Manager, the Registrar to the Issue and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time
Cut Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Investors 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	The details of the Bidders including the Bidders address, names of the Bidders father/husband, investor status, occupations and bank account details
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996
Depository Participant / DP	A depository participant as defined under the Depositories Act.
Depositories Act	The Depositories Act, 1996 as amended from time to time
Designated CDP Locations	Such centres of the CDPs where Bidders can submit the Bid cum Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid

Term	Description
	cum Application Forms are available on the website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> ) and updated from time to time
Designated Date	The date on which the funds from the Anchor Escrow Accounts the funds blocked by the SCSBs and Sponsor bank are transferred from the ASBA Accounts specified by the ASBA Bidders to the Public Issue Account and/or Refund Account and /or are unblocked, as applicable, in terms of RHP.
Designated Intermediaries / Collecting Agent	An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a Registrar to an Issue and Share Transfer Agent (RTA) (whose names are mentioned on website of the stock exchange as eligible for this activity).
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> )
Designated SCSB Branches	Such branches of the SCSBs which shall collect the Application Forms, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/">http://www.sebi.gov.in/</a> or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange/ Stock Exchange	SME Platform of BSE Limited
Draft Red Herring Prospectus / DRHP	This Draft Red Herring Prospectus dated September 13, 2019 filed with SME Platform of BSE Limited
Eligible NRI	NRI from jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Equity Shares or Ordinary Shares	The ordinary shares of our Company having a face value of ₹ 10/-, unless otherwise specified in the context thereof
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Investors will transfer money through direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid.
First Bidder/ Applicant	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
FII/Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India
Floor Price	The lowest end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalized and below which no Bids (or revisions thereof) will be accepted
Fugitive economic offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI and included in “Issue Procedure” on page 187 of this Draft Red Herring Prospectus
Indian GAAP	Generally Accepted Accounting Principles in India
IFRS	International financial reporting standard
Issue / Issue Size/ Initial Public Issue / Initial Public	Initial public Issue of up to 21,60,000 equity shares of face value of ₹10/- each of the Company for cash at a price of ₹ [●] per equity share (including



<b>Term</b>	<b>Description</b>
Offer / Initial Public Offering / IPO	a premium of ₹ [●] per equity share) aggregating up to ₹ [●] lakhs. The Issue comprises a reservation of up to [●] Equity Shares aggregating up to ₹ [●] lakhs for market maker (“the market maker reservation portion”). The Issue and the Net Issue constituted [●] % and [●] % of the post-Issue paid-up Equity Share capital of our Company, respectively.
Issue Agreement	The agreement dated September 4, 2019 between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Price	The final price at which the Equity Shares will be Allotted in terms of the Red Herring Prospectus and the Prospectus, as determined by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book-building Process and the Red Herring Prospectus.
Issue Proceeds	The proceeds of the Issue. For further information about use of the Issue Proceeds refer to the chapter titled “Objects of the Issue” beginning on page 67 of this DRHP.
Listing Agreement	Unless the context specifies otherwise, this means the Listing Agreement to be signed between our Company and the BSE Limited
Market Making Agreement	Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker
Market Maker	Market Maker appointed by our Company from time to time, in this case being Pantomath Stock Brokers Private Limited who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time
Market Maker Reservation Portion	Up to [●] Equity Shares of ₹ 10/- each at ₹ [●]/- per Equity Share aggregating to ₹ [●] Lakhs reserved for subscription by the Market Maker
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Net Issue	The Issue less the Market Maker reservation portion
Net Proceeds	Proceeds from the Issue after deduction of Issue expenses.
Non-Institutional Investors / NIIs	All Bidders (including Category III FPIs which are foreign corporates or foreign individuals but not including NRIs, other than Eligible NRIs) that are not QIBs (including Anchor Investor) or Retail Individual Bidders, who have Bid for an amount more than ₹ 200,000.
Non-Institutional Portion	The portion of the Issue being not more than 50% of the Net Issue consisting of up to [●] Equity Shares, available for allocation to Non-Institutional Bidders, on a proportionate basis.
Non Resident	A person resident outside India, as defined under FEMA Regulations
Non-Resident Indian/ NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended
National Payments Corporation of India (NPCI)	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue
Pay-in-Period	The period commencing on the Bid/ Issue Opening Date and extending until the closure of the Anchor Investor Pay-in Date
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other

Term	Description
	entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid/ Issue Opening Date
Pricing Date	The date on which our Company in consultation with the BRLM, will finalize the Issue Price
Prospectus	The Prospectus to be filed with RoC on or after Pricing Date in accordance with Section 26 and 32 of the Companies Act, 2013, and the SEBI ICDR Regulations containing inter alia, the Issue Price, the size of the Issue and certain other information
Public Issue Account(s)	The account to be opened with the Banker to the Issue under Section 40 of the Companies Act, 2013 to receive monies from the ASBA Accounts and from the Escrow Accounts, in case of Anchor Investor(s), on the Designated Date on the Designated Date
Public Issue/ Issue size/ Initial Public Offer / Initial Public Offering/IPO/Present Offer	The Initial Public Issue of up to 21,60,000 Equity Shares of ₹10 each for cash at a price of ₹ [●] per equity share including a premium of ₹ [●] per equity share aggregating up to ₹ [●] Lakhs
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 provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be issued and the size of the Issue, including any addenda or corrigenda thereto
Refund Account	Account to which Application monies to be refunded to the Applicants in case of failure of the Issue
Refund Bank(s)/Refund Banker(s)	The Bankers to the Issue with whom the Refund Accounts will be opened, in this case being [●].
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registered Brokers	Individuals or companies registered with SEBI as “Trading Members” (except Syndicate/Sub-Syndicate Members) who hold valid membership of BSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="http://www.bseindia.com/membership/dynaContent/findabroker.html">http://www.bseindia.com/membership/dynaContent/findabroker.html</a>
Registrar Agreement	The Agreement between the Registrar to the Issue and the Issuer Company dated September 4, 2019 in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar/ Registrar to the Issue/ RTI	Registrar to the Issue, in this case being Link Intime India Private Limited.
Restated Financial Information/ Restated Consolidated Financial Information/ Restated Financial Statements/ Restated Consolidated Financial Statements	Restated consolidated financial statements of assets and liabilities as at March 31, 2019, 2018 and 2017 and statement of profit and loss and cash flows at and for each of the years ended March 31, 2019, 2018 and 2017, for our Group in accordance with SEBI ICDR Regulations and other applicable laws.

<b>Term</b>	<b>Description</b>
Retail Individual Bidders / RIBs / Retail Individual Investors/ RIIs	Individual Bidders, submitting Bids, who have Bid for Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Net 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 50% of the Net Issue, consisting of [●] Equity Shares, available for allocation to Retail Individual Bidders.
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 allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage.
Reservation Portion	The portion of the issue reserved for category of eligible Bidders as provided under the SEBI (ICDR) Regulations, 2018
Reserved Category / Categories	Categories of persons eligible for making Bids under reservation portion.
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/RecognisedIntermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised Intermediaries</a> or at such other website as may be prescribed by SEBI from time to time
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations, 2014
Securities Law	The Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board
Self-Certified Syndicate Banks/SCSB's/SCSB	Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time
SME Exchange	A trading platform of a recognized stock exchange having nationwide trading terminals permitted by SEBI to list the specified securities issued in accordance with the SEBI ICDR Regulations and includes a stock exchange granted recognition for this purpose but does not include the Main Board.
SME Platform of BSE	The SME platform of BSE Limited, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter IX of the SEBI ICDR Regulations
Specified Locations	Collection centres where the SCSBs shall accept application form, a list of which is available on the website of the SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time
Specified securities	The equity shares Issued through this Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus
Sponsor Bank	The Banker(s) to the Issue registered with SEBI which is appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and/ or payment instructions of the RIBs into the UPI, the sponsor bank in this case being [●].
Sub Syndicate Member	A SEBI Registered member of BSE appointed by the BRLM and/or syndicate member to act as a Sub Syndicate Member in the Issue
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members
Syndicate Agreement	The agreement dated [●] entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue

Term	Description
Syndicate ASBA Bidding Locations	Bidding Centres where an ASBA Bidder can submit their Bid in terms of SEBI Circular no CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi, Ahmedabad and Chandigarh
Syndicate Members/Members of the Syndicate	Intermediaries registered with the SEBI eligible to act as syndicate member and who is permitted to carry on the activity as an underwriter, in this case being Pantomath Stock Brokers Private Limited
Transaction Registration Slip/TRS	The slip or document issued by the Syndicate or SCSB (only on demand), to the Bidder as proof of registration of the Bid
Underwriter	Pantomath capital Advisors Private Limited
Underwriting Agreement	The agreement dated [●] entered into between the Underwriters and our Company.
US GAAP	Generally accepted accounting principal (United states)
Unified Payments Interface (UPI)	UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank a/c.
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 application 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 SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 and circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019.
UPI PIN	Password to authenticate UPI transaction
Wilful defaulter	A wilful defaulter, as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in the city as specified in the Prospectus are open for business 1. However, in respect of announcement of price band and bid/ Issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Prospectus are open for business 2. In respect to the time period between the bid/ Issue closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the stock exchange, excluding Sundays and bank holidays in accordance with circular issued by SEBI.

#### TECHNICAL / INDUSTRY RELATED TERMS

Term	Description
IMF	International Monetary Fund
WEO	World Economic Outlook
PMI	Purchasing Managers' Index
TFA	Trade Facilitation Agreement
SEIS	Services Exports from India Scheme
DIPP	Department of Industrial Policy and Promotion
MNRE	Ministry of New and Renewable Energy
NBMMP	National Biogas and Manure Management Programme
IEA	International Energy Agency
JNNSM	Jawaharlal Nehru National Solar Mission
SECI	Solar Energy Corporation of India
RESCO	Renewable Energy Service Company

**CONVENTIONAL AND GENERAL TERMS AND ABBREVIATIONS**

<b>Term</b>	<b>Description</b>
ACS	Associate Company Secretary
A.Y./AY	Assessment Year
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
Air Act	The Air (Prevention and Control of Pollution) Act, 1981
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
Associate	A person who is an associate of the issuer and as defined under the Companies Act, 2013
Authorised Dealers	Authorised Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000
AY	Assessment Year
Bn	Billion
BRLM	Book Running Lead Manager
CAGR	Compounded Annual Growth Rate
Category I Foreign Portfolio Investor(s)	FPIs registered as Category I Foreign Portfolio Investors under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	An FPI registered as a Category II Foreign Portfolio Investor under the SEBI FPI Regulations
Category III Foreign Portfolio Investor(s)	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices.
CC	Cash Credit
CCI	The Competition Commission of India
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CGST	Central GST
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
COPRA	The Consumer Protection Act, 1986
CST	Central Sales Tax
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections)
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The current consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
Contract Act	The Indian Contract Act, 1872
CSR	Corporate Social Responsibility
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DP	Depository Participant
DP ID	Depository Participant's identity number



Term	Description
DTC	Direct Tax Code, 2013
EBITDA	Revenue from operations (net) less total expenses (expenses other than finance cost, and depreciation and amortization).
EBITDA Margin	EBITDA divided by revenue from operations (net).
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
Electricity Act	The Electricity Act, 2003
EPA	The Environment Protection Act, 1986
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ER Act	The Equal Remuneration Act, 1976
ESI Act	The Employees' State Insurance Act, 1948
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations there under
FEMA 2000	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII(s)	Foreign Institutional Investors as defined under SEBI FPI Regulations
Financial Year / Fiscal Year / FY	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
FIPB	Foreign Investment Promotion Board
Foreign Portfolio Investor or FPIs	A foreign portfolio investor, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
Fugitive economic offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAP	Generally Accepted Accounting Principles
GIR Number	General Index Registry Number
GoI/Government	Government of India
Gratuity Act	The Payment of Gratuity Act, 1972
GST Act	The Central Goods and Services Tax Act, 2017
Hazardous Wastes Rules	Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
ICAI	The Institute of Chartered Accountants of India
ICDR/ ICDR Regulations/ SEBI ICDR/ SEBIs (ICDR) Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, including instructions and clarifications issued by SEBI from time to time
ICSI	The Institute of Company Secretaries of India
ID Act	The Industrial Disputes Act, 1947
IDRA	The Industrial (Development and Regulation) Act, 1951
IE Act	The Indian Easements Act, 1882
IEM	Industrial Entrepreneurs Memorandum
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IGST	Integrated GST
IT Act	Income Tax Act, 1961
Indian GAAP	Generally Accepted Accounting Principles in India
INR or Rupee or ₹ or ₹	Indian Rupee, the official currency of the Republic of India



<b>Term</b>	<b>Description</b>
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
IPO	Initial Public Offering
KMP	Key Managerial Personnel
Ltd.	Limited
Maternity Benefit Act	Maternity Benefit Act, 1961
M. A	Master of Arts
M.B.A	Master of Business Administration
MCA	The Ministry of Corporate Affairs, GoI
M. Com	Master of Commerce
MCI	Ministry of Commerce and Industry, GoI
MSME	Micro, Small and Medium Enterprise
MWA	Minimum Wages Act, 1948
Mn	Million
MoEF	Ministry of Environment and Forests
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NA	Not Applicable
NAV	Net asset value
NI Act	The Negotiable Instruments Act, 1881
No.	Number
Noise Regulation Rules	The Noise Pollution (Regulation & Control) Rules 2000
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NPV	Net Present Value
NRE Account	Non-Resident External Account established and operated in accordance with the FEMA
NRO Account	Non-Resident Ordinary Account established and operated in accordance with the FEMA
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
Pcs	Pieces
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after Tax
PIL	Public Interest Litigation
POB Act	Payment of Bonus Act, 1965
Public Liability Act/PLI Act	The Public Liability Insurance Act, 1991
Pvt./(P)	Private
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
QIB	Qualified Institutional Buyer
RBI	The Reserve Bank of India
R&D	Research & Development
Registration Act	The Indian Registration Act, 1908
RoC or Registrar of Companies	The Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act, 1933
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act

Term	Description
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended from time to time.
SGST	State GST
SHWW/SHWW Act	The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME	Small and Medium Enterprise
STT	Securities Transaction Tax
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
TM Act	The Trademarks Act, 1999
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act, 1933
US\$ or USD or US Dollars	United States Dollar, the official currency of the United States of America
USA or U.S. or US	United States of America
VAT	Value Added Tax
Wages Act	Payment of Wages Act, 1936
Water Act	The Water (Prevention and Control of Pollution) Act, 1974
WCA	The Workmen's Compensation Act, 1923
Wilful defaulter	A wilful defaulter, as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations, means a person who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under Companies Act, 2013) or consortium thereof, in accordance with the guideline on wilful defaulter issued by the RBI.
YoY	Year over year

Notwithstanding the following: -

- i. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 206 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- ii. In the section titled “*Financial Statements*” beginning on page 144 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- iii. In the section titled “*Risk Factor*” beginning on page 24 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- iv. In the chapter titled “*Statement of Possible Tax Benefits*” beginning on page 76 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter; and
- v. In the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 146 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter.

## **PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**

All references to “India” are to the Republic of India and all references to the “Government” are to the Government of India.

### **FINANCIAL DATA**

Unless stated otherwise, the financial data included in this Draft Red Herring Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled ‘Financial Statements’ beginning on page 144 of this Draft Red Herring Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on April 1st of each year and ends on March 31st of the next year. All references to a particular fiscal year are to the 12 month period ended March 31st of that year. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

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

Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled ‘Financial Statements’ beginning on page 144 of this Draft Red Herring Prospectus.

### **CURRENCY OF PRESENTATION**

In this Draft Red Herring Prospectus, references to “Rupees” or “Rs.” or “INR” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “\$”, “US\$”, “USD”, “U.S. \$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America.

All references to ‘million’ / ‘Million’ / ‘Mn’ refer to one million, which is equivalent to ‘ten lacs’ or ‘ten lakhs’, the word ‘Lacs / Lakhs / Lac’ means ‘one hundred thousand’ and ‘Crore’ means ‘ten million’ and ‘billion / bn./ Billions’ means ‘one hundred crores’.

### **INDUSTRY & MARKET DATA**

Unless otherwise stated, Industry & Market data used throughout this Draft Red Herring Prospectus has been obtained from publically available information and Industry publications inter alia Planning Commission of India, Economic Survey, Industry Chambers and Associations etc. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by the Book Running Lead Manager or our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section – “Risk Factors” on page 24 of this Draft Red Herring Prospectus. Accordingly, investment decisions should not be based solely on such information. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources.

Further the extent to which the market and industry data presented in this Draft Red Herring Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

### **Exchange Rates**

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

The following table sets forth, for the dates indicated, information with respect to the exchange rate between the Rupee and respective foreign currencies:

Currency	Exchange rates at				
	March 29, 2019 <sup>(1)</sup>	March 28, 2018 <sup>(2)</sup>	March 31, 2017	March 31, 2016	March 31, 2015
1USD	69.17	65.04	64.84	66.33	62.59

(Source: [www.rbi.org](http://www.rbi.org) & [www.fbil.org.in](http://www.fbil.org.in))

- (1) The reference rate is not available for March 31, 2019 being a Sunday and March 30, 2019 being a Saturday.
- (2) The reference rate is not available for March 31, 2018 being a Saturday and March 30, 2018 and March 29, 2018 being public holidays

## FORWARD LOOKING STATEMENT

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward looking statements can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “shall”, “will”, “will continue”, “will pursue” or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations to differ materially from those contemplated by the relevant forward looking statement.

Important factors that could cause actual results to differ materially from our expectations include, but are not limited to the following:-

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in industry which we operate;
- Factors affecting the industry in which we operate;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our failure to keep pace with rapid changes in technology;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors; and
- Changes in government policies and regulatory actions that apply to or affect our business.

For a further discussion of factors that could cause our actual results to differ, refer to section titled “Risk Factors” and chapter titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 24 and 146 respectively of this Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Future looking statements speak only as of the date of this Draft Red Herring Prospectus. Neither we, our Directors, Book Running Lead Manager, Underwriters nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the BRLM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.

## SECTION II – SUMMARY OF ISSUE DOCUMENT

### OVERVIEW OF INDUSTRY

The Indian renewable energy sector is the fourth most attractive renewable energy market in the world as per the Renewable Energy Attractiveness Index 2018. Installed renewable power generation capacity has increased at a fast pace over the past few years, posting a CAGR of 17.28 per cent between FY14–19. India added record 11,788 MW of renewable energy capacity in FY18 and 8.6 GW in FY19. As India looks to meet its energy demand on its own, which is expected to reach 15,820 TWh by 2040, renewable energy is set to play an important role.

For further details please see the chapter titled “Our Industry” beginning on page 79 of this DRHP.

### OVERVIEW OF BUSINESS

Our principal component of revenue from operations is generated from Solar engineering, procurement and construction (EPC) contracts whereby we mainly install solar power plant on the roof tops and rendering of solar advisory services which majorly includes commissioning solar advisory, design review & engineering, execution and operations services. We also offer comprehensive O&M services for solar power plants through our joint venture. Further we have invested in 2018 in our subsidiary for offering of RESCO services. Our revenue from operations also includes subsidy income.

Our Company is promoted by Anmol Singh Jaggi and Puneet Singh Jaggi.

For, further details regarding risk involved in Business of the Company and risk in relation to the issue, refer to chapter titled “Risk Factor” beginning on page 24 of this Draft Red Herring Prospectus.

### DETAILS OF THE ISSUE

Initial public issue of upto 21,60,000 equity shares of face value of ₹ 10 each (“equity shares”) of Gensol Engineering Limited (“Company” or “Issuer”) for cash at a price of ₹ [●] per equity share (including a share premium of ₹ [●] per equity share) aggregating upto ₹ [●] lakhs (the “issue”). The Issue includes a reservation of upto [●] equity shares of face value ₹ 10/- each at a price of ₹ [●] per equity share aggregating ₹ [●] lakhs for subscription by the market maker to the issue (the “market maker reservation portion”). The issue less market maker reservation portion i.e. Net Issue of upto [●] equity shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per equity share, aggregating ₹ [●] lakhs is hereinafter referred to as the “net issue”. The issue and the net issue will constitute [●] % and [●] % respectively of the post issue paid up equity share capital of our company.

### OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds of the Issue (Issue proceeds less the issue expenses) towards the following Objects:

Sr. No.	Particulars	Amount to be funded from the Net Proceeds (Rs. in lakhs)	Percentage of the net proceeds
1.	Funding the working capital requirements of the Company	1,350.00	[●]%
2.	General Corporate Purpose	[●]	[●]%
	<b>Total</b>	<b>[●]</b>	<b>[●]%</b>

### PRE-ISSUE SHAREHOLDING OF PROMOTER AND PROMOTER GROUP

Our Promoter and Promoter Group are collectively holding 58,01,165 equity shares of our Company aggregating to 96.00% of the pre-issue paid-up share capital of our Company. Following are the details of shareholding of Promoters and promoter group:

Sr. No.	Name of Shareholders	Pre-Issue		Post Issue	
		No of Equity Shares	% of Pre-issue Capital	No of Equity Shares	% of Pre-issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
	<b>Promoter</b>				
1.	Anmol Singh Jaggi	19,64,000	32.50%	[●]	[●]
2.	Puneet Singh Jaggi	17,22,428	28.50%	[●]	[●]
	<b>Subtotal (A)</b>	<b>36,86,428</b>	<b>61.01%</b>	<b>[●]</b>	<b>[●]</b>
	<b>Promoter Group</b>				
3.	Gensol Ventures Private Limited	21,14,737	35.00%	[●]	[●]



	<b>Subtotal (B)</b>	<b>21,14,737</b>	<b>35.00%</b>		
	<b>Total (A+B)</b>	<b>58,01,165</b>	<b>96.00%</b>		

### SUMMARY OF FINANCIAL INFORMATION

Following are details as per the restated consolidated financial statements for the financial years ended on March 31, 2019, 2018 and 2017:

(Amount in Lakhs)

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
Share Capital	604.27	1.23	1.23
Net Worth	1,304.27	654.59	120.93
Revenue	8,385.43	6,964.42	6231.77
Profit after tax after minority interest	649.68	533.66	118.90
Earnings per share (in Rs.)	10.75	8.83	1.97
NAV per share (in Rs.)	21.58	10.83	2.00
Total borrowings (as per balance sheet)*	861.18	124.12	38.74

\*Inclusive of Current Maturities

### AUDITOR QUALIFICATIONS

There are no Auditor qualification which have not been given effect to in the Restated Financial Statements.

### SUMMARY OF OUTSTANDING LITIGATIONS

Our Company, Subsidiaries, Promoters and Directors are currently involved in certain litigation which is currently pending at various stages, the details of the same are summarised in the table set forth below:

Name of Entity/Person	Criminal Proceedings	Actions by Regulatory Authorities	Tax Proceedings	Other Material Proceedings	Aggregate amount involved (Rs. In lakhs)
By the Company	1	N.A.	Nil	1	Not Ascertainable
Against the Company	1	Nil	1	1	10.25
By the Promoter	1	N.A.	Nil	Nil	Not Ascertainable
Against the Promoter	Nil*	Nil	12	Nil*	24.33
By the Directors	Nil*	N.A.	Nil	Nil	Nil
Against the Directors	Nil*	Nil	Nil	Nil*	Nil
By Group Companies	Nil	N.A.	Nil	Nil	Nil
Against Group Companies	2	N.A.	1	2	0.11
By the Subsidiaries	Nil	N.A.	Nil	Nil	Nil
Against the Subsidiaries	Nil	Nil	Nil	Nil	Nil

For further details in relation to legal proceedings involving our Company, Subsidiaries, Promoters and Directors, refer chapter titled "Outstanding Litigation and Material Developments" on page 161 of this Draft Red Herring Prospectus.

### RISK FACTORS

Please see the chapter "Risk factors" beginning on page 24.

### SUMMARY OF CONTINGENT LIABILITIES

Following is the summary of the Contingent Liabilities of the Company for the financial years ended on March 31, 2019, 2018 and 2017:

(Amount in Lakhs)

Particulars	For the Year ended on		
	March 31, 2019	March 31, 2018	March 31, 2017
Outstanding Bank Guarantee	195.40	55.62	51.61
Outstanding Bank Guarantee – Share of joint venture	0.36	0.36	1.38
<b>Total</b>	<b>195.76</b>	<b>55.98</b>	<b>52.98</b>

For further details regarding the same, refer the Chapter titled “Financial Statement as Restated” beginning on page 144 of this Draft Red Herring Prospectus.

### SUMMARY OF RELATED PARTY TRANSACTIONS

Following is the summary detail of the related party transactions entered by the Company for the financial year ended on March 31, 2019, 2018 and 2017:

(Amount in Lakhs)

Nature of transactions	For the year/Period	Remuneration	Consultancy fees	sale of goods/services	Purchase of goods/services	Rent Income	Loan & Advance Received	Loan & Advances Given
Anmol Singh Jaggi	2018-19	20.00	-	-	-	-	71.76	-
	2017-18	-	19.00	-	-	-	-	10.92
	2016-17	-	-	-	-	-	-	38.10
Gensol Consultants Private Limited	2018-19	-	-	61.00	264.32	-	-	-
	2017-18	-	360.75	490.52	-	-	-	160.42
	2016-17	-	-	58.76	-	-	41.36	-
Jasminder Kaur	2018-19	21.00	-	-	-	-	-	-
	2017-18	17.22	-	-	-	-	-	-
	2016-17	15.96	-	-	-	-	-	-
Prescinto Technologies Private Limited	2018-19	-	4.00	0.42	27.20	0.12	-	-
	2017-18	-	-	5.37	30.04	0.05	-	-
	2016-17	-	-	-	-	-	-	-
Shalmali Kaur	2018-19	-	-	-	-	-	-	-
	2017-18	10.00	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-	-
Gosolar Ventures Private Limited	2018-19	-	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-	-
	2016-17	-	1.41	-	-	-	-	0.99
Puneet Singh Jaggi	2018-19	20.00	-	-	-	-	125.31	-
	2017-18	-	-	-	-	-	-	45.31
	2016-17	-	-	-	-	-	-	58.77
Solarig Gensol Utilities Private Ltd	2018-19	-	-	-	-	14.40	-	-
	2017-18	-	-	81.55	-	5.66	-	1.29
	2016-17	-	6.87	-	-	-	5.16	-

Gensun Renewable s Private Limited	2018-19	-	-	654.07	-	0.03	-	-
	2017-18	-	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-	-
Gensol Industries Private Limited	2018-19	-	-	-	-	0.03	-	-
	2017-18	-	-	-	-	-	0.13	-
	2016-17	-	-	-	-	-	-	-
Gensol Venture Private Limited	2018-19	-	-	-	-	-	22.65	-
	2017-18	-	-	-	-	-	-	22.65
	2016-17	-	-	-	-	-	-	-
Gensol Mobility Private Limited	2018-19	-	-	-	-	0.15	-	-
	2017-18	-	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-	-
Gensol Renewable s Private Limited	2018-19	-	-	-	-	0.03	-	-
	2017-18	-	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-	-

For further details of the same refer the Annexure – XXXVII under Chapter titled “Financial Statement as Restated” beginning on page 144 of this Draft Red Herring Prospectus.

#### DETAILS OF FINANCING ARRANGEMENTS

There are no financing arrangements whereby the Promoters, member of Promoter Group, the Directors of the Company which a Promoter of the Issuer, the Director of our company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the Business of the financing entity during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

#### WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES ACQUIRED BY EACH OF OUR PROMOTERS IN THE LAST ONE YEAR PRECEDING THE DATE OF THIS DRHP

During the preceding one year from the date of filing of this DRHP, our Promoters, Puneet Singh Jaggi acquired 17,18,920 equity shares and Anmol Singh Jaggi acquired 19,60,000 equity shares pursuant to Bonus Issue on January 21, 2019. Since the bonus allotment did not involve any consideration, the weighted average price of Equity Shares is Nil.

#### AVERAGE COST OF ACQUISITION OF SHARES

The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

Name of promoter	No. of Shares held	Average Cost of Acquisition (In ₹)
Anmol Singh Jaggi	19,64,000	0.02
Puneet Singh Jaggi	17,22,428	0.02

#### DETAILS OF PRE-IPO PLACEMENT

Our Company does not contemplate any issuance or placement of Equity Shares from the date of the Draft Red Herring Prospectus till the listing of the Equity Shares.

#### EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH IN LAST ONE YEAR

Except as mentioned below, we have not issued any Equity Shares for consideration other than cash during last one year from the date of this Draft Red Herring Prospectus:

Sr. No	Date of allotment	Number of equity shares	Face Value (₹)	Issue Price (₹)	Reasons for allotment	No. of Allottees	Benefits accrued to our Company
1.	January 21, 2019	60,30,430	10	-	Bonus Issue	7	Nil

#### SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

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

### SECTION III – RISK FACTORS

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

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 97, “Our Industry” beginning on page 79 and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on page 146 of this Draft Red Herring Prospectus as well as other financial information contained herein.

#### **Materiality:**

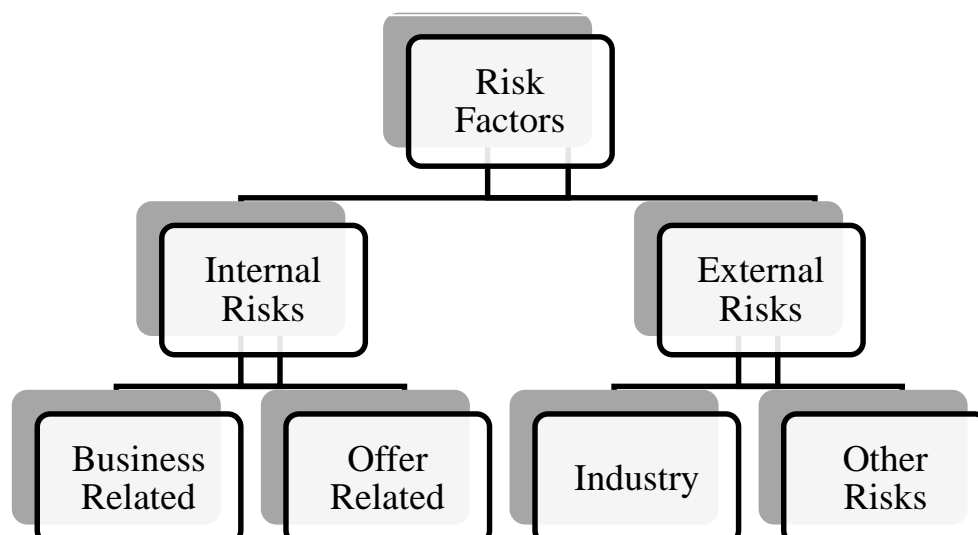
The Risk Factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality of Risk Factors:

- Some events may not be material individually but may be found material collectively;
- Some events may have material impact qualitatively instead of quantitatively;
- Some events may not be material at present but may have material impact in future.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “Definitions and Abbreviation” beginning on page 3 of this Draft Red Herring Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

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

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



## INTERNAL RISKS

### Business Related Risks

1. **Our Company, its Promoters-Directors and one of its Group Companies are involved in certain litigations viz criminal, civil and tax proceedings which are currently pending at various stages. Any adverse decision in these proceedings may render us liable to various penalties and/or monetary compensation and may adversely affect our business and results of operations.**

A classification of legal proceedings is mentioned below:

Also, there is no assurance that in future, we, our promoters, our directors or group/subsidiary companies may not face legal proceedings and any adverse decision in such legal proceedings may impact our business. For further details in relation to legal proceedings involving our Company, Promoters, Directors, Group Companies and Subsidiaries, kindly refer the chapter titled “*Outstanding Litigation and Material Developments*” on page 161 of this Draft red herring Prospectus.

Name of Entity/Person	Criminal Proceedings	Actions by Regulatory Authorities	Tax Proceedings	Other Material Proceedings	Aggregate amount involved (Rs. In lakhs)
By the Company	1	N.A.	Nil	1	Not Ascertainable
Against the Company	1	Nil	1	1	10.25
By the Promoter	1	N.A.	Nil	Nil	Not Ascertainable
Against the Promoter	Nil*	Nil	12	Nil*	24.33
By the Directors	Nil*	N.A.	Nil	Nil	Nil
Against the Directors	Nil*	Nil	Nil	Nil*	Nil
By Group Companies	Nil	N.A.	Nil	Nil	Nil
Against Group Companies	2	N.A.	1	2	0.11
By the Subsidiaries	Nil	N.A.	Nil	Nil	Nil
Against the Subsidiaries	Nil	Nil	Nil	Nil	Nil



“N.A.” shall mean that the category of proceeding is not applicable on the entity.

“ \* ” shall mean that the matters/proceedings have already been covered under matters/proceedings of some other entity/person. For details of the matters, kindly refer the chapter titled “Outstanding Litigation and Material Developments”

An overview of material litigation matters involving our Company and its Promoters-Directors is stated below. For details of matters involving our Group Company, kindly refer the chapter titled “Outstanding Litigation and Material Developments”.

A Criminal Complaint under section 138 of the Negotiable Instruments Act, 1881 (“NI Act”) has been filed against our Company and its Promoter-Director Anmol Singh Allagh. The matter relates to dishonour of cheques amounting to INR 5 crore. For further details on the matter, kindly refer the heading “Litigations filed against our Company” in the chapter titled “Outstanding Litigation and Material Developments”.

**Future implications of the matter:**

It shall be noted that a person convicted under section 138 of the N.I. Act may be punished with imprisonment for a term which may be extended to two years or with fine which may extend to twice the amount of the cheque, or with both. In an event Anmol Singh Jaggi is convicted in the above matter, he shall be debarred from becoming director of our Company as per section 164 (1) (d) of the Companies Act 2013.

It shall also be noted that our Company has also filed Petitions for quashing of the Criminal Complaints mentioned above. For further details on the matter, kindly refer the heading “Litigations filed by our Company” in the chapter titled “Outstanding Litigation and Material Developments”.

A Section 9 Application under Arbitration and Conciliation Act, 1996 was filed against our Company seeking interim reliefs before the City Civil Court of Bangalore under one wrap agreement between the parties. For further details on the matter, kindly refer the heading “Litigations filed against our Company” in the chapter titled “Outstanding Litigation and Material Developments”.

A Civil Miscellaneous Petition was filed against our Company before the High Court of Karnataka for appointment of arbitrator under Section 11(6) of the Arbitration and Conciliation Act, 1996. For further details on the matter, kindly refer the heading “Litigations filed against our Company” in the chapter titled “Outstanding Litigation and Material Developments”.

Our Company has filed a Special Civil Suit valued at INR 99 lakhs for recovery of damages. For further details on the matter, kindly refer the heading “Litigations filed by our Company” in the chapter titled “Outstanding Litigation and Material Developments”.

Our Promoter-Director, Anmol Singh Jaggi has filed a Criminal Miscellaneous Application against the State of Gujarat and one Rajubhai Datla under Section 406, 420, 465, 467, 468, 471, 120B and 114 of the Indian Penal Code, 1860. For further details on the matter, kindly refer the heading “Litigations filed by our Promoters” in the chapter titled “Outstanding Litigation and Material Developments”.

Our Promoters-Directors, Anmol Singh Jaggi and Puneet Singh Jaggi are involved in two Criminal Litigations that were filed against our Group Company, Gensol Consultants Private Limited under Section 138 of the Negotiable Instruments Act, 1881 for dishonour of two cheques involving an amount of INR 6,28,06,121 in the one matter and dishonour of one cheque involving an amount of INR 4,00,000, in the second matter. For further details on the matter, kindly refer the heading “Litigations filed against our Group Companies” in the chapter titled “Outstanding Litigation and Material Developments”.

Two legal notices by Mr. Navneet Gosal and India Ventures Partnership Limited have been sent to the Issuer vide letters dated August 12, 2019. The issuer has replied to both the legal notices vide letter dated August 30, 2019 and the matters have not proceeded to the Court. For further details, please refer the chapter titled “Outstanding Litigation and Material Developments” beginning on page 161 of this Draft Red Herring Prospectus.

**Future implications of the matter:**

It shall be noted that a person convicted under section 138 of the N.I. Act may be punished with imprisonment for a term which may be extended to two years or with fine which may extend to twice the amount of the cheque, or with both. In an event Anmol Singh Jaggi and Puneet Singh Jaggi are convicted in the above matter, they shall be debarred from becoming directors of our Company as per section 164 (1) (d) of the Companies Act 2013.

Our Promoters-Directors, Anmol Singh Jaggi and Puneet Singh Jaggi are also involved in a Civil Recovery Suit filed against our Group Company, Gensol Consultants Private Limited, valued at INR 6, 57,36,427. For further details on the matter, kindly refer the heading “Litigations filed against our Group Companies” in the chapter titled “Outstanding Litigation and Material Developments”.

**2. *An inability to effectively manage project execution may lead to project delays which may affect our business and results of operations.***

Our business is dependent on our ability to effectively manage the execution of our projects. An inability to effectively manage our operations, including ineffective or inefficient project management procedures could increase our costs and expenses, result in project delays and thereby affect our profitability. The effectiveness of our project management processes and our ability to execute projects in a timely manner may be affected by various factors. Additionally, in some projects, in case of delay due to our fault or because of defective work done by us, clients have the right to rectify the defective work, or engage a third party to complete the work and deduct additional costs or charges incurred for completion of the work from the project price payable to us. Such factors would have an effect on our results of operations and financial condition.

**3. *Increase in costs or a shortfall in availability of the materials we purchase could have a material adverse effect on our Company's sales, profitability and results of operations.***

Our Company is dependent on third party suppliers for procuring the materials which we use in executing our solar EPC projects. We are exposed to fluctuations in the prices of these materials as well as its unavailability, particularly as we typically do not enter into any long term supply agreements with our suppliers and our major requirement is met in the spot market. Further we are dependent on few suppliers as our top 10 suppliers contributed 59.77 % and 96.86% of our total consolidated purchases for the year ended March 31, 2018 and March 31, 2019 respectively. The cost and availability of such materials are subject to a variety of factors and any increase in their cost and their availability at a reasonable price or at all, could adversely affect our margins, sales and results of operations. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of materials. If we were to experience a significant or prolonged shortage of such materials from any of our suppliers, and we cannot procure the products from other sources, we would be unable to meet our execution schedules and to deliver such products to our customers in timely fashion, which would adversely affect our sales, margins and customer relations. We cannot assure you that a particular supplier will continue to supply the required materials to us in the future. Any change in the supplying pattern of our products can adversely affect our business and profits. Though we enjoy favourable terms from the suppliers both in prices as well as in supplies, our inability to obtain high quality materials in a timely and cost-effective manner would cause delays in our execution cycles and delivery schedules, which may result in the loss of our customers and revenues.

**4. *The nature of our business exposes us to liability claims and contract disputes and our indemnities may not adequately protect us. Any liability in excess of our reserves or indemnities could result in additional costs, which would reduce our profits.***

Time is often of the essence in our projects. We typically enter into contracts which provide for liquidated damages for time overruns. In the event there are delays in our current or future orders and we are unable to receive extensions from our customers, we may be exposed to liquidated damages and termination apart from entailing significant cost and time overruns. Additionally, in some contracts, in case of delay due to deficiency in services or because of defective work done by us, clients may have the right to complete the work at our risk and cost by engaging a third party. We are generally required to furnish performance guarantees in the form of bank guarantees. In the event we fail to perform under the terms of a contract, a bank guarantee may be called upon by our customer, which could adversely affect our financial condition and results of operations. In addition, our operations are subject to hazards inherent in providing fabrication services, such as risk of work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and environmental damage. We may also be subject to claims resulting from defects arising from fabrication services provided by us within the warranty periods extended by us. Failure to effectively cover ourselves against any of these reasons could expose us to substantial costs and potentially lead to material losses. Faults in design and execution might also require repair work, which may not be foreseen. In addition, if there is a customer dispute regarding our performance or workmanship, the customer may delay or withhold payment to us.

**5. *Our success depends on our ability to attract and retain key employees, and our failure to do so could harm our ability to grow our business and execute our business strategies.***

We rely on the skills, expertise and experience of our employees to provide quality services to our customers. Our performance and success substantially depends on the ability to attract and retain our key employees, including our management team and experienced engineers. Although some of the members of our senior management have been with us for a long period of time, there can be no assurance that any member of our senior management or other key employees will not leave us in the future. Our success is also highly dependent on our continuous ability to identify, hire, train, retain and motivate highly qualified management, technical, sales and marketing personnel. In particular, the recruitment of skilled engineers and experienced sales personnel remains critical to our success. Further, if we fail to identify suitable replacements of our departed staff, our business and operation could be adversely affected and our future growth and expansions may be inhibited.

**6. *Our Company has not complied with certain statutory provisions under Companies Act and FEMA. Such non-compliances/lapses may attract penalties.***

In the past, our controls and compliances for managing our secretarial records have been inadequate as a result of which there have been non-compliances with certain provisions of the Companies Act, 1956 and Companies Act, 2013, and failure in maintaining certain corporate and regulatory records by our Company. We have not complied with the following provisions of Companies Act as applicable:

- section 185 of the Companies Act, 2013
- section 129 of the Companies Act, 2013 by not preparing consolidated financial statements for FY 2015-16 and FY 2016-17. However the Company has as on date complied with such section and have prepared its consolidated financials for such years.

Further in the past, there have been some instances of non-filings or incorrect filings or delays in filing statutory forms with the RoC, which have subsequently been filed along with the payment of additional fees, as specified by RoC.

In addition to above our Company has received foreign inward remittance but have filed form FC-GPR for issue of shares to the non-resident investors with delay of 2039 days. We made compounding application with RBI dated January 1, 2019 in terms of FEMA rules which stands disposed as on date. Our company shall ensure in future that we do not have this type of delay in compliance.

While no legal proceedings or regulatory action has been initiated against our Company in relation to the aforementioned non-compliances as of the date of this Draft Red Herring Prospectus, we cannot assure you that no legal proceedings or regulatory actions will be initiated against us in the future in relation to these. Further we have appointed Company Secretary to look after such compliances on February 27, 2019 and shall ensure we do not make any lapses.

**7. *Our pricing structures may not accurately anticipate the cost and complexity of performing our work and if we are unable to manage costs successfully, then certain of our contracts could be or become unprofitable***

We negotiate pricing terms with our clients utilizing a range of pricing structures and conditions. Depending on the particular contract, we may use time-and-materials pricing, pursuant to which we typically invoice on periodical basis for the services that we provide to our client. In certain instances, we enter into time-and-materials pricing arrangements, but with the inclusion of fixed-price elements for certain specified services.

Our ability to improve or maintain our profitability is dependent on managing our costs successfully. Our cost management strategies include maintaining appropriate alignment between the demand for our services and our resource capacity, optimizing the costs of service delivery through business process digitalization and deployment of tools, and effectively leveraging our sales and marketing and general and administrative costs. Our contracts could yield lower profit margins than anticipated, if we do not accurately estimate the resources required, costs and timing for completing projects, future rates of wage inflation and currency exchange rates, or if we fail to complete our contractual obligations within the contracted timeframe. In particular, any increased or unexpected costs, or wide fluctuations compared to our original estimates or delays, or unexpected risks we encounter in connection with the performance of this work, including those caused by factors outside of our control, could make these contracts less profitable or unprofitable, which could adversely impact our profit margin. However our contracts usually provides for escalation and delay charges clause to minimise such risks.

**8. *Our company is engaged in providing service of installation of roof top projects and receives subsidy from State/Central Government for Institutional Segment. Any reduction or discontinuation of such subsidy will results in reduction in number of potential consumers.***

We provide services of installation of solar roof top projects to Industrial, Commercial & Institutional customers for their captive purpose out of which solar roof top projects for institutional purposes are eligible for claiming subsidy from State/Central Government.

We directly claims subsidy from Solar Energy Corporation of India (SECI) upon successful installation of solar roof top projects. For seeking subsidy, the project needs to be registered first before competent authority and only after receipt of registration the same shall be implemented. Any delay in getting the subsidy amount from state government will affect our working capital cycle.

In addition, if there is any reduction or any discontinuance of subsidy from State/Central Government, we may require to charge total cost of project from customers which will ultimately results higher cost to the customer. As a result number of potential consumer of our services may reduce which will ultimately affect our potential revenue in future to that extent.

**9. *Our top 10 customers contribute majority of our revenues from operations for the year ended March 31, 2018 and for the period ended September 30, 2018. Any loss of business from one or more of them may adversely affect our revenues and profitability.***

Our top 10 and top 5 customers contributed 66.19 % and 57.49 % of our consolidated revenues for the year ended March 31, 2018 and contributed 62.29 % and 46.78 % of our consolidated revenues for the year ended March 31, 2019. As we operate on contract basis also, our revenue from operations for a particular period may be concentrated in few clients or may be dependent on some large contracts. Larger contracts from few customers may represent a larger part of our portfolio, increasing the potential volatility of our results and exposure to individual contract risks. We may be vulnerable to accepting onerous contractual terms with regard to change in scope of work or inclusion of additional work within the scope of an existing contract. Such concentration of our business on a few projects or clients may have an adverse effect on our results of operations and result in a significant reduction in the award of contracts which could also adversely affect our business if we do not achieve our expected margins or suffer losses on one or more of these large contracts, from such clients. We cannot assure that we shall generate the same quantum of business, or any business at all, and the loss of business from one or more of them may adversely affect our revenues and results of operations. However, the composition and revenue generated from these customers might change as we continue to add new customers in the normal course of business. While we believe that we shall not face challenges in finding new customers in the ordinary course of business, our results of operations and financial condition may be adversely affected if we remain dependent on few customers.

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

We believe that the industry in which we operate faces competitive pressures in recruiting and retaining skilled and unskilled labour. Our industry being labour intensive is highly dependent on labour force for carrying out its business operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. We have not experienced any major disruptions to our business operations due to disputes or other problems with our work force in the past; there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

**11. *We require a number of approvals, NOCs, licenses, registrations and permits in the ordinary course of our business. Some of the approvals are required to be transferred in the name of Gensol Engineering Limited from Gensol Engineering Private Limited pursuant to name change of our company and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.***

We require several statutory and regulatory approvals, licenses, registrations and permits to operate our business, some of which our Company has either received or is likely to receive in due course. Some of these



approvals, licenses, registration and permits are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to cancellation, revocation or suspension of relevant approvals, licenses, registrations and permits. Any failure to renew the approvals, license, registrations and permits that may have been issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial conditions, results of operations and prospects. We cannot assure you that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked due to any regulatory actions. Also, our Company is required to obtain the Udhya Aadhar Memorandum issued under the Micro, Small and Medium Enterprises Development Act, 2006 by the Ministry of Micro, Small and Medium Enterprises. Furthermore, most of our licenses are in the name of Gensol Engineering Private Limited.

For more information, please refer to chapter titled "Government and Other Statutory Approvals" beginning on page 168 of this Draft Red Herring Prospectus.

**12. Our results of operations and cash flows could be adversely affected, if we are unable to collect our dues and receivables from, or invoice our unbilled services to, our clients.**

Our business depends on our ability to successfully obtain payment from our clients of the amounts they owe us for work performed. We evaluate the financial condition of our clients and usually bill and collect on relatively short cycles. There is no guarantee that we will accurately assess the creditworthiness of our clients. Such conditions could cause clients to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. Timely collection of fees for client services also depends on our ability to complete our contractual commitments and subsequently bill for and collect our contractual service fees. If we are unable to meet our contractual obligations, we might experience delays in the collection of, or be unable to collect, our client balances, and if this occurs, our results of operations and cash flows could be adversely affected. Our results of operations and cash flows could be adversely affected, if we are unable to meet our contractual obligations, we might experience delays in the collection of, or be unable to collect, our client balances. In addition, if we experience delays in billing and collection for our services, our cash flows could be adversely affected

**13. Our Company requires significant amounts of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.**

Our business is working capital intensive. Summary of our working capital position as per our Restated Standalone Financial Information is given below:-

Amount (Rs. in lakhs)

Particulars	For the period ended As at March 31,		
	2019	2018	2017
<b>A. Current Assets</b>			
Trade Receivables	1,776.36	1,398.72	591.27
Cash and Cash Equivalents	224.31	125.61	64.30
Short Term Loans & Advances	242.38	215.57	209.60
Other Current Assets	626.16	404.38	-
<b>B. Current Liabilities</b>			
Trade Payables	848.47	913.50	228.73
Other Current Liabilities	881.13	705.24	532.13
Short Term Provisions	159.26	69.31	36.99
<b>Working Capital (A-B)</b>	<b>980.35</b>	<b>456.23</b>	<b>67.32</b>

We intend to continue growing by expanding our business operations. This may result in increase in the quantum of our current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled "Objects of the Issue" beginning on page 67 of this Draft Red Herring Prospectus.

**14. We have a substantial level of sundry debtors.**

As of March 31, 2019 the aggregate amount owed to us by our debtors was Rs. 2,255.52 lakhs and debtors month was around 3.55 months as per Restated Consolidated Financial Information. In view of our

management, generally the average debtors period in the industry which we operate is quite high. Of the above trade receivables, Rs. 441.07 lakhs has been outstanding for more than 6 months. Customer concentration coupled with high debt increase the credit risk of our business. General economic conditions may adversely affect the financial conditions of our debtors, and may result in defaults by some of these debtors. Further we have subsidy receivable of Rs. 272.62 lakhs as at March 31, 2019. In the event of defaults by our debtors or non-receipt of any subsidy amount due, we may suffer a liquidity shortfall and incur additional costs, including legal expenses, in recovering the sums due and payable to us. Further, we may be subject to working capital shortages due to delays or defaults in payments by customers. If buyers default in their payments on an assignment for which we have devoted significant resources or if an order or assignment in which we have invested significant resources is delayed, cancelled or curtailed, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.

**15. We have certain contingent liabilities that have not been provided for in our financials which if materialized, could adversely affect our financial condition.**

Our contingent liabilities as on March 31, 2019 as per our Restated Consolidated Financial Information is as under:

(Amount Rs. in lakhs)

Particulars	Amount Outstanding as on March 31, 2019
Outstanding bank guarantees	195.40
Outstanding bank guarantees - Share of Joint Venture	0.36
<b>Total</b>	<b>195.76</b>

Further our Company has given Corporate guarantees to financial institution / bank on behalf of subsidiaries for facilities availed by them for Rs. 398.15 lakhs as on March 31, 2019.

In the event any such contingencies mentioned above were to materialize or if our contingent liabilities were to increase in the future, our financial condition could be adversely affected. For further details, see the section entitled "Financial Statements" on page 144 of this Draft Red Herring Prospectus.

**16. We have certain long pending statutory dues as per our Restated Standalone Financial Statements as at March 31, 2019.**

As on March 31, 2019, we have following long pending statutory dues which are outstanding for more than 6 months, as per our Restated Standalone Financial Statements:

Name of Statute	Amount Involved (Rs. in lakhs)
Central Sales Tax Act	22.03
Service Tax Act	201.13
Swachh Bharat Cess	6.31
Value Added Tax Act	3.23
Income Tax Act	22.82
Professional Tax	8.70

Since these are delayed payment of taxes, our cash flow from operations will be adversely affected to the extent we have to pay interest and penalties on the same.

**17. Our inability to maintain inventory of stock in trade for execution of our EPC project for our business may impact our operations adversely.**

The results of operations of our business is dependent on our ability to effectively manage our inventory and stocks. As per our statutory auditor, our Company has not maintained stock register as the inventory is directly shipped from vendor's site to customers on site and risk for the same is passed on to customers on the installation of the project. However our management believes that to respond to customer demand effectively, we must maintain such records going forward and they are in the process of implementing such process.

**18. We operate in a highly competitive environment and face competition in our business from organized and unorganized players, which may adversely affect our business operations and financial condition.**

The industry in which the Company operates is highly and increasingly competitive and our results of operations and financial condition are sensitive to, and may be materially adversely affected by competitive



pricing and other factors. Competition may result in pricing pressures, reduced profit margins, lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations. The domestic segment which we cater to is fragmented and competitive. We compete primarily on the basis of quality of our services, customer satisfaction and marketing. Further, some of our competitors are large domestic and international companies. Thus some of our competitors may have certain other advantages over us, including established track record, superior service offerings, larger portfolio of services, technology and greater market penetration, which may allow our competitors to better respond to market trends. They may also have the ability to spend more aggressively on marketing initiatives and may have more flexibility to respond to changing business and economic conditions than we do.

We believe that in order to compete effectively, we must continue to maintain our reputation, be flexible and prompt in responding to rapidly changing market demands and customer preferences, and offer customer quality services at competitive prices. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

**19. *We depend on certain brand names and our corporate name and logo that we may not be able to protect and/or maintain.***

Our ability to market and sell our products depends upon the recognition of our brand names and associated consumer goodwill. Currently, our Company is using two trademarks registered with its Group Company vide an assignment deed dated March 14, 2019. However, these trademarks are subject to renewal in ten years from the date of their application. In case of failure to renew the said trademarks in time, it may adversely affect our business operations.

Our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business, financial condition, results of operations and prospects.

See “Government and other Statutory Approvals” on page 168 of this Draft Red Herring Prospectus for further details on the required material approvals for the operation of our business.

**20. *Failure to anticipate and develop new products & services and enhance existing execution capabilities in order to keep pace with rapid changes in technology and industry may suffer our business***

The solar industry is characterized by rapid technological changes, evolving industry standards, changing client preferences, and new product and service introductions that could result in product obsolescence and short product life cycles. Our success depends on our ability to anticipate these advances, enhance our existing offerings or develop new service offerings to meet client needs, in a timely manner. We may not be successful in anticipating or responding to these advances on a timely basis. It may also happen that the services or technologies we develop may not be successful in the marketplace. We may also be unsuccessful in stimulating customer demand for new and upgraded products & services, or seamlessly manage to introduce new service or transitions. If we fail to address the demands of the rapidly evolving IT environment, particularly with respect to emerging technologies, and technological obsolescence, it could have a material adverse effect on our business, results of operations and financial condition.

**21. *We generally do business with our customers on purchase order basis and do not enter into long term contracts with most of them.***

Our business is dependent on our continuing relationships with our customers. Our Company has not entered into any long-term contract with any of customers. Any change in the consumption pattern of our end users or disassociation of major customers can adversely affect the business of our Company. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations.

**22. *Our solar power industry is vulnerable to seasonal and weather fluctuations. This could result in fluctuations in power generation and demand which will adversely affect our sales and profitability.***

Solar power generation is depended on weather and sun light. During raining season, sun light and weather are not favorable for solar power generation. Solar Power generated during the said period is less as compared to other seasons/months during the year as a result power transmitted to grid will be less which consequently affect our revenue from operations and profitability. Thus, we are subject to seasonal and weather factors, which make our operating results relatively uncertain. In the event of natural calamities such as drought, insufficient rainfall or floods, which may adversely affect our business operations and profitability.

23. ***For our RESCO services, any constraints in the availability of the electricity grid, including our inability to obtain access to transmission lines in a timely and cost-efficient manner, could adversely affect our business, results of operations and cash flows.***

We rely on transmission grids and other transmission and distribution facilities that are owned and operated by the respective state governments or public sector entities who are our customers. Where we do not have access to available transmission networks, we have to build transmission lines and other related infrastructure. In such a case, we will be exposed to additional costs and risks associated with developing transmission lines and other related infrastructure, such as the ability to obtain right of way from land owners for the construction of our transmission grids, which may delay and increase the costs of our solar power projects. We may not be able to secure access to the available transmission and distribution networks at reasonable prices, in a timely manner or at all.

India's physical infrastructure, including its electricity grid, is less developed than that of many developed countries. As a result of grid constraints, such as grid congestion and restrictions on transmission capacity of the grid, the transmission and dispatch of the full output of our projects may be curtailed. We may have to stop producing electricity during the period when electricity cannot be transmitted, for instance, when the transmission grid fails to work. Such events out of our control could reduce the net power generation of our solar power projects and adversely affect our revenues. To the extent that any of the foregoing affects our ability to sell electricity, our business, financial condition and results of operations could be adversely affected.

24. ***Our PPAs may expose us to certain risks that may affect our future results of operations and cash flows***

Under long-term PPAs entered into by our subsidiary, we typically sell solar power generated from our solar power project to Private Parties at pre-determined tariffs. Accordingly, if we seek an extension of the term of a PPA, we are not likely to be able to renegotiate the terms of the PPA to include a higher tariff rate. In addition, in the event of increased operating costs as a result of changes in applicable laws, we may not have the ability to obtain corresponding increases in our tariffs. For instance, changes in applicable tax regulations may increase our costs without any likelihood of us getting corresponding revenue increases from our off-takers. Therefore, the prices at which we supply power may have little or no relationship to the costs incurred in generating power, which may lead to fluctuations in our margins. The above factors may limit our business flexibility, expose us to an increased risk of unforeseen business and industry changes and could have an adverse effect on our business, results of operations and cash flows. Our profitability is a function of our ability to manage our costs during the terms of our PPAs and operate our solar power projects at optimal levels. If we are unable to manage our costs effectively or operate our solar power projects at optimal levels, our business and results of operations may be adversely affected.

25. ***Our Group Companies i.e. Prescinto Technologies Private Limited and Gosolar Ventures Private Limited, has incurred losses in the previous financial years.***

Sustained financial losses by our Group Company may not be perceived positively by external parties such as customers, bankers, suppliers, etc., which may affect our credibility and business operations. Our Group Companies Prescinto Technologies Private Limited and Gosolar Ventures Private Limited, have incurred losses in previous years.

#### **Financial Performance of Prescinto Technologies Private Limited**

(Amount in Rs. Lakhs)

Particulars	2017-18	2016-17
Paid Up Equity Capital	15.00	15.00
Reserves and Surplus (excluding revaluation reserve if any)	(148.20)	(20.05)
Sales and Other Income	32.41	-
Profit After Tax	(128.15)	(20.05)

#### **Financial Performance of Gosolar Ventures Private Limited**

(Amount in Rs. Lakhs)

Particulars	2017-18	2016-17	2015-16
Paid Up Equity Capital	2.25	2.25	2.15
Reserves and Surplus (excluding revaluation reserve if any)	(235.42)	(103.20)	4.06
Sales	19.16	13.63	-
Profit After Tax	(132.22)	(127.15)	(95.37)

There can be no assurance that our Group Companies will not incur losses in any future periods, or that there will not be an adverse effect on our reputation or business as a result of such losses.

- 26. *Our consolidated financial results are partly dependent on the performance of our Subsidiary and any negative impact on their performance could adversely affect our financial condition and results of operations***

Our Company has one Subsidiary viz. Gensun Renewables Private Limited (“GRPL”) as on the date of the DRHP. The performance of our Subsidiary is inter-alia governed by prevalent market conditions, various applicable laws, and is subject to various restrictions under borrowing arrangements. Any disruption in the business activities of our Subsidiaries and consequent fall in their revenue will adversely impact our consolidated financial results

**Financial Performance of Gensun Renewables Private Limited**

**(Amount in Rs. Lakhs)**

<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
Paid Up Equity Capital	1.00	1.00
Reserves and Surplus (excluding revaluation reserve if any)	(1.06)	0.04
Sales and Other Income	-	0.10
Profit After Tax	(1.09)	0.04

- 27. *We have in the past entered into related party transactions and may continue to do so in the future.***

We have entered into various transactions with our Promoters, Directors and their relatives and Group Companies. While we believe that all such transactions are conducted on arm’s length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions were not entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to chapter “*Related Party Transactions*” beginning on page 142 of the Draft Red Herring Prospectus.

- 28. *There may be potential conflict of interests between our Company and other venture or enterprises promoted by our promoter or directors.***

The main business object/activities of one of our group company, Gensol Consultant Private Limited permit it to undertake similar business to that of our business, which may create a potential conflict of interest and which in turn, may have an implication on our operations and profits. Conflicts of interests may arise in allocating business opportunities between our Company and our Group Company in circumstances where our respective interests diverge. Further M/s. Gensol Renewables Private Limited is allowed to carry on activities as per its MOA, which are similar to the activities carried by our Group. However, there have been no operations in the said Group Company till date. Further, our Promoters, are also directors on the board of our Group Companies. This may be a potential source of conflict of interest in addressing business opportunities, strategies, implementing new plans and affixing priorities. In cases of conflict, our Promoters may favour other companies in which our Promoters have interest. However, our Company has entered into separate non-compete agreement, with our group company Gensol Consultant Private Limited in order to avoid the conflict of interest envisaged above. .

- 29. *We are subject to foreign currency exchange rate fluctuations which could have a material and adverse effect on our results of operations and financial conditions.***

We derive a part of our revenue from international operations also. Further we also import some of our input materials like inverters and modules required in our project execution. Changes in value of currencies with respect to the Rupee may cause fluctuations in our operating results expressed in Rupees. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Fluctuations in the exchange rates may affect us to the extent of cost of goods and sales in foreign currency terms. Any adverse or unforeseen fluctuations with respect to the unhedged exchange rate of any foreign currency for Indian Rupees may affect our results of operations.

- 30. *Our Company does not own the land on which our Registered office, Corporate office and Branch offices are located which we have taken on lease/rent.***

Our Company does not own the land on which our Registered office, Corporate office and Branch offices are located. We have taken the same on lease from third parties. If we are unable to renew the lease or if the

lease is not renewed on favourable conditions, it may affect our operations adversely. Also if we do not comply with certain conditions of the lease agreement, it may lead to termination of the lease. In the event of non-renewal or termination of the lease, we may have to vacate our current premises and shift to new premises. There can be no assurance that we shall be able to find a suitable location, or one at present terms and conditions. Any additional burden due to shifting of premises, or increased capital expenditure, may adversely affect our business operations and financial conditions. For details on properties taken on lease by our Company please refer to the heading titled “Land & Property” in chapter titled “Our Business” beginning on page 97 of this Draft Red Herring Prospectus.

**31. *We are subject to risks associated with expansion into new geographic regions.***

Expansion into new geographic regions, including different states in India, subjects us to various challenges, including those relating to our lack of familiarity with the culture, legal regulations and economic conditions of these new regions, language barriers, difficulties in staffing and managing such operations, and the lack of brand recognition and reputation in such regions. The risks involved in entering new geographic markets and expanding operations, may be higher than expected, and we may face significant competition in such markets. By expanding into new geographical regions, we could be subject to additional risks associated with establishing and conducting operations, including, laws and regulations, uncertainties and customer’s preferences, political and economic stability. By expanding into new geographical regions, we may be exposed to significant liability and could lose some or all of our investment in such regions, as a result of which our business, financial condition and results of operations could be adversely affected.

**32. *If we are unable to source business opportunities effectively, we may not achieve our financial objectives.***

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees and to implement systems capable of effectively accommodating our growth. However, we cannot assure you that any such employees will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It also is possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analyses of market and other data or the strategies we use or plans in future to use will be successful under various market conditions.

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

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

**34. *We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation and goodwill of our Company. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

**35. *Our lenders have charge over our movable and immovable properties in respect of finance availed by us.***

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us from banks and financial institutions. The total amounts outstanding and payable by us as secured loans were Rs. 434.49 lakhs as on March 31, 2019 as per Restated Consolidated Financial Statements. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information on the “*Financial Indebtedness*” please refer to page 157 of this Draft Red Herring Prospectus.

**36. *Our lenders have imposed certain restrictive conditions on us under our financing arrangements. Further as on the date of the Draft Red Herring Prospectus our Company has not received “No-objection”***



***certificate from some of our lenders to undertake this issue. Non receipt of such “No-Objection” certificate could lead to noncompliance of the terms of loan agreements entered into by our Company with said lenders.***

Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, formulate a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement. Further, we are required to maintain certain financial ratios.

There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information, see the chapter titled “Financial Indebtedness” on page 157 of the Draft Red Herring Prospectus. Though these covenants are restrictive to some extent for us, however it ensures financial discipline, which would help us in the long run to improve our financial performance.

Further, as on the date of the Draft Red Herring Prospectus, we have not received “No Objection” certificates from some of our lenders. We cannot assure you that such lenders will grant us the “No-Objection” certificate for this Issue. Non-receipt of such “No-Objection” certificate could lead to non-compliance of the terms of loan agreements entered into by our Company with the lenders.

- 37. *The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.***

Since, the Proceeds from Issue is less than Rs.10,000 lakh, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

- 38. *Within the parameters as mentioned in the chapter titled ‘Objects of this Issue’ beginning on page 67 of this Draft Red Herring Prospectus, our Company’s management will have flexibility in applying the proceeds of the Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.***

We intend to use Net Proceeds towards meeting the funding the working capital requirements of the Company and General corporate purposes. We intend to deploy the Net Proceeds in financial year 2019-20 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Net Proceeds, please refer chapter titled “Objects of the Issue” beginning on page 67 of this Draft Red Herring Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled ‘Objects of the Issue’ beginning on page 67 of this Draft Red Herring Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Board of Directors will monitor the proceeds of this Issue.

However, Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. However in accordance with Section 27 of the Companies Act, 2013, and relevant provisions of SEBI ICDR Regulations, 2018, a company shall not vary the objects of the Issue without our Company being authorise to do so by our shareholders by way of special resolution and other compliances in this regard. Our Promoters and controlling shareholders shall provide exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

- 39. *We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further we have not identified any alternate source of financing the ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our capital requirements through our bank finance, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled “*Objects of the Issue*” beginning on page 67 of this Draft Red Herring Prospectus.

**40. *Our insurance coverage may not be adequate.***

Our Company has obtained insurance coverage in respect of certain risks. We maintain insurance policies in respect of our business, operations, and workforce. We have taken marine cargo insurance policy, office and protector policies and workmen’s compensation policy. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like housebreaking, terrorism, etc. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected. For further details, please refer chapter titled “Our Business” beginning on page 97 of this Draft Red Herring Prospectus.

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

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

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

**42. *We have unsecured loans which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows.***

As on March 31, 2019, we have unsecured loans amounting to Rs. 426.69 lakhs from M/s. Sunridge Green Ventures Private Limited, banks and financial institutions and Directors that are repayable on demand to the relevant lender. Further, these loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows. For further details of our unsecured loans, please refer the chapter titled “*Financial Statements as Restated*” beginning on page 144 of this Draft Red Herring Prospectus.

**43. *Our future funds requirements, in the form of issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. Any issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.



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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “Dividend Policy” on page 143 of this Draft Red Herring Prospectus.

- 45. *In addition to normal remuneration or benefits and reimbursement of expenses, some of our Directors and key managerial personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.***

Our Directors and Key Managerial Personnel (“KMP”) are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and KMP may also be interested to the extent of their shareholding and dividend entitlement in our Company. For further information, see “Capital Structure” and “Our Management” on pages 57 and 119, respectively, of this Draft Red Herring Prospectus.

- 46. *We have taken guarantees from Promoters, directors and members of Promoter Group in relation to debt facilities provided to us.***

We have taken guarantees from Promoters, directors and members of Promoter Group in relation to our secured debt facilities availed from our Bankers. In an event any of these persons withdraw or terminate its/their guarantees, the lender for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information please see the chapter titled “Financial Indebtedness” beginning on page 157 of this Draft Red Herring Prospectus.

- 47. *Certain agreements may be inadequately stamped or may not have been registered as a result of which our operations may be adversely affected.***

Few of our agreements may not be stamped adequately or registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, is to make the document inadmissible in legal proceedings. Any potential dispute due to non-compliance of local laws relating to stamp duty and registration may adversely impact the operations of our Company.

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

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Draft Red Herring Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although, we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their 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 any of our 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.

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

Our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the Floor Price of the Price Band as may be decided by the Company in consultation with the BRLM. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer chapter title “*Capital Structure*” beginning on page 57 of this Draft Red Herring Prospectus.

**50. *We have issued Equity Shares during the last 12 months at a price which may be below the Issue price.***

We have issued certain Equity shares in the last twelve months at a price which may be lower than the Issue Price. Details of such issuances are given in the table below:

<b>Date of Allotment</b>	<b>No. of Equity Shares</b>	<b>Face Value (Rs.)</b>	<b>Issue Price (Rs.)</b>	<b>Nature of Consideration</b>	<b>Nature of allotment</b>
January 21, 2019	60,30,430	10	NIL	Other than Cash	Bonus Issue

For further details of equity shares issued, please refer to the section titled “*Capital Structure*” beginning on page 57 of the Draft Red Herring Prospectus.

**ISSUE SPECIFIC RISKS**

**51. *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.

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

The Issue Price of our Equity Shares will be determined by Book Built method. This price is based on numerous factors (For further information, please refer chapter titled “*Basis for Issue Price*” beginning on page 73 of this Draft Red Herring Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

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

**53. *QIB and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid Period and withdraw their Bids until Bid Closing Date. While our Company is required to complete Allotment pursuant to the Issue within six

Working Days from the Bid Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidders ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

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

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

**55. *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.

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

Under the Companies Act, a company incorporated in India must issue its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by shareholders of such company.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in our Company may be reduced.

**57. *Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***

Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

## **EXTERNAL RISK FACTORS**

### **INDUSTRY RISKS**

**58. *Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

Our business and industry is regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

### **OTHER RISKS**

**59. Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with SEBI ICDR Regulations contained in this Draft Red Herring Prospectus.**

As stated in the reports of the Auditor included in this Draft Red Herring Prospectus under chapter “*Financial Statements as restated*” beginning on page 144, the financial statements included in this Draft Red Herring Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and 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 it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Draft Red Herring Prospectus. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

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

Under the Income-tax Act, 1961, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India except any gain realised on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the Securities Transaction Tax (“STT”) has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realised on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realised on the sale of shares on a stock exchange held for a period of 12 months or less will be subject to short term capital gains tax. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India.

In Finance Bill 2017, Section 10(38) was amended to provide that exemption under this section for income arising on transfer of equity share acquired on or after 1st day of October 2004 shall be available only if the acquisition of share is chargeable to STT under Chapter VII of the Finance (No 2) Act, 2004. In this case, this provision becomes effective, sale shares acquired on or after 1st day of October 2004 on which STT was not charged will attract tax under provisions of Long Term Capital Gains.

As per Finance Bill 2018, exemption under section 10(38) for income arising from long term gains on transfer of equity share shall not be available on or after 1st day of April 2018 if the long term capital gains exceeds Rs. 1,00,000/- p.a. Such income arising from long term gains on transfer of equity share on or after 1st day of April 2018 in excess of Rs. 1,00,000/- p.a. shall be chargeable at the rate of 10%.

Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax 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 jurisdictions on gains arising from a sale of the shares subject to relief available under the applicable tax treaty or under the laws of their own jurisdiction.

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

Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business. Please refer to “*Key Industry Regulations and Policies*” on page 106 for details of the laws currently applicable to us. There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition and results of operations. In addition,



we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

GST has been implemented with effect from July 1, 2017 and has replaced the indirect taxes on goods and services such as central excise duty, service tax, central sales tax, state VAT and surcharge currently being collected by the central and state governments. The GST is expected to increase tax incidence and administrative compliance. Given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to the tax regime following implementation of the GST. The implementation of this new structure may be affected by any disagreement between certain state Governments, which could create uncertainty. Any future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

Further, the general anti avoidance rules (“GAAR”) provisions have been made effective from assessment year 2018-19 onwards, i.e.; financial Year 2017-18 onwards and the same may get triggered once transactions are undertaken to avoid tax. The consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain.

The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties. Further, changes in capital gains tax or tax on capital market transactions or sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

**62. *Financial instability in Indian financial markets could adversely affect our Company’s results of operations and financial condition.***

In this globalized world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other emerging economies, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors’ reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our Company’s business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

**63. *Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

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

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

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

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

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

**66. *The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.***

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

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

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

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

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

**69. *Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.



**SECTION IV – INTRODUCTION****SUMMARY OF FINANCIAL STATEMENTS**

<b>Particulars</b>	<b>Page No.</b>
Summary of Restated Financial Statements	A1 – A3

**GENSOL ENGINEERING LIMITED**  
**CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS RESTATED**

(All Amount in INR, unless otherwise stated)

Sr. No.	Particulars	Ref	As At 31st March, 2019	As At 31st March, 2018	As At 31st March, 2017
	<b>EQUITY AND LIABILITIES</b>				
1)	<b>Shareholders Funds</b>				
	a. Share Capital	3	604.27	1.23	1.23
	b. Reserves & Surplus	4	700.00	653.36	119.70
			<b>1,304.27</b>	<b>654.59</b>	<b>120.93</b>
	Minority Interest		(0.03)	0.51	-
2)	<b>Non Current Liabilities</b>				
	a. Long Term Borrowings	5	679.77	74.50	15.96
	b. Deferred Tax Liabilities		-	-	-
	c. Long Term Provisions	6	42.21	27.86	20.96
			<b>721.98</b>	<b>102.36</b>	<b>36.92</b>
3)	<b>Current Liabilities</b>				
	a. Short Term Borrowings	7	4.55	19.59	15.48
	b. Trade Payables	8	919.10	952.26	230.17
	c. Other Current Liabilities	9	1,138.26	810.31	558.04
	d. Short Term Provisions	10	200.53	104.09	35.26
			<b>2,262.44</b>	<b>1,886.25</b>	<b>838.95</b>
	<b>TOTAL (1+2+3)</b>		<b>4,288.66</b>	<b>2,643.71</b>	<b>996.80</b>
	<b>ASSETS</b>				
4)	<b>Non Current Assets</b>				
	a. Fixed Assets				
	i. Tangible Assets		898.73	104.79	29.25
	Less: Accumulated Depreciation		(68.57)	(26.45)	(14.97)
	ii. Intangible Assets		11.59	9.74	-
	<b>Net Block</b>	11	841.75	88.08	14.28
	b. Deferred Tax Assets (Net)	12	47.97	38.35	46.59
	c. Long Term Loans & Advances	13	-	22.65	0.12
	d. Other non-current assets	14	162.93	34.53	9.60
			<b>1,052.65</b>	<b>183.61</b>	<b>70.59</b>
5)	<b>Current Assets</b>				
	a. Trade Receivables	15	2,255.52	1,638.97	641.99
	b. Cash and Cash Equivalents	16	255.68	191.76	70.99
	c. Short Term Loans & Advances	17	97.94	218.35	212.06
	d. Other Current Assets	18	626.87	411.02	1.17
			<b>3,236.01</b>	<b>2,460.10</b>	<b>926.21</b>
	<b>TOTAL (4+5)</b>		<b>4,288.66</b>	<b>2,643.71</b>	<b>996.80</b>

Note: The above statement should be read with the restated consolidated statement of profit and loss, cash flow statement, significant accounting policies and notes to restated consolidated summary statements as appearing in Annexures II, III, IV and from XXX to XXXVIII respectively.

**In terms of our report attached**

For K C Parikh & Associates  
Chartered Accountants  
Firm Regn. No. 107550W

**For and on behalf of the Board of Directors**

GENSOL ENGINEERING LIMITED  
U74210CH2012PLC034105

**(CA. Chintan M Doshi)**

Partner  
Membership No. 118298  
Place : Ahmedabad  
Date : 6 May, 2019

**PUNEET SINGH JAGGI**  
**(Director)**  
**(DIN-02479868)**

**RAJESH PARMAR**  
**(Company Secretary)**

**ANMOL SINGH JAGGI**  
**(Director)**  
**(DIN-01293305)**

**JABIR MAHENDI**  
**(Chief Financial Officer)**

**GENSOL ENGINEERING LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS AS RESTATED**

**ANNEXURE - II**

(All Amount in INR, unless otherwise stated)

(Amt. in Lacs)

Sr. No.	Particulars	REF	For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>A</b>	<b>INCOME</b>				
	Revenue from Operations	19	8,338.53	6,902.22	6,217.08
	Other Income	20	46.90	62.20	14.69
	<b>Total Income (A)</b>		<b>8,385.43</b>	<b>6,964.42</b>	<b>6,231.77</b>
<b>B</b>	<b>EXPENDITURE</b>				
	Cost of materials consumed	21	-	-	-
	Purchase of stock-in-trade	21	3,458.41	3,226.88	4,179.19
	Changes in inventories of finished goods, traded goods and work-in-progress	21	-	-	-
	Employee benefit expenses	22	1,532.03	1,085.22	604.01
	Finance costs	23	77.21	27.75	4.32
	Depreciation and amortisation expense	24	44.42	11.64	11.78
	Other Expenses	25	2,389.70	1,867.47	1,266.11
	<b>Total Expenses (B)</b>		<b>7,501.77</b>	<b>6,218.96</b>	<b>6,065.41</b>
<b>C</b>	<b>Profit before tax ( A-B)</b>		<b>883.66</b>	<b>745.46</b>	<b>166.36</b>
	Prior period items (Net)				
	<b>Profit before exceptional, extraordinary items and tax (A-B)</b>		<b>883.66</b>	<b>745.46</b>	<b>166.36</b>
	Exceptional items			-	-
	<b>Profit before extraordinary items and tax</b>		<b>883.66</b>	<b>745.46</b>	<b>166.36</b>
	Extraordinary items				
<b>D</b>	<b>Profit before tax</b>		<b>883.66</b>	<b>745.46</b>	<b>166.36</b>
	Tax expense :	26			
	(i) Current tax		244.14	203.42	52.16
	(ii) Short Provision of tax		-	-	-
	(ii) Deferred tax		(9.62)	8.24	(4.58)
	(iii) MAT credit		-	0.12	(0.12)
<b>E</b>	<b>Total Tax Expense</b>		<b>234.52</b>	<b>211.78</b>	<b>47.46</b>
<b>F</b>	<b>Profit for the year before Minority Interest (D-E)</b>		<b>649.14</b>	<b>533.68</b>	<b>118.90</b>
<b>G</b>	Minority Interest		(0.54)	0.02	-
<b>H</b>	<b>Profit for the year after Minority Interest (F + G)</b>		<b>649.68</b>	<b>533.66</b>	<b>118.90</b>
	<b>ACTUAL</b>				
	<b>Earning per equity share(face value of Rs. 10/- each): Basic and Diluted</b>	27	<b>10.75</b>	<b>8.83</b>	<b>1.97</b>
	<b>Adjusted Earning per equity share(face value of Rs. 10/- each): Basic and Diluted</b>		<b>10.75</b>	<b>8.83</b>	<b>1.97</b>

Note: The above statement should be read with the restated consolidated statement of assets and liabilities, cash flow statement, significant accounting policies and notes to restated consolidated summary statements as appearing in Annexures I, III, IV and from XXX to XXXVIII respectively.

**In terms of our report attached**

For K C Parikh & Associates  
Chartered Accountants  
Firm Regn. No. 107550W

**For and on behalf of the Board of Directors**

GENSOL ENGINEERING LIMITED  
U74210CH2012PLC034105

(CA. Chintan M Doshi)

Partner

Membership No. 118298

Place : Ahmedabad

Date : 6 May, 2019

PUNEET SINGH JAGGI

(Director)

(DIN-02479868)

ANMOL SINGH JAGGI

(Director)

(DIN-01293305)

RAJESH PARMAR

(Company Secretary)

JABIR MAHENDI

(Chief Financial Officer)

**GENSOL ENGINEERING LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOW AS RESTATED**  
(All Amount in INR, unless otherwise stated)

**ANNEXURE - III**  
(Amt. in Lacs)

<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>	<b>As At 31st March, 2017</b>
<b><u>Cash flow from operating activities:</u></b>			
Net Profit before tax as per Profit And Loss A/c	883.66	745.46	166.36
Adjusted for:			
Depreciation & Amortisation	44.42	11.64	11.78
Interest & Finance Cost	77.21	27.75	4.32
Interest income	(6.16)	(6.25)	(1.76)
<b>Operating Profit Before Working Capital Changes</b>	<b>999.13</b>	<b>778.60</b>	<b>180.70</b>
Adjusted for (Increase)/ Decrease:			
Trade Receivables	(616.55)	(996.98)	(292.79)
Other Current assets	(344.25)	(434.78)	60.06
Loans and advances and other assets	143.06	(28.94)	(186.26)
Trade payables	(33.16)	722.09	98.04
Other Current Liabilities & Provisions	274.16	265.32	198.81
<b>Cash Generated From Operations</b>	<b>422.39</b>	<b>305.31</b>	<b>58.56</b>
Direct Tax Paid	(79.56)	(140.74)	(52.38)
<b>Net Cash Flow from/(used in) Operating Activities: (A)</b>	<b>342.83</b>	<b>164.57</b>	<b>6.18</b>
<b><u>Cash Flow From Investing Activities:</u></b>			
Purchase of Fixed Assets	(798.09)	(85.44)	(9.15)
Bank Deposit Matured	(46.71)	(7.47)	(47.62)
Interest Income	6.16	6.25	1.76
<b>Net Cash Flow from/(used in) Investing Activities: (B)</b>	<b>(838.64)</b>	<b>(86.66)</b>	<b>(55.01)</b>
<b><u>Cash Flow from Financing Activities:</u></b>			
(Payment)/ Proceeds From Share Capital/Minority Interest Holders	-	0.49	-
Proceeds from long term borrowings	605.27	58.54	15.91
(Repayments)/ Proceeds from short term borrowings (Net)	(15.04)	4.11	15.48
Interest & Financial Charges	(77.21)	(27.75)	(4.32)
<b>Activities (C)</b>	<b>513.02</b>	<b>35.39</b>	<b>27.07</b>
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	17.21	113.30	(21.76)
Cash & Cash Equivalents As At Beginning of the Year	129.61	16.31	38.07
Cash & Cash Equivalents As At End of the Year	<b>146.82</b>	<b>129.61</b>	<b>16.31</b>

## THE ISSUE

The following table summarizes the Issue details:

Particulars	Details of Equity Shares
<b>Public Issue of Equity Shares by Our Company</b>	Issue of Upto 21,60,000* Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at a price of Rs. [●]/- per Equity share aggregating to Rs. [●] Lakhs.
<b>The Issue Consists of:</b>	
Market Maker Reservation Portion	Upto [●] Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at a price of Rs. [●] /- per Equity share aggregating to Rs. [●] Lakhs.
Net Issue to the Public	Upto [●] Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at a price of Rs. [●] /- per share aggregating to Rs. [●] Lakhs.
<i>Of Which:</i>	
QIB Portion	No shares shall be reserved for allocation to QIBs.**
Retail Portion	Upto [●] Equity Shares of face value of Rs. 10/- each fully paid of the Company at a cash price of Rs. [●]/- per Equity share aggregating Rs. [●] Lakhs will be available for allocation to Investors up to Rs. 2.00 Lakhs.
Non-Institutional Portion	Upto [●] Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of [●]/- per Equity Share aggregating Rs. [●] lakhs will be available for allocation to investors above Rs. 2.00 Lakhs.
<b>Pre and Post Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	60,42,737 Equity Shares of face value of Rs.10/- each
Equity Shares outstanding after the Issue	Up to [●] Equity Shares of face value of Rs.10/- each
<b>Use of proceeds of this Issue</b>	For further details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 67 of this Draft Red Herring Prospectus for information on use of Issue Proceeds.

\*Number of shares may need to be adjusted for lot size upon determination of the Issue Price.

\*\* There are no equity shares reserved for allocation to QIB Portion. However, QIBs can apply in the Non-Institutional Portion.

### **Notes:**

- The Issue has been authorized by the Board of Directors *vide* a resolution passed at its meeting held on August 7, 2019 and by the shareholders of our Company *vide* a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on August 29, 2019.
- This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. The present Issue is being made by our Company in terms of Regulation 229(1) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post-Issue paid-up equity share capital of our Company are being issued to the public for subscription.

The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, wherein not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs. Further not less than 15 % of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. For further details, see “Issue Procedure” beginning on page 187 of this Draft Red Herring Prospectus.

- In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, would be allowed to be met with spill-over from other categories or a



combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange.

For further details please refer to section titled '*Issue Information*' beginning on page 179 of this Draft Red Herring Prospectus.



## GENERAL INFORMATION

Our Company was originally incorporated as Gensol Engineering Private Limited at Chandigarh as a Private Limited company under the provisions of Companies Act, 1956 *vide* Certificate of Incorporation dated September 25, 2012, bearing Corporate Identification Number U74210CH2012PTC034105, issued by the Registrar of Companies, Punjab and Chandigarh. Subsequently, our Company was converted into Public Limited Company pursuant to a special resolution passed by members in Extra-Ordinary General Meeting of Company held on February 08, 2019 and the name of our company was changed to Gensol Engineering Limited vide a fresh Certificate of Incorporation dated February 26, 2019, issued by the Registrar of Companies, Punjab and Chandigarh. The Corporate Identification Number of our Company is U74210CH2012PLC034105.

For details of Incorporation, Change of Name and Registered Office of our Company, please refer to chapter titled 'Our Business' and 'Our History and Certain Other Corporate Matters' beginning on page 97 and 114 of this Draft Red Herring Prospectus.

### REGISTERED OFFICE OF OUR COMPANY

#### GENSOL ENGINEERING LIMITED

SCO: 156-157, Sector 9C, Madhya Marg,  
Chandigarh – 160031, India

**Tel:** 0172 - 4140004

**Email:** [communications@gensol.in](mailto:communications@gensol.in)

**Website:** [www.gensolsolar.com/](http://www.gensolsolar.com/)

**Corporate Identification Number:** U74210CH2012PLC034105

\*Note: All correspondence should be directed to Corporate Office, details of which are given below.

### CORPORATE OFFICE OF OUR COMPANY

#### GENSOL ENGINEERING LIMITED

A-2, 12th Floor, Palladium Building,  
Opp. Vodafone House Corporate Road, Prahladnagar,  
Ahmedabad – 380015, Gujarat, India

**Tel:** 079 - 40068236

**Fax:** 079 - 40068235

**Email:** [communications@gensol.com](mailto:communications@gensol.com)

**Website:** [www.gensolsolar.com](http://www.gensolsolar.com)

**Corporate Identification Number:** U74210CH2012PLC034105

### REGISTRAR OF COMPANIES

#### Registrar of Companies, Chandigarh, Punjab

ROC Corporate Bhavan,  
1<sup>st</sup> Floor, Plot 4-B, Madhya Marg, Sector 27B  
Chandigarh – 160019  
Punjab, India

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

### DESIGNATED STOCK EXCHANGE

#### SME Platform of BSE Limited

25<sup>th</sup> Floor, P.J. Towers, Dalal Street,  
Fort, Mumbai-400001,  
Maharashtra, India

**Website:** [www.bseindia.com](http://www.bseindia.com)

### BOARD OF DIRECTORS OF OUR COMPANY

Sr. No.	Name	DIN	Address	Designation
1.	Anmol Singh Jaggi	01293305	304, Samarthy Heights, 100 Feet Road, Satellite, Ahmedabad – 380015, Gujarat, India	Managing Director
2.	Puneet Singh Jaggi	02479868	304, Samarthy Heights, 100 Feet Road, Satellite, Ahmedabad – 380015, Gujarat, India	Whole Time Director

Sr. No.	Name	DIN	Address	Designation
3.	Jasminder Kaur	01441131	545, Sector - 6, Panchkula, Panchkula, Sector 8 Panchkula – 134109, Haryana, India	Non - Executive Director
4.	Gaurav Kharbanda	08440746	H.No. 2235, First Floor, Block-E, Near Maurya School, Palam Vihar, Choma (62), Carterpuri, Farrukhnagar, Gurgaon, Haryana - 122017	Independent Director
5.	Harish Kaushik	08191765	Flat:- 1904, Floor - 19, Sapphire Regency Tower, Ghod Bunder Road, Anand Nagar, Near Saraswati School, Thane (West) – 400607, Maharashtra, India	Independent Director

For further details of our Directors, please refer to the chapter titled “*Our Management*” beginning on page 119 of this Draft Red Herring Prospectus.

#### COMPANY SECRETARY & COMPLIANCE OFFICER

##### **RAJESH PARMAR**

A/2 12th Floor, Palladium Building,  
Opp. Vodafone House Corporate Road, Prahladnagar,  
Ahmedabad – 380015, Gujarat, India

**Tel:** 079 - 40068236

**Fax:** 079 - 40068235

**Email:** [cs@gensol.in](mailto:cs@gensol.in)

**Website:** [www.gensolsolar.com](http://www.gensolsolar.com)

#### CHIEF FINANCIAL OFFICER

##### **JABIR MAHENDI M AGA**

A/2 12th Floor, Palladium Building,  
Opp. Vodafone House Corporate Road, Prahladnagar,  
Ahmedabad – 380015, Gujarat, India

**Tel:** 079 - 40068236

**Fax:** 079 - 40068235

**Email:** [cfo@gensol.in](mailto:cfo@gensol.in)

**Website:** [www.gensolsolar.com](http://www.gensolsolar.com)

**Investors can contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-issue or post-issue related problems, such as non-receipt of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.**

All grievances relating to the ASBA process including UPI may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Applicant should give full details such as UPI IDs, name of the sole or first Applicant, ASBA Form number, Applicant DP ID, Client ID, PAN, date of the ASBA Form, address of the Applicant, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Applicant.

Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

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

#### STATUTORY AND PEER REVIEWED AUDITOR

##### **K. C. PARIKH & ASSOCIATES**

###### **Chartered Accountants**

104, Shail, B/h.Girish Coldrinks, Opp. Madhusudan House,  
C.G.Road, Ahmedabad - 380 009.

**Tele No.:** (079) 3061 2441

**Email:** [kparikh@kparikh.com](mailto:kparikh@kparikh.com)

**Contact Person:** Mr. Chintan Doshi

**Firm Registration No.:** 107550W

**K. C. Parikh & Associates**, Chartered Accountant holds a peer reviewed certificate dated **May 18<sup>th</sup> 2017** issued by the Institute of Chartered Accountants of India

#### **BOOK RUNNING LEAD MANAGER**

##### **PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED**

406-408, Keshava Premises, Behind Family Court,

Bandra Kurla Complex, Bandra (East)

Mumbai- 400051, Maharashtra, India

**Tel:** +91 22 6194 6700

**Fax:** + 91 22 2659 8690

**Email:** [ipo@pantomathgroup.com](mailto:ipo@pantomathgroup.com)

**Website:** [www.pantomathgroup.com](http://www.pantomathgroup.com)

**Contact Person:** Unmesh Zagade

**SEBI Registration No:** INM000012110

#### **REGISTRAR TO THE ISSUE**

##### **LINK INTIME INDIA PRIVATE LIMITED**

C 101, 1<sup>st</sup> Floor, 247 Park, L.B.S. Marg, Vikhroli (W),

Mumbai-400083, Maharashtra, India.

**Tel:** +91-022-49186200

**Fax:** +91-022-49186195

**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)

**Investor Grievance E-mail:** [gensol.ipo@linkintime.co.in](mailto:gensol.ipo@linkintime.co.in)

**Contact Person:** Ms. Shanti Gopalkrishnan

**SEBI Registration Number:** INR000004058

**CIN:** U67190MH1999PTC118368

#### **LEGAL ADVISOR TO THE ISSUE**

##### **M V KINI, LAW FIRM**

Kini House, 216/263, Near Citi Bank,

D.N. Road, Fort, Mumbai - 400 001, Maharashtra, India

**Tel:** +91 22 22612527/28/29

**Fax:** +91 22 22612530

**E-mail:** [vidisha@mvkini.com](mailto:vidisha@mvkini.com)

**Contact Person:** Vidisha Krishan

**Website:** [www.mvkini.com](http://www.mvkini.com)

#### **BANKER TO THE COMPANY**

##### **ICICI Bank Limited**

Shop No 6 & 7 Safal Pegasus, Opp. Reliance Petrol Pump,

100ft Road, Prahladnagar, Ahmedabad -: 380015

**Tel:** 9033010629

**Email:** [manish.gajjar@icicibank.com](mailto:manish.gajjar@icicibank.com)

**Website:** [www.icicibank.com](http://www.icicibank.com)

**Contact Person:** Mr. Manish Gajjar

#### **PUBLIC ISSUE BANK / BANKER TO THE ISSUE/ REFUND BANKER**

[●]

#### **SPONSOR BANK**

[●]

#### **SYNDICATE MEMBER**

##### **PANTOMATH STOCK BROKERS PRIVATE LIMITED**

108, Madhava Premises, Behind Family Court,

Bandra Kurla Complex, Bandra (East), Mumbai 400 051,

Maharashtra, India

**Tel:** - +91 22 42577000

**Fax:** - +91 22 2659 8690

**E-mail:** [broking@pantomathgroup.com](mailto:broking@pantomathgroup.com)

**Contact Person:** Mahavir Toshniwal

**Website:** [www.pantomathbroking.com](http://www.pantomathbroking.com)

**SEBI Registration Number:** INZ000068338

## DESIGNATED INTERMEDIARIES

### Self-Certified Syndicate Banks

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above mentioned SEBI link.

A list of the Designated SCSB Branches with which an ASBA Bidder (other than an RII using the UPI Mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, may submit the ASBA Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, and at such other websites as may be prescribed by SEBI from time to time.

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form(s) of Bidders (other than RIIs) is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

### Investors Banks or Issuer Banks for UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above mentioned SEBI link.

### Registered Brokers

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

### Registrar to Issue and Share Transfer Agents

The list of the RTAs eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

### Collecting Depository Participants

The list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time.

## CREDIT RATING

This being an issue of Equity Shares, credit rating is not required.

## IPO GRADING

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

## INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Pantomath Capital Advisors Private Limited is the sole Book Running Lead Manager to this issue, a statement of inter se allocation of responsibilities among Book Running Lead Manager is not applicable.

#### **APPRAISAL AND MONITORING AGENCY**

As per regulation 41(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the issue size is below Rs. 10,000 Lakhs. Since the issue size is only of Rs. [●] lakhs, our Company has not appointed any monitoring agency for this issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

#### **EXPERT OPINION**

Except the report of the Peer Reviewed Auditor on statement of tax benefits and report on restated financials for the year ended March 31, 2017, 2018 and 2019 as included in this Draft Red Herring Prospectus, our Company has not obtained any expert opinion.

#### **DEBENTURE TRUSTEE**

Since this is not a debenture issue, appointment of debenture trustee is not required.

#### **FILING OF OFFER DOCUMENT**

The Draft Red Herring Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 246 of SEBI (ICDR), 2018. However, pursuant to sub regulation (5) of regulation 246, the copy of Draft Red Herring Prospectus shall also be furnished to the board in a soft copy. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Red Herring Prospectus and Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. A copy of the Red Herring Prospectus and Prospectus along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the Registrar of Company, Chandigarh, situated at Corporate Bhavan, 1st Floor, Plot No. 4-B, Madhya Marg, Sector 27B, Chandigarh – 160019, India.

#### **BOOK BUILDING PROCESS**

Book building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the BRLM in accordance with the Book Building Process, and advertised in all editions of a widely circulated English Newspaper, all editions of a widely circulated Hindi Newspaper and a widely circulated [●] Newspaper, [●] being the regional language of Chandigarh, where our registered office is situated at least two working days prior to the Bid/ Issue Opening date. The Issue Price shall be determined by our Company, in consultation with the BRLM in accordance with the Book Building Process after the Bid/Issue Closing Date. Principal parties involved in the Book Building Process are:

- Our Company;
- The Book Running Lead Manager in this case being Pantomath Capital Advisors Private Limited, the Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with BSE Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the BRLM;
- The Registrar to the Issue and;
- The Designated Intermediaries and Sponsor Bank

The SEBI ICDR Regulations have permitted the issue of securities to the public through Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations.

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application

providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention are invited to the chapter titled “Issue Procedure” beginning on page 187 of the Draft Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “Issue Procedure” on page 187 of this Draft Red Herring Prospectus.

**Illustration of Book Building and Price Discovery Process** (Investors should note that this example is solely for illustrative purposes and is not specific to the Issue) Bidders can bid at any price within the price band. For instance, assume a price band of Rs.20.00 to Rs.24.00 per equity share, Issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centres during the bidding period. The illustrative book below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

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

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., Rs. 22/- in the above example. The issuer, in consultation with the Book Running Lead Manager will finalize the Issue price at or below such cut-off price, i.e., at or below Rs.22/-. All bids at or above this Issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

#### Steps to be taken by the Bidders for Bidding:

1. Check eligibility for making a Bid (see section titled “Issue Procedure” on page 187 of this Draft Red Herring Prospectus);
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
4. Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims
5. Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

#### BID / ISSUE PROGRAMME

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Bid/Issue Opening Date	[●]
Bid/Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]



Initiation of Refunds	[●]
Credit of Equity Shares to Demat Accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bids and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period. On the Issue Closing Date, the Bids and any revision to the same shall be accepted between 10.00 a.m. and 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of bids received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Non-Retail Bidders shall not be allowed to either withdraw or lower the size of their Bid at any stage. Non-Retail Bidders may revise their Bids upwards (in terms of quantity of Equity Shares) during the Issue Period. Such upward revision must be made using the Revision Form.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

#### **WITHDRAWAL OF THE ISSUE**

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

If our Company withdraws the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice will be issued by our Company within two (2) Working Days of the Issue Closing Date, providing reasons for not proceeding with the Issue. The notice of withdrawal will be issued in the same newspapers where the Pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares issued through the Draft Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

#### **UNDERWRITER**

Our Company and Book Running Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The Underwriting Agreement is dated [●] and pursuant to the terms of the Underwriting Agreement; obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being issued through this Issue.

Name and Address of the Underwriters	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (Rupees In Lakhs)	% of the Total Issue Size Underwritten
<b>PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED</b> 406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra East, Mumbai – 400051, Maharashtra, India	[●]*	[●]	[●]

Name and Address of the Underwriters	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (Rupees In Lakhs)	% of the Total Issue Size Underwritten
<b>Tel:</b> +91 22 61946700 <b>Fax:</b> +91 22 26598690 <b>Email:</b> <a href="mailto:ipo@pantomathgroup.com">ipo@pantomathgroup.com</a> <b>Contact Person:</b> Unmesh Zagade <b>SEBI Registration Number:</b> INM000012110			
<b>Total</b>	[●]	[●]	[●]

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

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

#### CHANGES IN AUDITORS DURING LAST THREE FINANCIAL YEARS

Except as mentioned below, there have been no change in the Auditors in last three financial years preceding the date of this Draft Red Herring Prospectus.

No.	Particulars of previous auditor	Particulars of new auditor	Effective Date	Reason
1.	<b>KAMLESH BHOJANI &amp; ASSOCIATES</b> <b>Chartered Accountants</b> D-412, Titanium City Centre, Near IOC Petrol Pump, 100 Ft Road, Satellite, Ahmedabad- 380015, Gujarat, India <b>Email:</b> <a href="mailto:bhojanikamlesh@gmail.com">bhojanikamlesh@gmail.com</a> <b>Contact Person:</b> Kamlesh Bhojani <b>Firm Registration No.:</b> 127505W <b>Membership No.:</b> 119808 <b>Peer Review Number:</b> NA	<b>K. C. PARIKH &amp; ASSOCIATES</b> <b>Chartered Accountants</b> 104, Shail, B/H. Girish Cold Drinks, Opp. Madhusudan House, C.G.Road, Ahmedabad - 380009, Gujarat, India <b>Tele No.:</b> 079 3061 2441 <b>Email:</b> <a href="mailto:kcparikh@kcparikh.com">kcparikh@kcparikh.com</a> <b>Contact Person:</b> Mr. Chintan Doshi <b>Firm Registration No.:</b> 107550W <b>Membership No:</b> 118298 <b>Peer Review No:</b> RE01895916	September 29, 2018	Appointment of new auditor in place of retiring auditor

#### DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Book Running Book Running Lead Manager has entered into an agreement dated September 4, 2019 with the following Market Maker, duly registered with SME Platform of BSE Limited to fulfil the obligations of Market Making:-

##### **PANTOMATH STOCK BROKERS PRIVATE LIMITED**

108, Madhava Premises, Behind Family Court,  
 Bandra Kurla Complex, Bandra East  
 Mumbai 400051, Maharashtra, India

**Tel:** +91 22 4257 7000

**Fax:** +91 22 2659 8692

**Email:** [broking@pantomathgroup.com](mailto:broking@pantomathgroup.com)

**Contact Person:** Mahavir Toshniwal

**SEBI Registration Number:** INZ000068338

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

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by BSE Limited and SEBI in this matter from time to time.

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and the buy quote) shall not be more than 10% or as specified by the stock exchange. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to Issue their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of Rs. [●] the minimum lot size is [●] Equity shares thus minimum depth of the quote shall be Rs. [●] Lakhs until the same, would be revised by BSE Limited.
3. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size (including the upto [●] Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
4. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE Limited may intimate the same to SEBI after due verification.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
6. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Pantomath Stock Brokers Private Limited is acting as the sole Market Maker.
7. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
8. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE Limited and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
9. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for uncontrollable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
10. The Market Maker(s) shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).
11. In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations. Further the Company and the Book Running Lead Manager reserves the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Corporate Office from 11.00 a.m. to 5.00 p.m. on working days.
12. SME Platform of BSE Limited will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE Limited can impose any other margins as deemed necessary from time-to-time.
13. SME Platform of BSE Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the

specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker(s) in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/ fines/ suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

14. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Market Makers during market making process has been made applicable, based on the issue size and as follows:

<b>Issue size</b>	<b>Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)</b>	<b>Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)</b>
Up to Rs. 20 Crores	25%	24%
Rs. 20 crores to Rs. 50 crores	20%	19%
Rs. 50 to Rs. 80 crores	15%	14%
Above Rs. 80 crores	12%	11%

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and/or norms issued by SEBI/BSE from time to time.

## CAPITAL STRUCTURE

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

(Amount ₹ in lakhs except share data)

Particulars		Aggregate Nominal value	Aggregate Value at Issue Price
<b>A.</b>	<b>Authorised Share Capital</b>		
	90,00,000 Equity Shares of face value of ₹ 10/- each	900.00	
<b>B.</b>	<b>Issued, Subscribed and paid-up Share Capital before the Issue</b>		
	60,42,737 Equity Shares of face value of ₹ 10/- each	604.27	
<b>C.</b>	<b>Present Issue in terms of this Draft Red Herring Prospectus</b>		
	Issue of upto 21,60,000 Equity Shares of face value of ₹ 10/- each at a price of ₹ [●] each aggregating upto ₹ [●] lakhs	Up to 216.00	[●]
	<b>Consisting of:</b>		
	Market maker reservation portion – upto [●] Equity shares of face value of ₹ 10/- each at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] lakhs	Upto [●]	[●]
	Net Issue to Public of upto [●] Equity Shares of face value of ₹ 10/- each at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] lakhs	Upto [●]	[●]
	<b>Of which:</b>	Upto [●]	
	Non-Institutional Portion of not more than 50% of the Net Issue aggregating to not more than [●] Equity Share	Upto [●]	[●]
	Retail Portion of not less than 50% of the Net Issue aggregating to not less than [●] Equity Shares	Upto [●]	[●]
<b>D.</b>	<b>Issued, Subscribed And Paid-Up Share Capital After The Issue</b>		
	Up to [●] Equity Shares of face value of ₹ 10/- each		Upto [●]
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue		Nil
	After the Issue		[●]

<sup>(1)</sup>The Issue has been authorized by the Board of Directors of our Company vide a resolution passed at its meeting held on August 7, 2019 and by the shareholders of our Company vide special resolution passed at its Extra-Ordinary General meeting held on August 29, 2019 pursuant to Section 62(1)(c) of Companies Act, 2013.

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

### NOTES TO THE CAPITAL STRUCTURE

#### 1. Details of changes in Authorized Share Capital:

Since incorporation of our Company, the authorized share capital of our Company has been altered in the manner set forth below:

Particulars of change		Date of shareholder's Meeting	AGM/EGM
Increased / Reclassified from	Increased / Reclassified to		
The authorized share capital of our Company on incorporation comprised of ₹ 40,00,000 divided into 50,000 Equity Shares of ₹ 10 each and 3,50,000 Cumulative Convertible Preference Shares of ₹ 10 each		On incorporation	-
₹ 40,00,000 divided into 50,000 Equity Shares of ₹ 10 each and 3,50,000 Cumulative Convertible Preference Shares of ₹ 10 each	₹ 40,00,000 divided into 4,00,000 Equity Shares of ₹ 10 each	January 05, 2019	EGM

₹ 40,00,000 divided into 4,00,000 Equity Shares of ₹ 10 each	₹ 9,00,00,000 divided into 90,00,000 Equity Shares of ₹ 10 each	January 05, 2019	EGM
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## 2. History of Equity Share Capital of our Company

Date of allotment /fully paid up	No. of Equity Shares allotted	Face value (₹)	Issue price (₹)	Nature of consideration	Nature of allotment	Cumulative no. of Equity Shares	Cumulative Paid-up capital(₹)
On Incorporation	10,000	10	10	Cash	Subscription to the MOA <sup>(1)</sup>	10,000	1,00,000
January 20, 2013	2,307	10	621	Cash	Further Allotment <sup>(2)</sup>	12,307	1,23,070
January 21, 2019	60,30,430	10	NIL	Other than Cash	Bonus Issue <sup>(3)</sup>	60,42,737	6,04,27,370

- (1) Initial Subscribers to Memorandum of Association subscribed 10,000 Equity Shares of face value of ₹ 10 each fully paid at par as per the details given below:

Sr. No.	Name of Allottees	No. of Shares Subscribed
1.	Anmol Singh Jaggi	4,000
2.	Puneet Singh Jaggi	4,000
3.	Navneet Singh Gosal	2,000
<b>Total</b>		<b>10,000</b>

- (2) Further allotment of 2,307 Equity Shares of face value of ₹ 10 each fully paid up at a premium of ₹ 611 per equity share on January 20, 2013, as per the details given below:

Sr. No	Name of Allottees	No. of Shares Allotted
1.	Indian Ventures Partnership Limited	2,307
<b>Total</b>		<b>2,307</b>

- (3) Bonus Issue in the ratio of 490 equity shares for every 1 equity shares held by the existing shareholders of the Company, aggregating to 60,30,430 Equity Shares of face value of ₹ 10 each, on January 21, 2019 as per the details given below:

Sr. No	Name of Allottees	No. of Shares Allotted
1.	Anmol Singh Jaggi	19,60,000
2.	Puneet Singh Jaggi	17,18,920
3.	Gensol Ventures Private Limited	21,10,430
4.	Ali Imran Viqar Ahmad Naqvi	60,270
5.	Shivya Singhal	60,270
6.	Gurpreet Singh Walia	60,270
7.	Pranay Mundra	60,270
<b>Total</b>		<b>60,30,430</b>

3. Except as mentioned below, our Company has not issued any Equity Shares for consideration other than cash.

Date of allotment	Number of equity shares	Face Value (₹)	Issue Price (₹)	Reasons for allotment	Name of Allottees	No of Shares	Benefits accrued to our company
January 21, 2019	60,30,430	10	Nil	Bonus Issue	Anmol Singh Jaggi	19,60,000	NIL
					Puneet Singh Jaggi	17,18,920	
					Gensol Ventures Private Limited	21,10,430	
					Ali Imran Viqar Ahmad Naqvi	60,270	
					Shivya Singhal	60,270	



Date of allotment	Number of equity shares	Face Value (₹)	Issue Price (₹)	Reasons for allotment	Name of Allottees	No of Shares	Benefits accrued to our company
					Gurpreet Singh Walia	60,270	
					Pranay Brijratan Mundra	60,270	

4. As on the date of this Draft Red Herring Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 or sections 230-234 of the Companies Act, 2013.
5. Our Company has not issued any equity shares pursuant to any Employee Stock Option Scheme.
6. Our Company has not revalued its assets since incorporation and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
7. Except as mentioned below, we have not issued any equity shares at price below Issue price within last one year from the date of this Draft Red Herring Prospectus:

Date of allotment	Number of equity shares	Face Value (₹)	Issue Price (₹)	Reasons for allotment	Name of Allottees	
January 21, 2019	60,30,430	10	Nil	Bonus Issue	Anmol Singh Jaggi	19,60,000
					Puneet Singh Jaggi	17,18,920
					Gensol Ventures Private Limited	21,10,430
					Ali Imran Viqar Ahmad Naqvi	60,270
					Shivya Singhal	60,270
					Gurpreet Singh Walia	60,270
					Pranay Brijratan Mundra	60,270

8. As on the date of this Draft Red Herring Prospectus, our Company does not have any preference Share Capital.

## 9. Build-up of Promoters' shareholding, Promoters' contribution and lock-in

### i. Built up of Promoter's shareholdings:

As on the date of this Draft Red Herring Prospectus, our Promoters, Anmol Singh Jaggi and Puneet Singh Jaggi hold 36,86,428, Equity Shares of our Company which is 61.01% of our pre-Issue paid-up capital. None of the Equity shares held by our promoters are subject to any pledge.

#### 1) Anmol Singh Jaggi

Date of Allotment/ Transfer/ when made fully paid up	No. of Equity Shares	Face value per share (₹)	Issue/ Acquisition/ Transfer price (₹)*	Nature of consideration	Nature of transaction	% Pre-issue shareholding	% Post-issue shareholding
Incorporation	4,000	10	10	Cash	Subscription to MOA	0.07%	[●]
April 01, 2016	(4,000)	10	NA	NA	Transfer by way of gift	(0.07%)	[●]
April 28, 2017	4,000	10	NA	NA	Transfer by way of gift	0.07%	[●]
January 21, 2019	19,60,000	10	NIL	Other than Cash	Bonus Issue	32.44%	[●]
<b>Total</b>	<b>19,64,000</b>					<b>32.50%</b>	<b>[●]</b>

\*Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment

#### 2) Puneet Singh Jaggi

Date of Allotment/ Transfer/ when made fully paid up	No. of Equity Shares	Face value per share (₹)	Issue/ Acquisition/ Transfer price (₹)*	Nature of consideration	Nature of transaction	% Pre-Issue shareholding	% Post-issue shareholding
Incorporation	4,000	10	10	Cash	Subscription to MOA	0.07%	[●]
January 17, 2019	(123)	10	10	Cash	Transfer	Negligible	[●]
January 17, 2019	(123)	10	10	Cash	Transfer	Negligible	[●]
January 17, 2019	(123)	10	10	Cash	Transfer	Negligible	[●]
January 17, 2019	(123)	10	10	Cash	Transfer	Negligible	[●]
January 21, 2019	17,18,920	10	NIL	Other than Cash	Bonus Issue	28.45%	[●]
<b>Total</b>	<b>17,22,428</b>					<b>28.50%</b>	<b>[●]</b>

\*Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment

### Details of Promoters Contribution locked in for three years

Pursuant to Regulation 236 and 238 of SEBI ICDR Regulations, an aggregate of 20% of the post-issue capital held by our Promoters shall be considered as Promoter's Contribution ("Promoters Contribution") and shall be locked-in for a period of three years from the date of allotment of equity shares issued pursuant to this issue. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 36,86,428 Equity Shares (including Equity Shares held through its nominees) constituting [●]% of the Post-issue issued, subscribed and paid-up Equity Share capital of our Company.

Our Promoters have given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoters' Contribution constituting [●]% of the post issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the issue.

Date of Allotment/transfer/made fully paid up	No. of Equity shares locked-in	Face Value	Issue/Acquisition Price	Nature of transaction	Nature of consideration	% of Post issue shareholding	Lock in Period
<b>Anmol Singh Jaggi</b>							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total (A)</b>	[●]	[●]		[●]	[●]	[●]	[●]
<b>Puneet Singh Jaggi</b>							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total (B)</b>	[●]	[●]		[●]	[●]	[●]	[●]
<b>Total (A+B)</b>	[●]	[●]		[●]	[●]	[●]	[●]

*The above table will be updated in the RHP to be filed with ROC*

The Minimum Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI ICDR Regulations. The Equity Shares that are being locked in are not ineligible for computation of Promoters' Contribution in terms of Regulation 237 of the SEBI ICDR Regulations. In connection, we confirm the following:

- The Equity Shares offered for minimum 20 % Promoters' Contribution have not been acquired in the three years preceding the date of this Draft Red Herring Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- 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 Issue Price;
- No equity shares have been issued to our promoter upon conversion of a partnership firm during the preceding one year at a price less than the issue price.
- The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not subject to any pledge;
- All the Equity Shares of our Company held by the Promoters are in the process of being dematerialized; and

- f) The Equity Shares offered for Promoter's Contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoter's Contribution subject to lock-in.

**ii. Details of Share Capital locked in for one year**

Pursuant to regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, other than the above Equity Shares that are locked in for three years, the entire pre-issue Equity Share capital of our Company shall be locked-in for a period of one year from the date of allotment in the Public issue.

**iii. Other requirements in respect of lock-in:**

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoters, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Provided that securities locked in as Promoters' Contribution for 3 years under Regulation 242(a) of the SEBI ICDR Regulations may be pledged only if, in addition to fulfilling the above requirement, the loan has been granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the issue.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the specified securities till the lock-in period stipulated in these regulations has expired.

The Equity Shares held by our Promoters which are locked-in may be transferred to and amongst the Promoter Group entities or to any new promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Regulations, as applicable.

Further, pursuant to Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the issue may be transferred to any other person holding the equity shares which are locked-in as per Regulation 239 of the SEBI ICDR Regulations, along with the equity shares proposed to be transferred, provided that lock-in on such equity shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI ICDR Regulations has ended and in compliance with the Takeover Code, as applicable.

We further confirm that our Promoters' Contribution of [●]% of the post issue Equity Share capital does not include any contribution from Alternative Investment Fund, foreign venture capital investors, scheduled commercial banks, public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India.

- 10.** There were no shares purchased/sold by the Promoter(s) and Promoter Group, Directors of our Company and their relatives during last six months from the date of this Draft Red Herring Prospectus.

## 11. Our Shareholding Pattern

The table below presents the shareholding pattern of our company as per regulation 31 of the SEBI (LODR) Regulations, 2015:

### i. Summary of shareholding pattern as on the date of this Draft Red Herring Prospectus:

Category	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrant)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form	
								No of Voting Rights						Total as a % of (A+B+C)	No.	As a % of total Shares held (b)	No.		As a % of total Shares held(b)
								Class Equity X	Class Other s Y	Total	Total as a % of (A+B+C)								
								(I)	(II)	(III)	(IV)			(V)	(VI)	(VII) = (IV)+(V) + (VI)	(VIII)As a % of (A+B+C2)		(IX)
(A)	Promoter & Promoter Group	3	58,01,165	-	-	58,01,165	96.00%	58,01,165	-	58,01,165	96.00%	-	96.00%	-	-	-	-	58,01,165	
(B)	Public	4	2,41,572	-	-	2,41,572	4.00%	2,41,572	-	2,41,572	4.00%	-	4.00%	-	-	-	-	2,41,572	
(C)	Non Promoter - Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C2)	Shares Held By Employee Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Total</b>	<b>7</b>	<b>60,42,737</b>	<b>-</b>	<b>-</b>	<b>60,42,737</b>	<b>100%</b>	<b>60,42,737</b>	<b>-</b>	<b>60,42,737</b>	<b>100%</b>	<b>-</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>60,42,737</b>	

As on the date of filing of this Draft Red Herring Prospectus 1 equity Share holds 1 vote.

All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of Equity Shares on BSE SME.

Note: PAN of shareholders will be provided to the Stock Exchange by our Company prior to listing of its Equity Shares on the Stock Exchange.

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of BSE SME before commencement of trading of such Equity Shares.

In terms of SEBI Listing Regulations, our Company shall ensure that the Equity Shares held by the Promoters / members of the Promoter Group shall be dematerialized prior to listing of Equity shares.

**12. The details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category Promoter and Promoter Group, are as under:**

Sr. No.	Name of Shareholders	Pre-issue		Post issue	
		No of Equity Shares	% of Pre-issue Capital	No of Equity Shares	% of Pre-issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
	<b>Promoter</b>				
1.	Anmol Singh Jaggi	19,64,000	32.50%	[●]	[●]
2.	Puneet Singh Jaggi	17,22,428	28.50%	[●]	[●]
	<b>Subtotal (A)</b>	<b>36,86,428</b>	<b>61.01%</b>	<b>[●]</b>	<b>[●]</b>
	<b>Promoter Group</b>				
3.	Gensol Ventures Private Limited	21,14,737	35.00%	[●]	[●]
	<b>Subtotal (B)</b>	<b>21,14,737</b>	<b>35.00%</b>	<b>[●]</b>	<b>[●]</b>
	<b>Total (A+B)</b>	<b>58,01,165</b>	<b>96.00%</b>	<b>[●]</b>	<b>[●]</b>

**13. The list of the shareholders of the Company holding 1% or more of the paid up share capital aggregating to 80% or more of the paid up share capital of the company:**

a. as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the total Pre Issue Paid-up Share Capital
1.	Gensol Ventures Private Limited	21,14,737	35.00%
2.	Anmol Singh Jaggi	19,64,000	32.50%
3.	Puneet Singh Jaggi	17,22,428	28.50%
4.	Ali Imran Viqar Ahmad Naqvi	60,393	1.00%
5.	Pranay Mundra	60,393	1.00%
6.	Gurpreet Singh Walia	60,393	1.00%
7.	Shivya Singhal	60,393	1.00%
	<b>Total</b>	<b>60,42,737</b>	<b>100.00%</b>

b. ten days prior to the date of the Draft Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the then existing Paid-up Share Capital
1.	Gensol Ventures Private Limited	21,14,737	35.00%
2.	Anmol Singh Jaggi	19,64,000	32.50%
3.	Puneet Singh Jaggi	17,22,428	28.50%
4.	Ali Imran Viqar Ahmad Naqvi	60,393	1.00%
5.	Pranay Mundra	60,393	1.00%
6.	Gurpreet Singh Walia	60,393	1.00%
7.	Shivya Singhal	60,393	1.00%
	<b>Total</b>	<b>60,42,737</b>	<b>100.00%</b>

c. One year prior to the date of the Draft Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the then existing Paid-up Share Capital
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1.	Anmol Singh Jaggi	4,000	32.50%
2.	Puneet Singh Jaggi	4,000	32.50%
3.	Indian Ventures Partnership Limited	2,307	18.75%
4.	Gensol Ventures Private Limited	2,000	16.25%
	<b>Total</b>	<b>12,307</b>	<b>100.00%</b>

d. Two years prior to the date of the Draft Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the then existing Paid-up Share Capital
1.	Puneet Singh Jaggi	4,000	32.50%
2.	Jasmindar Kaur Jaggi	4,000	32.50%
3.	Indian Ventures Partnership Limited	2,307	18.75%
4.	Navneet Singh Gosal	2,000	16.25%
	<b>Total</b>	<b>12,307</b>	<b>100.00%</b>

14. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
15. Neither the Book Running Lead Manager viz. Pantomath Capital Advisors Private Limited, nor their associates hold any Equity Shares of our Company as on the date of this Draft Red Herring Prospectus.
16. The BRLM, Syndicate Members and any persons related to the BRLM and Syndicate Members (other than Mutual Funds sponsored by entities related to the BRLM) cannot apply in the issue under the Anchor Investor Portion. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.
17. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the issue, by way of split / consolidation of the denomination of Equity Shares. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company
18. There are no Equity Shares against which depository receipts have been issued.
19. None of the persons/entities comprising our Promoter Group, the directors of company which is our promoter or our Directors or their relatives or our Company have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity/individual or otherwise during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.
20. We shall ensure that transactions in Equity Shares by the Promoter and members of the Promoter Group, if any, between the date of filing the Draft Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within 24 hours of such transactions being completed.
21. Our Company, our Directors and the Book Running Lead Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the issue from any person.
22. As on date of this Draft Red Herring Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.
23. All the Equity Shares of our Company are fully paid up as on the date of the Draft Red Herring Prospectus. Further, since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares and thus all shares offered through this issue shall be fully paid-up.
24. As per RBI regulations, OCBs are not allowed to participate in this Issue.
25. Our Company has not raised any bridge loans against the proceeds of the Issue.

26. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
27. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
28. An applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors
29. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this issue.
30. Our Company has 7 shareholders as on the date of filing of this Draft Red Herring Prospectus
31. Except for the equity shares offered by our promoter(s), our Promoters and the members of our Promoter Group will not participate in this Issue.
32. Our Company has not made any public issue since its incorporation.
33. For the details of transactions by our Company with our Promoter Group, Group Companies during the financial years ended March 31, 2019, 2018 and 2017 please refer to paragraph titled *Details of Related Parties Transactions* as restated in the chapter titled *Financial Statements* as restated on page 144 of this Draft Red Herring Prospectus.
34. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled Our Management beginning on page 119 of this Draft Red Herring Prospectus.

## OBJECTS OF THE ISSUE

### Requirement of Funds

The proceeds of the Issue, after deducting issue related expenses, are estimated to be Rs. [●] Lakhs (the “Net Proceeds”).

Our Company proposes to utilise the Net Proceeds from the Issue (“Net Proceeds”) towards the following objects:

1. Funding the working capital requirements of the Company; and
2. General corporate purposes.

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association.

Also, we believe that the listing of Equity Shares will enhance our Company’s corporate image, brand name and create a public market for our Equity Shares in India.

### ISSUE PROCEEDS

The details of the proceeds of the Issue are set out in the following table:

Particulars	Estimated amount <sup>(1)</sup>
Gross Proceeds to be raised through the Issue	[●]
Less: Issue Related Expenses	[●]
<b>Net Proceeds of the Issue (“Net Proceeds”)</b>	<b>[●]</b>

<sup>(1)</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.

### UTILISATION OF NET PROCEEDS

The Net Proceeds are proposed to be used in the manner set out in in the following table:

Sr. No.	Particulars	Estimated Amount	Percentage of Gross Proceeds	Percentage of Net Proceeds
1.	Funding the working capital requirements of the Company	1,350.00	[●]%	[●]%
2.	General corporate purposes <sup>(1)</sup>	[●]	[●]%	[●]%

<sup>(1)</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

### Proposed Schedule of Implementation and Deployment of Funds

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and 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 of the Issue.

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Estimated Utilization of Net Proceeds (Financial Year 2019-20)
1.	Funding the working capital requirements of the Company	1,350.00	1,350.00
2.	General corporate purposes <sup>(1)</sup>	[●]	[●]

<sup>(1)</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

In the event of the estimated utilisation of the Net Proceeds in a scheduled Fiscal being not undertaken in its entirety, the remaining Net Proceeds shall be utilised in subsequent Fiscals, as may be decided by our Company, in accordance with applicable laws. Further, if the Net Proceeds are not completely utilised for the objects during the period stated above due to factors such as (i) economic and business conditions; (ii) increased competition; (iii) timely completion of the Issue; (iv) market conditions outside the control of our Company; and (v) any other commercial considerations, the remaining Net Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by our Company, in accordance with applicable laws.

The fund requirements mentioned above are based on the internal management estimates of our Company, and have not been verified by the Book Running Lead Manager or appraised by any bank, financial institution or any other external agency. The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing.

### Means of Finance

The fund requirements set out for the aforesaid object of the Issue are proposed to be met entirely from the Net Proceeds and internal accruals/networth.

(Rs. in lakhs)

Sr. No.	Object of the Issue	Amount Required	IPO Proceeds	Internal Accrual/Networth	Bank Borrowings
1.	Funding the working capital requirements of the Company	2,454.73	1,350.00	1,104.73	-
2.	General Corporate purposes	[●]	[●]	[●]	[●]

Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 7 (1) (e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.

### Details of the Objects of the Issue

The details of the objects of the Issue are set out below.

#### 1. Funding the working capital requirements of the Company

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, net worth, financing from various banks and financial institutions and unsecured loans. For further details, please refer to the chapter titled “Financial Indebtedness” beginning on page 157 of this DRHP.

Our Company’s existing working capital requirement and funding on the basis of Restated Standalone Statements for fiscal 2018 and for fiscal 2019 are as stated below:

(Rs in Lakhs)

Particulars	Fiscal 2018 (Restated)	Fiscal 2019 (Restated)
<b>Current Assets</b>		
Trade Receivables	1,398.72	1,776.36
Cash and Bank Balance	125.61	224.31
Short term loans & advances & Other Current Assets	619.95	868.55
<b>Total (A)</b>	<b>2,144.28</b>	<b>2,869.22</b>
<b>Current Liabilities</b>		
Trade Payables	913.50	848.47
Other Current Liabilities and provisions	774.56	1,040.39
<b>Total (B)</b>	<b>1,688.06</b>	<b>1,888.86</b>
<b>Total Working Capital (A)-(B)</b>	<b>456.22</b>	<b>980.36</b>
<b>Existing Funding Pattern</b>		
Short-term borrowings from banks	19.59	4.55
Internal Accrual/Networth	436.63	975.81

### Basis of estimation of working capital requirement

On the basis of our existing working capital requirements and the projected working capital requirements, our Board pursuant to its resolution dated August 7, 2019 has approved the business plan for the three year period for Fiscals 2020, 2021 and 2022. The projected working capital requirement for Fiscal 2020 is stated below:

(Rs in Lakhs)

Particulars	Fiscal 2020 (Estimated)
<b>Current Assets</b>	
Trade Receivables	2,802.27
Cash and Bank Balance	216.17
Short term loans & advances and other Current Assets	1,147.21
<b>Total (A)</b>	<b>4,165.65</b>
<b>Current Liabilities</b>	
Trade Payables	956.03
Other Current Liabilities and provisions	754.89
<b>Total (B)</b>	<b>1,710.92</b>
<b>Total Working Capital (A)-(B)</b>	<b>2,454.73</b>
<b>Funding Pattern</b>	
Internal accruals/Net Worth	1,104.73
Short-term borrowings from banks	-
IPO Proceeds	1,350.00

Assumptions for Holding Levels

(In months)

Particulars	Holding Level for Fiscal 2018	Holding Level for Fiscal 2019	Holding Level for Fiscal 2020 (Estimated)
<b>Current Assets</b>			
Trade Receivables	2.65	2.68	3.26
<b>Current Liabilities</b>			
Trade Payables	2.33	1.68	1.46

Justification for “Holding Period” levels

The justifications for the holding levels mentioned in the table above are provided below:

<b>Assets- Current Assets</b>	
Trade receivables	Our Company shall give credit facility of around 3.26 months to our debtors as compared to 2.68 months and 2.65 months for the fiscal 2018-19 and 2017-18. Going forward our Company intends to provide liberal credit facility to our debtors for expanding our sales.
<b>Liabilities–Current Liabilities</b>	
Trade Payables	Our Company have assumed trade payables period of 1.46 months for the fiscal 2019-20 as against actual credit period of 1.68 months and 2.33 months for fiscal 2019 and fiscal 2018; as we intend to prune our creditor days by usage of funds proposed to be raised through the Issue, so as to achieve better negotiating terms viz: bulk discount, price offering etc. from creditors.

Pursuant to the certificate dated [●], M/s. K.C. Parikh & Associates, Chartered Accountants have compiled the working capital estimates from the restated standalone financial statements and the working capital projections of the Company as approved by its Board of Directors pursuant to resolution dated [●].

Our Company proposes to utilize Rs. 1,350.00 lakhs of the Net Proceeds in Fiscal 2019-20 towards our working capital requirements. The balance portion of our working capital requirement for the Fiscal 2019-20 will be arranged from existing internal accruals and network.

## 2. General Corporate Purpose

The Net Proceeds will be first utilized towards the Objects as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- strategic initiatives
- brand building and strengthening of marketing activities; and
- Ongoing general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

### ISSUE RELATED EXPENSES

The total expenses of the Issue are estimated to be approximately Rs [●] lakhs. The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as follows.

Expenses	Expenses (Rs in lakhs) <sup>1</sup>	Expenses (% of total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Fees payable to the Book Running Lead Manager (including Underwriting commission)	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to the Legal Advisors	[●]	[●]	[●]
Fees payable to the Registrar to the Issue	[●]	[●]	[●]
Fees payable to the to the Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of Issue stationary	[●]	[●]	[●]
Brokerage and selling commission payable to Syndicate <sup>2</sup>	[●]	[●]	[●]
Brokerage and selling commission payable to Registered Brokers <sup>3</sup>	[●]	[●]	[●]
Processing fees to SCSBs for ASBA Applications procured by the members of the Syndicate or Registered Brokers and submitted with the SCSBs <sup>4</sup>	[●]	[●]	[●]
Processing fees to Issuer banks for UPI Mechanism w.r.t application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to them <sup>5</sup>	[●]	[●]	[●]
Others (bankers to the Issue, auditor’s fees etc.)	[●]	[●]	[●]
<b>Total estimated Issue expenses</b>	[●]	[●]	[●]

<sup>1</sup>Will be incorporated at the time of filing of the Prospectus.

<sup>2</sup>Selling commission payable to the members of the Syndicate, CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:

Portion for RIIs [●]% ^ (exclusive of GST)

Portion for NIIs [●]% ^ (exclusive of GST)

^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).

Further, the Members of Syndicate, RTAs and CDPs will be entitled to bidding charges of Rs. [●] (plus applicable GST) per valid ASBA Form. The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges payable to the relevant RTA/CDP.



<sup>3</sup>Registered Brokers, will be entitled to a commission of Rs. [●] (plus GST) per Bid cum Application Form, on valid Bids, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the bid has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.

<sup>4</sup>SCSBs would be entitled to a processing fee of Rs. [●] (plus GST) for processing the Bid cum Application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to SCSBs.

<sup>5</sup>Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of Rs. [●] (plus GST) for processing the Bid cum Application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to them.

### **Deployment of Funds**

The amount spent by our Company as on [●] towards issue expenses are Rs. [●] lakhs as per the certificate dated [●], by M/s. K.C. Parikh & Associates, Chartered Accountants

### **BRIDGE FINANCING**

We have not entered into any bridge finance arrangements that will be repaid from the Net Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance our fund requirements towards the objects of the Issue until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance our fund requirements towards the objects of the Issue will be repaid from the Net Proceeds.

### **INTERIM USE OF FUNDS**

Pending utilization of the Net Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

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

### **MONITORING UTILIZATION OF FUNDS**

Since the size of Issue does not exceed Rs. 10,000 lakhs, we are not required to appoint a monitoring agency to monitor the utilisation of the proceeds of the Issue. Our Board will monitor the utilization of the proceeds of the Issue and will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32(5) of the Listing Regulations, our Company shall disclose to the Audit Committee the uses and applications of the Net Proceeds. Our Company shall prepare an annual statement of funds utilized for purposes other than those stated in this Red Herring Prospectus, certified by the statutory auditors of our Company and place it before the Audit Committee, as required under applicable laws. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. Furthermore, in accordance with the Regulation 32(1) of the Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the utilization of the Net Proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the utilization of the Net Proceeds of the Issue from the objects of the Issue as states above. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee.

### **VARIATION IN OBJECTS**

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



not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

#### **OTHER CONFIRMATIONS**

No part of the Net Proceeds will be paid by us to the Promoters and Promoter Group, the Directors, Associates, Key Management Personnel or Group Companies except in the normal course of business and in compliance with the applicable law.

## BASIS FOR ISSUE PRICE

The price band/ Issue Price will be determined by our Company in consultation with the Book Running Lead Manager on the basis of an assessment of market demand for the Equity Shares through the Book Building Process and on the basis of qualitative and quantitative factors as described below. Investors should also refer to the sections “Risk Factors” and “Restated Financial Information” and chapters titled “Our Business” beginning on pages 24, 144 and 97 respectively of this Draft Red Herring Prospectus, to have a more informed view before making an investment decision. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

### QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the price are:

- Our experienced management and dedicated employee base;
- Marquee client base and repeat orders;
- Diverse service offerings;
- Designing and execution capability;
- Timely completion of projects

For further details, refer to heading “*Our Competitive Strengths*” under chapter titled “*Our Business*” beginning on page 97 of this Draft Red Herring Prospectus.

### QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated consolidated financial statements of the Company for the financial years ended March 31, 2019, 2018 and 2017 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with SEBI ICDR Regulations. 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):

Year Ended	Basic & Diluted EPS (Rs.)	Weight
March 31, 2019	10.75	3
March 31, 2018	8.83	2
March 31, 2017	1.97	1
<b>Weighted Average</b>	<b>8.65</b>	

Notes:

1. Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share', notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules, 2014.
2. Basic Earnings per share = Net profit after tax attributable to owners of the Group, as restated / Weighted average number of shares outstanding during the year.
3. Diluted Earnings per share = Net profit after tax attributable to owners of the Group, as restated / Weighted average number of potential equity shares outstanding during the year.
4. Weighted average EPS = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each fiscal] / [Total of weights].
5. The above ratios has been adjusted for issuance of bonus of 60,30,430 Equity Shares on January 21, 2019.
6. The figures disclosed above are based on the Restated Consolidated Financial Statements of our Company.
7. The face value of each equity share is Rs. 10.

#### 2. Price to Earnings (P/E) ratio in relation to Price Band of Rs. [●] to Rs. [●] per Equity Share of face value Rs. 10 each fully paid up.

Particulars	P/E at the lower end of the Price Band (no. of times)	P/E at the higher end of the Price Band (no. of times)
P/E ratio based on Basic & Diluted consolidated EPS for FY 2018-19	[●]	[●]
<b>Industry P/E Ratio*</b>		
Highest		6.37
Lowest		6.37

Particulars	P/E at the lower end of the Price Band (no. of times)	P/E at the higher end of the Price Band (no. of times)
Average	6.37	

\*Industry composite comprises of Zodiac Energy Limited.

### 3. Return on Net worth (RoNW):

Year Ended	RoNW (%)	Weight
March 31, 2019	49.81%	3
March 31, 2018	81.53%	2
March 31, 2017	98.32%	1
<b>Weighted Average</b>	<b>68.47%</b>	

Notes:

- Return on Net Worth (%) = Net Profit after tax attributable to owners of the Group, as restated / Net worth as restated as at year end.
- 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.
- Net worth is aggregate value of the paid-up share capital of the Company and reserves and surplus, excluding revaluation reserves and attributable to equity holders of the Holding Company, if any, as per Restated Consolidated Financial Information
- The figures disclosed above are based on the Restated Consolidated Financial Statements of our company.

### 4. Net Asset Value (NAV) per Equity Share of face value of Rs. 10 each:

Particulars	Amount Per Share
Net Asset Value per Equity Share as of March 31, 2019 as per Restated Consolidated Financial Statements	21.58
Net Asset Value per Equity Share after the Issue - At Floor Price	[●]
Net Asset Value per Equity Share after the Issue - At Cap Price	[●]
Issue Price per equity share	[●]

Notes:

- Net Asset Value Per Equity Share = Restated net worth, attributable to equity holders of the Holding Company at the end of the year. Number of equity shares outstanding as at the end of year.
- Net worth is aggregate value of the paid-up share capital of the Company and reserves and surplus, excluding revaluation reserves and attributable to equity holders of the Holding Company, if any, as per Restated Consolidated Financial Statements.
- The above ratios has been adjusted for issuance of bonus of 60,30,430 Equity Shares on January 21, 2019.
- Issue Price per equity share will be determined on conclusion of Book Building Process and will be updated in the final prospectus to be filed with the Registrar of Companies (ROC).

### 5. Comparison with listed industry peers:

Name of the Company	CMP*	Basic EPS	Diluted EPS	PE Ratio	RONW (%)	NAV (per share)	Face Value (per share)	Total Income (Rs. in Lakhs)
Gensol Engineering Limited	[●]	10.75	10.75	[●]	49.81%	21.58	10.00	8,385.43
<b>Peer Group</b>								
Zodiac Energy Limited**	27.00	4.24	4.24	6.37	15.14%	27.99	10.00	6,342.25

\* CMP for our Company is considered as Issue Price

\*\*Source: [www.nseindia.com](http://www.nseindia.com)

Notes:

- 1. Considering the nature and size of business of the Company, the peers are not strictly comparable. However the same has been included for broad comparison. Except of the peer stated above, we believe that there are no comparable listed companies of our size in India, which are engaged in provision of solar advisory services and solar EPC contracts. There are large listed companies whose business segments include services offered by us but their business also includes activities other than such services. Hence, their accounting ratios are not considered for comparing with industry peers.*
- 2. The figures for Gensol Engineering Limited is based on the restated consolidated financial statements for the year ended March 31, 2019.*
- 3. The figures for the peers are based on the standalone financial statements for the year ended March 31, 2019.*
- 4. Current Market Price (CMP) for Zodiac Energy Limited is their respective closing market price as on September 11, 2019 on National Stock Exchange of India Limited.*
- 5. NAV per share is computed as the closing net worth divided by the closing outstanding number of paid up equity shares. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserve less miscellaneous expenditure not written off if any) and as attributable to the owners of the Company.*
- 6. P/E Ratio for Zodiac Energy Limited has been computed based on their respective closing market price on September 11, 2019 on National Stock Exchange of India Limited as divided by the Basic EPS provided.*
- 7. RoNW has been computed as net profit after tax, as attributable to the owners of the Company divided by closing net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserve less miscellaneous expenditure not written off) and as attributable to the owners of the Company.*

Gensol Engineering Limited is a Book Built Issue and price band for the same shall be published 2 working days before opening of the Issue in English and Hindi National newspapers and one regional newspaper with wide circulation.

The price band/floor price/Issue Price shall be determined by the Company in consultation with the BRLM on the basis of assessment of market demand from investors for the equity shares by way of Book Building and is justified based on the above qualitative and quantitative parameters.

For further details see section titled “Risk Factors” beginning on page 24 of this Draft Red Herring Prospectus and the financials of the Company including profitability and return ratios, as set out in the section titled “Restated Financial Information” beginning on page 144 of this Draft Red Herring Prospectus for a more informed view.

## STATEMENT OF POSSIBLE TAX BENEFITS

To,  
**The Board of Directors,**  
**Gensol Engineering Limited**  
12<sup>th</sup> Floor (A-2), Palladium Building,  
Corporate Road,  
Pralhad Nagar, Ahmedabad - 15

Dear Sir/Ma'am,

**Sub: Proposed Initial Public Offering (IPO) of the Equity Shares of the Gensol Engineering Limited, (the "Company"), pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI Regulations") and the Companies Act, 2013, as amended (the "Act").**

1. This report is issued in accordance with the terms of our engagement letter dated September 29, 2018.
2. The accompanying Statement of Special Tax Benefits available to the Company and its Shareholders (hereinafter referred to as "the Statement") under the Income Tax Act, 1961 (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2018 (hereinafter referred to as the "Income Tax Regulations") and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax Rules, Circulars and Notifications) has been prepared by the management of the Company in connection with the proposed Issue, which we have initialled for identification purposes.

### **Management's responsibility**

3. The preparation of this Statement as of the date of our report which is to be included in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus (the "Offer Document") is the responsibility of the management of the Company and has been approved by the Board of Directors of the Company at its meeting held on May 6, 2019, for the purpose set out in paragraph 12 below. The management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

### **Auditor's responsibility**

4. Our work has been carried out in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' (Revised 2016) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India.
5. Pursuant to the SEBI Regulations and the Act, it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the special tax benefits available as of March 31, 2019 to the Company and the shareholders of the Company, in accordance with the Income Tax Regulations as at the date of our report.
6. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI Regulations in connection with the Offering.
7. 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,' issued by the ICAI

#### **Inherent Limitations**

8. We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information
9. Several of the benefits mentioned in the accompanying statement are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. The benefits discussed in the accompanying statement are not exhaustive
10. The 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 Issue

Further, we give no assurance that the income tax authorities/ other indirect tax authorities/courts will concur with our views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

#### **Opinion**

11. In our opinion, the Statement prepared by the Company presents, in all material respects, the special tax benefits available as of March 31, 2019, to the Company and the shareholders of the Company, in accordance with the Income Tax Regulations & other Indirect Tax Regulations as at the date of our report.

Considering the matter referred to in paragraph 5 above, we are unable to express any opinion or provide any assurance as to whether:

- (i) The Company or its shareholders will continue to obtain the benefits as per the Statement in future; or
- (ii) The conditions prescribed for availing the benefits as per the Statement have been/ would be met with.

#### **Restriction on Use**

12. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Offer Document, prepared in connection with the Issue to be filed by the Company with the BSE.

For, **K C Parikh & Associates**  
**Chartered Accountants**  
**Firm Regn. No. 107550W**

sd/-

**CA. Chintan M. Doshi**  
**Partner**  
**Membership No.: 118298**  
Ahmedabad,  
May 6, 2019

## ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS

### A) Direct Taxation:

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

**YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.**

#### a. Special tax benefits to the company

**There are no special tax benefits to the company.**

#### b. Special tax benefit to the shareholder

**There are no special tax benefits to the shareholders of the company.**

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

### B) Indirect Taxation:

- 1) **Benefits available under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax Rules, Circulars and Notifications) (together referred to as “GST Regime “or “GST Law”)**

#### **1.1. Special tax benefits to the company**

**There are no special tax benefits to the company.**

#### **1.2. Special tax benefit to the shareholder**

**There are no special tax benefits to the shareholders of the company.**

## SECTION V – ABOUT THE COMPANY

### OUR INDUSTRY

*The information in this section is derived from extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. The information has not been independently verified by us, the BRLM, or any of our or their respective affiliates or advisors. 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 and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 24 and 144 respectively of this Draft Red Herring Prospectus before deciding to invest in our Equity Shares.*

#### **INTRODUCTION TO THE INDIAN SERVICE INDUSTRY**

Services sector is the biggest one in India and contributes more than half of Gross Value Added (GVA). As of 2018, 34.49 per cent of India’s employed population was working in the services sector. India ranked as the eighth largest exporter of commercial services globally in 2017. The sector is a major contributor to the country’s FDI Inflows.

The services sector is not only the dominant sector in India’s GDP, but has also attracted significant foreign investment flows, contributed significantly to exports as well as provided large-scale employment. India’s services sector covers a wide variety of activities such as trade, hotel and restaurants, transport, storage and communication, financing, insurance, real estate, business services, community, social and personal services, and services associated with construction.

Services exports comprise a major part of the total exports of India. Net Services exports from India stood at US\$ 18.7 billion in Q1 2018-19 (P). India is the export hub for software services. It has a 55 per cent share in the US\$ 185-190 billion global sourcing market in 2017.

The services sector with a share of 55.2 per cent in India’s gross value added continued to be the key driver of India’s economic growth contributing almost 72.5 per cent of gross value added growth in 2017-18. While the growth of this sector in 2017-18 is expected to be at 8.3 per cent, the growth in services exports and net services were robust at 16.2 per cent and 14.6 per cent respectively in H1 of 2017-18. The Government has taken many initiatives in the different services which include digitization, e-visas, infrastructure status to Logistics, Start-up India, schemes for the housing sector, etc. which could give a further fillip to this sector.

*(Source: Indian Services Industry Analysis -India Brand Equity Foundation- [www.ibef.org](http://www.ibef.org))*

#### **INTRODUCTION TO THE INDIAN RENEWABLE ENERGY INDUSTRY**

The Indian renewable energy sector is the fourth most attractive renewable energy market in the world as per the Renewable Energy Attractiveness Index 2018. Installed renewable power generation capacity has increased at a fast pace over the past few years, posting a CAGR of 19.78 per cent between FY14–18. Power generation from renewable energy sources in India reached 101.84 billion units in FY18 and 73.33 billion units between Apr-Sep 2018.

As of September 2018, total renewable power installed capacity (excluding large hydro) in the country stood at 72.01 GW, which is 20.81 per cent of the total installed capacity of 346.08 GW. Overall, India is expected to add up to 8.5 GW of renewable energy capacity in 2018-19. Large hydro projects form the largest source of renewable energy. Around 1,739.14 MW of wind power capacity was added in 2017-18.

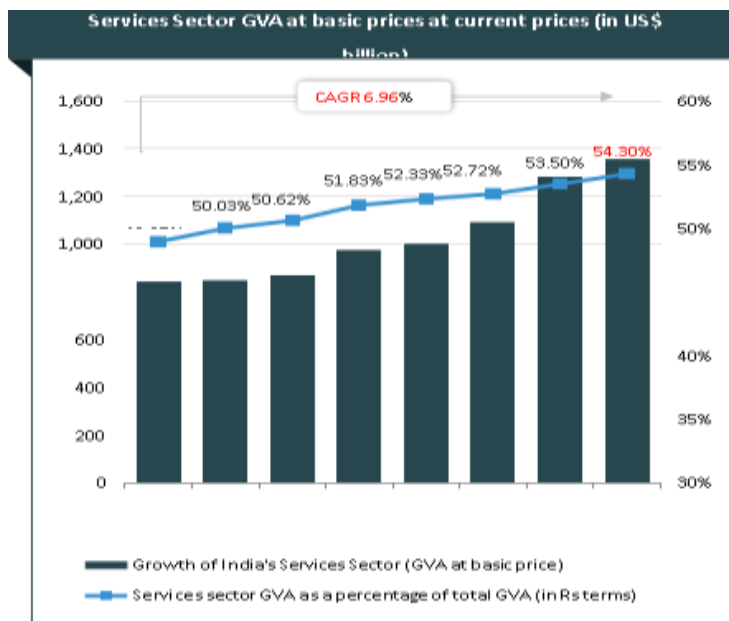
The Ministry of New and Renewable Energy, Government of India, has formulated an action plan to achieve a total capacity of 60 GW from hydro power and 175 GW from other RES by March, 2022, which includes 100 GW of Solar power, 60 GW from wind power, 10 GW from biomass power and 5 GW from small hydro power. This has been proving to be the major thrust for the sector in India as the market players have sufficient incentives to move to clean source. As of June 2018, Government of India is aiming to achieve 225 GW of renewable energy capacity by 2022, much ahead of its target of 175 GW as per the Paris Agreement. Under Union Budget 2018-19,

Rs 3,762 crore (US\$ 581.09 million) has been allocated for grid-interactive renewable energy schemes and projects.

As India looks to meet its energy demand on its own, which is expected to reach 15,820 TWh by 2040, renewable energy is set to play an important role. By 2030, renewable sources are expected to help meet 40 per cent of India’s power needs. New investments in clean energy in the country reached US\$ 11 billion in 2017. In the first half of 2018, investments in clean energy in India reached US\$ 7.4 billion. The services category is the highest recipient of FDI Inflows in India with total inflow of US\$ 74.15 billion during April 2000-March 2019. Top ten service sectors received US\$ 227.94 billion FDI during April 2000-December 2018.

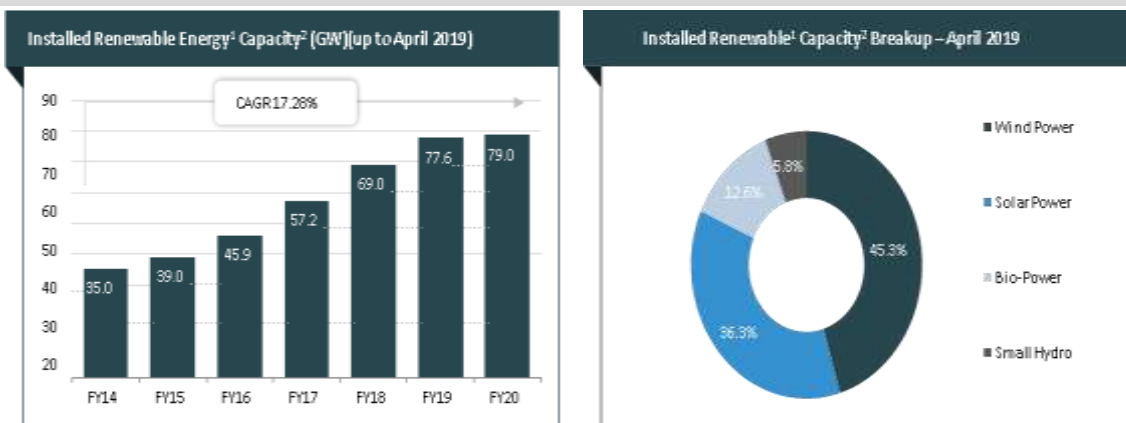
(Source: Indian Services Industry Analysis -India Brand Equity Foundation- [www.ibeg.org](http://www.ibeg.org))

**STATISTICAL OVERVIEW OF THE INDIAN SERVICE INDUSTRY**



(Source: Indian Services Industry Analysis -India Brand Equity Foundation- [www.ibef.org](http://www.ibef.org))

**STATISTICAL OVERVIEW OF THE INDIAN RENEWABLE ENERGY INDUSTRY**



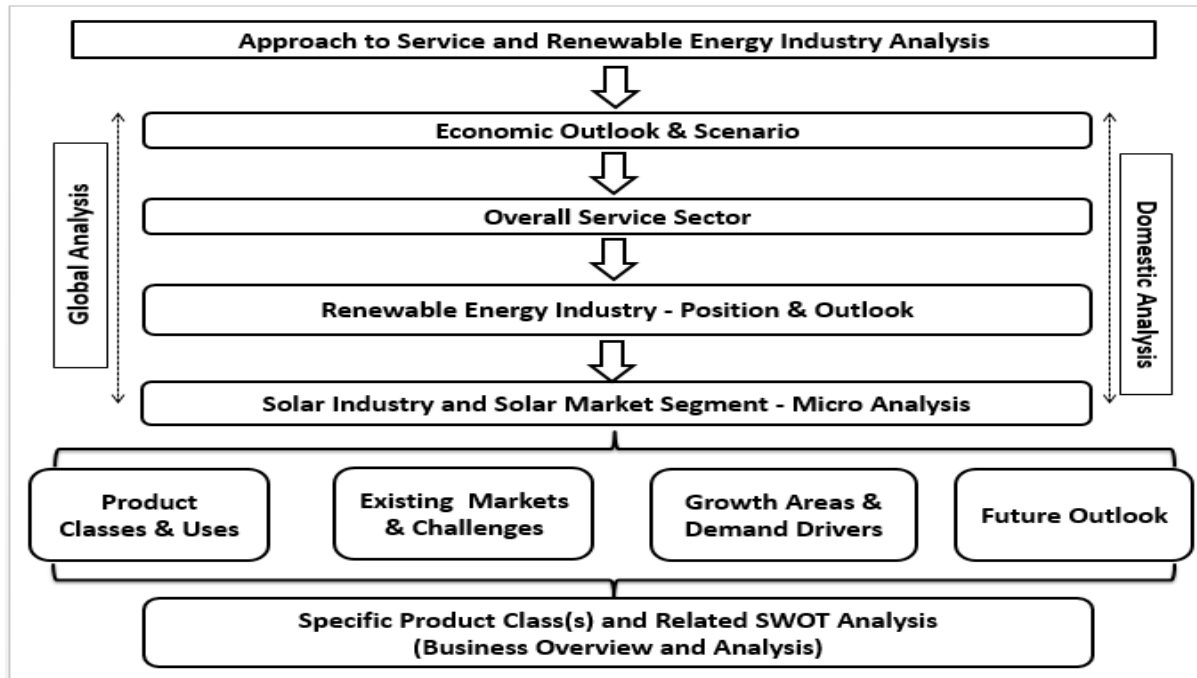
(Source: Indian Renewable Energy Industry Analysis -India Brand Equity Foundation- [www.ibeg.org](http://www.ibeg.org))

**APPROACH TO SERVICE AND RENEWABLE INDUSTRY ANALYSIS**

Analysis of Service and Renewable Energy Industry needs to approach at both macro and micro levels, whether for domestic or global markets. Renewable Energy Industry forms part of Service Sector at a macro level. Hence, broad picture of Service Sector should be at preface while analysing the Renewable Energy Industry.

Service sector comprises various industries, which in turn, have numerous sub-classes or products. One such major industry in the overall Service sector is Renewable Energy Industry which in turn encompasses various components one of them being “Solar Industry”.

Thus, Solar Industry should be analysed in the light of ‘Renewable Energy Industry’ at large. An appropriate view on Solar Industry, calls for the overall economy outlook, performance and expectations of Service Sector, position and outlook of Solar Industry segment wise micro analysis.



*This Approach Note is developed by Pantomath Capital Advisors (P) Ltd ('Pantomath') and any unauthorized reference or use of this Note, whether in the context of Service and Renewable Energy Industry and / or any other industry, may entail legal consequences.*

## GLOBAL ECONOMIC OVERVIEW

According to the International Monetary Fund (IMF), the global economy is experiencing a near-synchronous recovery, the most broad-based since 2010. In 2017, roughly three-quarters of countries experienced improvements in their growth rates, the highest share since 2010. The latest World Economic Outlook (WEO) of the IMF shows global GDP growth accelerated to around 3.6 percent in 2017 from 3.2 percent in 2016, and 3.6 percent in 2018 has been upgraded by 0.2 percentage points to 3.9 percent. Although rebounding, global growth is still well below levels reached in the 2000s.

World output grew at 3.6 per cent in 2014 and again in 2018. In the intervening period, when the world did not appear to have changed much, India took a few giant strides forward. India became the sixth largest economy by sustaining growth rates higher than China, thereby earning the epaulette of being the fastest growing major economy in the world (Figure 1). Importantly, this pace of growth was sustained while re-establishing macro-economic stability.

Discipline was also imposed on the Gross Fiscal Deficit (GFD). The Fiscal Responsibility and Budget Management (FRBM) Act of 2003, which got a new lease of life since 2016, determines the glide path for the ratio of GFD to GDP to reach an eventual target of 3 per cent. The ratio declined from 4.5 per cent in 2013-14 to 3.4 per cent in 2018-19. Other macro-stability indicators have similarly improved.

One reason why the recovery has spread around the globe is that world trade in goods and services has finally emerged from its torpor, registering 4.7 percent real volume growth in 2017 compared with 2.5 percent in 2016. Another reason is that commodity producers such as Russia, Brazil, and Saudi Arabia, which for the past few years been suffering from depressed prices, have benefitted from the upswing in demand. Commodity prices increased smartly in 2017, led by petroleum, whose price rose by 16 percent to reach \$61 per barrel by the end of the year.

Even as global growth and commodity prices have surged, inflation has remained remarkably quiescent, remaining below 2 percent in the main advanced regions. Consequently, monetary policies in the US, Eurozone and Japan have remained highly accommodative despite a strong recovery. These unusual settings—rapid growth, ultra-low interest rates—at a late stage in the economic cycle have produced the rarest of combinations: record-high high bond prices and stock market valuations, both at the same time. The consensus forecast calls for these conditions to be sustained in 2018, as companies respond to buoyant demand conditions by stepping up investment, some governments (such as the US) embark on expansionary fiscal policies, while advanced country monetary policies remain stimulative and world trade continues to grow briskly.

What are the risks? Of course, there are the usual geo-political and geo-economic risks: war in the Korean peninsula; political upheaval in the Middle East; aggressive output cuts by Saudi Arabia (and Russia) in advance of the planned listing of the Saudi Arabian oil company, Aramco, which could force oil prices even higher; a final reckoning from China's unprecedented credit surge in the form of capital controls, slowdown in growth, and a sharply depreciating currency with consequences for the global economy (Economic Survey, 2016-17, Chapter 1); and trade tensions that could lead to skirmishes, and then spiral out of control. But perhaps the main risks lie on the macro-finance front in advanced economies. These stem from three, inter-related, sources:

- Asset valuations (price-equity ratios) tend to revert to their mean. And the faster and higher they climb, especially so late in the economic cycle, the greater the risk of sharp corrections.
- Simultaneously high valuations of both bonds and equities tend to be briefly lived because they suffer from an acute tension: if future earnings and economic growth are so bright, justifying high equity prices, interest rates cannot be forever so low.
- And if interest rates rise—or if markets even sense that central banks will need to shift their stance—both bond and equity prices could correct sharply. A plausible scenario would be the following. The IMF is now forecasting that advanced country output gaps will close in 2018 for the first time since the Global Financial Crisis. As this occurs, wages would start rising, eating into profits (which would prick equity valuations); and as inflation rises in tandem, policy makers would be forced into raising rates, deflating bond valuations and further undermining share prices.

What would happen to growth if asset prices correct? Surely, the impact would be far smaller than it was in 2007-09, because advanced countries are far less vulnerable than they were a decade ago. In particular, the leverage tied to these assets is much lower, which would minimize contagious propagation; while banks are much better buffered, with higher levels of capital and core deposits, and lower levels of risky assets.

Even so, there would be some consequences. For one, a large decline in wealth would force advanced country consumers to cut back on their spending, which in turn would lead firms to curtail their investments. And if this happens, monetary and fiscal policies would have much less room for expansionary manoeuvre since interest rates are already low while government debts are high. And the political implications of yet another decline in asset prices, the second in a decade, could also be significant, with effects that are difficult to imagine.

In sum, assessing future risks hinges on two calls: interest rate policy and asset valuations. On policy, extraordinarily low rates have, to paraphrase Paul Krugman, become “an obsession in search of a justification.” Initially justified by the dislocations caused by the Global Financial Crisis, then by large output gaps, they are now defended on the grounds that inflation remains weak, even as the slack in product and labor markets is disappearing rapidly. Will the gathering new evidence on closing output gaps and rising employment dispel that obsession.

On valuations, the prognosticator must navigate a narrow strait: steering clear of the “Cry of Wolf” trap (bond prices will finally, finally correct, having defied the prediction of correction in each of the last several years), without succumbing to the siren call of “This Time is Different” (stock valuations are sustainable this time because interest rates will remain at historic lows).

(Source: *Economic Survey 2017-18 Volume I* [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

## OVERVIEW OF INDIA'S ECONOMIC PERFORMANCE IN 2018-19

### Economic activity

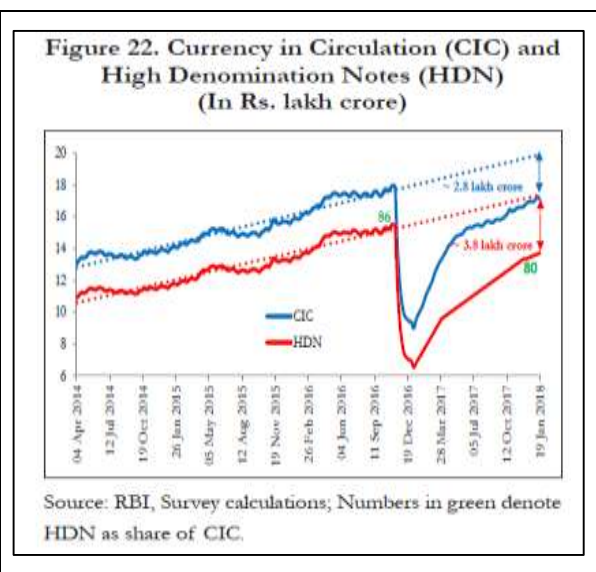
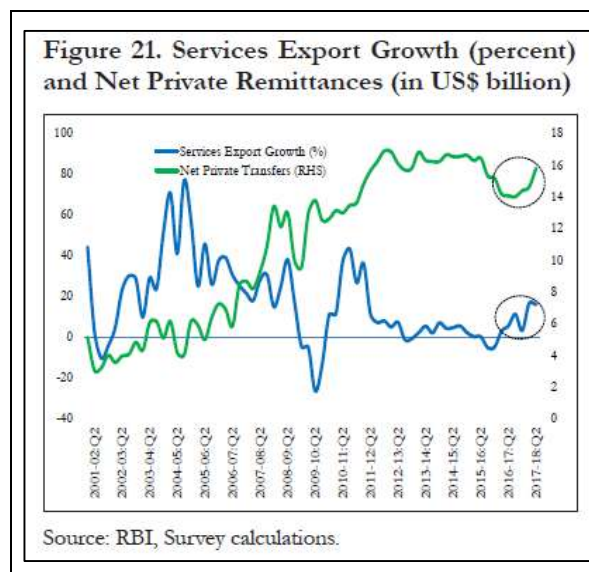
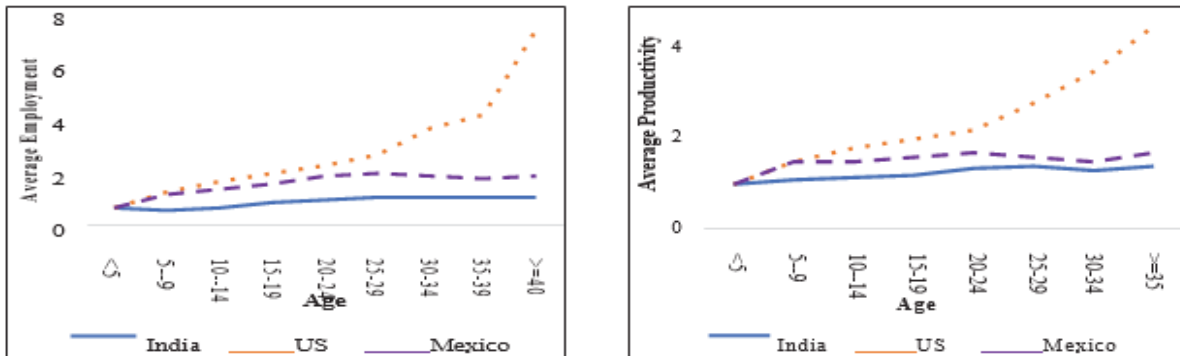
The key question going forward is whether the economy has troughed, and if so at what pace it will recover toward its medium term trend. High frequency indicators do suggest that a robust recovery is taking hold as reflected in a variety of indicators, including overall GVA, manufacturing GVA, the IIP, gross capital formation (Figure 17) and exports.



The Survey then highlights that restrictive labour regulations, which exempt small firms from such regulations, and other size based incentives, which provide benefits to MSMEs irrespective of their age, have played a crucial role in providing perverse incentives for firms to remain significantly smaller in the Indian economic landscape.

Among the different modelling possibilities, assume a 0.7% increase in total factor productivity in India when compared to the U.S. and a constant real effective exchange rate. This then translates into an exchange rate of INR 75 per USD in March 2025, which implies that the Indian economy must have a nominal GDP of 375 lakh crores in March 2025. An 8% real growth rate for GDP combined with 4% inflation would deliver this nominal GDP. While the export growth required to deliver the 8% real GDP growth rate may require a depreciation of the real effective exchange rate, we emphasize export growth stemming from increases in productivity rather than currency depreciation.

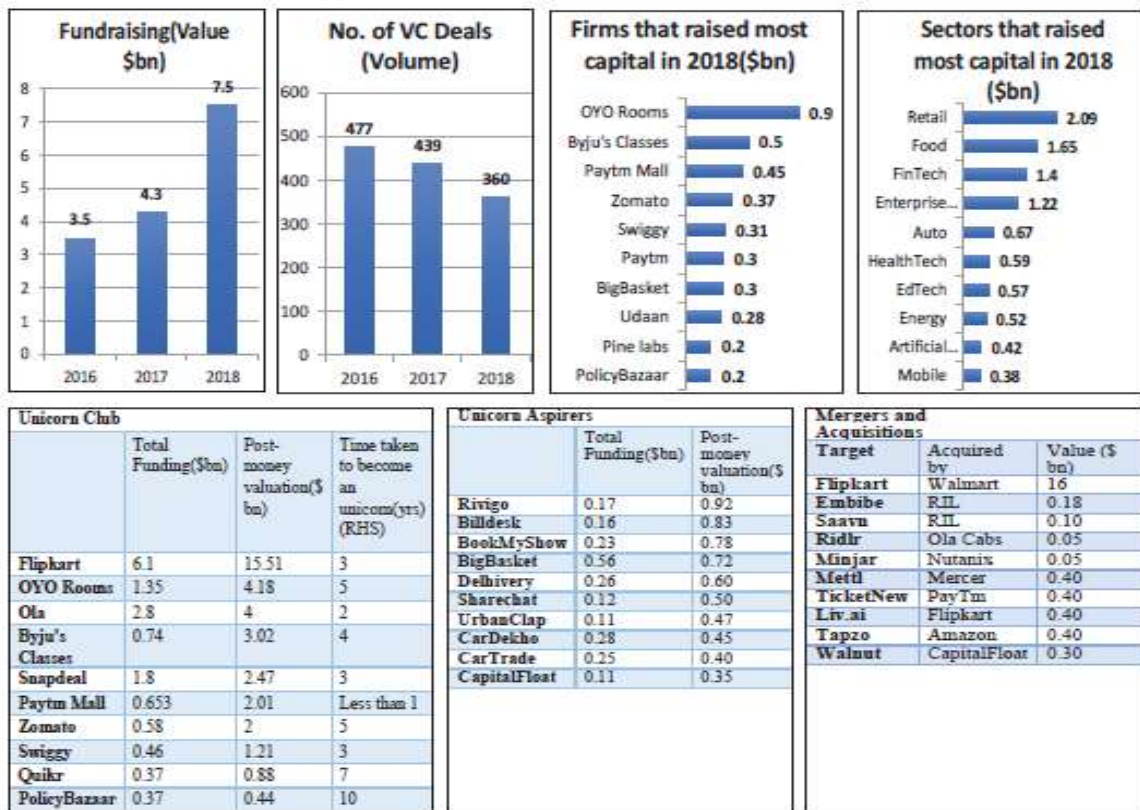
**Figure 21: Growth of jobs and productivity with age for firms in India, Mexico and U.S.**



A final, important factor explaining the growth recovery is fiscal, which is providing a boost to aggregate demand. For reasons related to smoothening the transition, GST revenues will only be collected for 11 months, which is akin to a tax cut for consumers. Meanwhile, overall revenue expenditure growth by the central and state governments at remains strong at 11.7 percent (April to November). Cyclical conditions may also lead to lower tax and non-tax revenues, which act as an automatic stabilizer.

All this said, while the direction of the indicators is positive, their level remains below potential. IIP growth (April-November 2017 over same period in the previous year) is 3.2 percent, real credit growth to industry is still in negative territory, and the growth in world trade remains less than half its level of a decade ago. Moreover, even though the cost of equity has fallen to low levels, corporates have not raised commensurate amounts of capital, suggesting that their investment plans remain modest (Box 6). In other words, the twin engines that propelled the economy's take-off in the mid-2000s – exports and investment – are continuing to run below take-off speed.

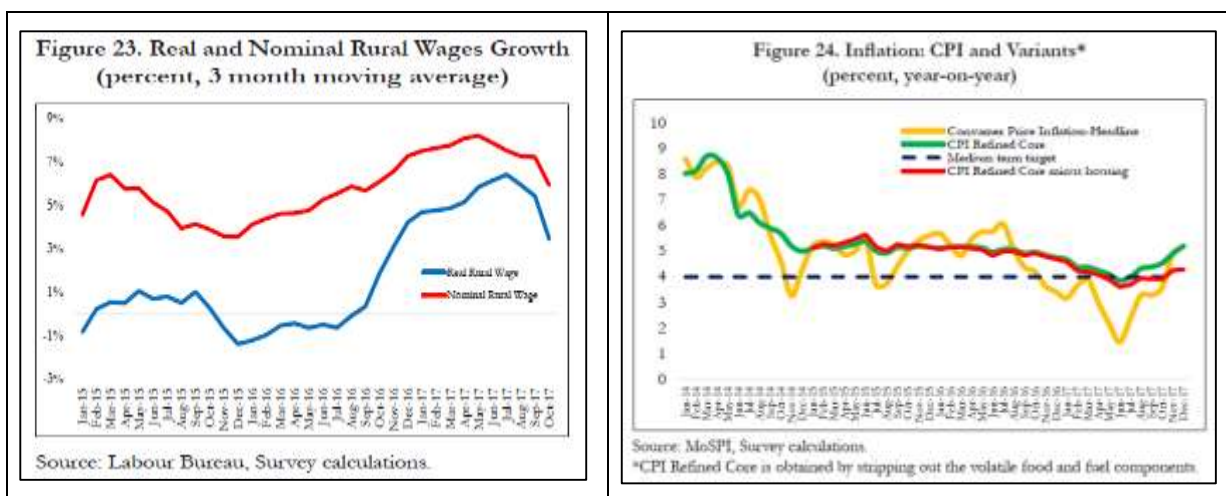
Figure 24: Trends in India's start-ups (2018)



Source: Sarkar (2018)

Ranked third in the world in the start-up ecosystem, a growing number of domestic Indian enterprises are developing solutions aimed at managing and solving urban challenges. While a majority of these are tech-startups concerned with e-commerce and consumer products and services, 2018 was touted as the year of food startups. Figure 24 shows statistics that depict the vibrant start-up ecosystem that has developed in India. B2C startups concerned with easing public service delivery and driving efficiencies, whether in waste, water or energy etc.

The CSO has forecast real GDP growth for 2017-18 at 6.5 percent. However, this estimate has not fully factored in the latest developments in the third quarter, especially the greater-than-CSO-forecast exports and government contributions to demand. Accordingly, real GDP growth for 2017-18 as a whole is expected to be close to 6 3/4 percent. Given real GDP growth of 6 percent in the first half, this implies that growth in the second half would rebound to 7.5 percent, aided by favourable base effects, especially in the fourth quarter.



Average CPI inflation for the first nine months has averaged 3.2 percent and is projected to reach 3.7 percent for the year as a whole. This implies average CPI inflation in the last quarter of 5 percent, in line with the RBI's

forecast. Therefore, the GDP deflator is expected to grow by 3.6 percent for 2017-18, somewhat higher than the CSO's forecast of 2.8 percent. Consequentially, nominal GDP growth is estimated at 10.5 percent, compared with the CSO's 9.5 percent estimate.

### Macroeconomic indicators

After 13 months of continuously under-shooting the inflation target by an average of 130 basis points, headline inflation for the first time crossed the RBI's 4 percent target in November, posting a rate of 5.2 percent in December 2017 (Figure 24). The recent upswing in inflation stems from rising global oil prices (not all of which has been passed on to consumers), unseasonal increases in the prices of fruits and vegetables, and the 7th Pay Commission housing rent allowances, which mechanically increase inflation. Stripped of all these factors, underlying inflation has been increasing at a more modest pace, reaching 4.3 percent at end-December—in part because firms are passing the incidence of GST on to final consumers only gradually.

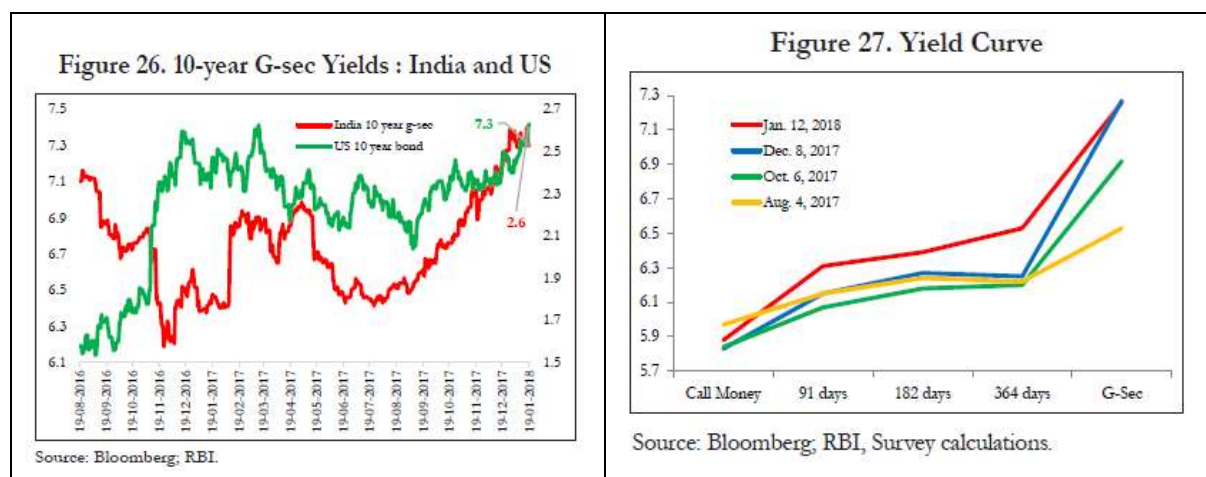
The current account deficit has also widened in 2017-18 and is expected to average about 1.5-2 percent of GDP for the year as a whole. The current account deficit can be split into a manufacturing trade deficit, an oil and gold deficit, a services deficit, and a remittances deficit (Figure 25). In the first half of 2017-18, the oil and gold balance has improved (smaller deficit of \$47 billion) but this has been offset by a higher trade deficit (\$18 billion) and a reduced services surplus (\$37 billion), the latter two reflecting a deterioration in the economy's competitiveness.

As witnessed over the past two centuries, energy has been the driving force behind the process of economic development: greater access to energy has fostered economic growth as well as other indicators of human development. India has a per-capita energy consumption of only about one-third of the global average. Within this consumption, access to clean fuel is unevenly distributed spatially in rural vis-à-vis urban areas and socio-economically when seen across income groups. India, therefore, needs to quadruple its per-capita energy consumption to meet the rising aspirations of its citizens. This will also enable India to achieve the human development status of an upper-middle-income country.

### Fiscal developments

Bond yields have increased sharply (Figure 26) since August 2017, reflecting a variety of factors, including concerns that the fiscal deficit might be greater-than-budgeted, expectations of higher inflation, a rebound in activity that would narrow the output gap, and expectations of rate increases in the US. As a result, the yield curve has become unusually steep (Figure 27).

The fiscal deficit for the first eight months of 2017-18 reached 112 percent of the total for the year, far above the 89 percent norm (average of last 5 years), largely because of a shortfall in non-tax revenue, reflecting reduced dividends from government agencies and enterprises. Expenditure also progressed at a fast pace, reflecting the advancing of the budget cycle by a month which gave considerable leeway to the spending agencies to plan in advance and start implementation early in the financial year. Partially offsetting these trends will be disinvestment receipts which are likely to exceed budget targets.



GST revenue collections are surprisingly robust given that these are early days of such a disruptive change (See Box 7). Government measures to curb black money and encourage tax formalization, including demonetization and the GST, have increased personal income tax collections substantially (excluding the securities transactions tax). From about 2 percent of GDP between 2013-14 and 2015-16, they are likely to rise to 2.3 percent of GDP in 2017-18, a historic high. Precise estimates of the government's contribution to this improvement vary depending on the methodology used. An econometric exercise yields an estimate of Rs. 40,000 Crores over the two fiscal



years of 2016-17 and 2017-18.<sup>3</sup> Another based on comparing the difference in actual tax buoyancy in 2016-17 and 2017-18 over the previous seven-years' average buoyancy, yields an estimate of about Rs. 65,000 Crores (both exclude the 25,000 Crores collected under the Income Disclosure Scheme and Pradhan Mantri Garib Kalyan Yojana). Thus, the sum of all government efforts increased income tax collections, thus far, between Rs. 65,000 and Rs. 90,000 Crores. These numbers imply a substantial increase in reported incomes (and hence in formalization) of about 1.5 percent to 2.3 percent of GDP.

As a result of the budget overruns, the central government's fiscal deficit until November 2017 was Rs. 6.1 lakh crore compared to the budgeted Rs. 5.5 lakh crore. In contrast, state governments seem to be hewing closely to their targeted fiscal consolidation – in part because the centre has guaranteed them a large increase in their indirect tax take, as part of the GST agreement.

Reflecting largely fiscal developments at the centre, a pause in general government fiscal consolidation relative to 2016-17 cannot be ruled out. In addition, the measured deficit for 2017-18 will include Rs. 80,000 crore (0.5 percent of GDP) in capital provided to public sector banks. But this will not affect aggregate demand, as reflected in international accounting practice which deems such operations as financing (“below-the-line”) rather than expenditure.

In the case of borrowing by the states, markets have perhaps inadequately taken into account the fact that higher market borrowings by them does not reflect higher deficits; rather about Rs. 50,000 crore or 0.3 percent of GDP of market borrowings is due to changes in the composition of financing, away from higher cost NSSF borrowings toward lower cost market borrowings. This lack of strict correspondence between the deficit and borrowings at the central and state levels (Figure 28) is discussed in greater detail in Box 8. For general government, about Rs. 40,000 Crores represents greater market borrowings that is not due to deficits—a fact which markets apparently have not internalized.

Another factor contributing to the rise in bond yields has been stepped-up Open Market Operations (OMO) by the RBI. This amounted to a net sale of about Rs. 90,000 Crores during April-December 2017-18 (compared to a net redemption of Rs. 1.1 lakh Crores during the same period in 2016-17) to sterilize the impact of foreign flows, themselves induced by high interest rates.

(Source: *Economic Survey 2018-19 Volume 1* [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

## OUTLOOK FOR 2019-20

The outlook for 2018-19 will be determined by economic policy in the run-up to the next national election. If macro-economic stability is kept under control, the ongoing reforms are stabilized, and the world economy remains buoyant as today, growth could start recovering towards its medium term economic potential of at least 8 percent.

Consider the components of demand that will influence the growth outlook. The acceleration of global growth should in principle provide a solid boost to export demand. Certainly, it has done so in the past, particularly in the mid-2000s when the booming global economy allowed India to increase its exports by more than 26 percent per annum. This time, the export response to world growth has been in line with the long-term average, but below the response in the mid-2000s. Perhaps it is only a matter of time until exports start to grow at a healthy rate. Remittances are already perking up, and may revive further due to higher oil prices.

Private investment seems poised to rebound, as many of the factors exerting a drag on growth over the past year finally ease off. Translating this potential into an actual investment rebound will depend on the resolution and recapitalization process. If this process moves ahead expeditiously, stressed firms will be put in the hands of stronger ownership, allowing them to resume spending. But if resolution is delayed, so too will the return of the private capex cycle. And if this occurs public investment will not be able to step into the breach, since it will be constrained by the need to maintain a modicum of fiscal consolidation to head off market anxieties.

Consumption demand, meanwhile, will encounter different tugs. On the positive side, it will be helped by the likely reduction in real interest rates in 2018-19 compared to the 2017-18 average. At the same time, average oil prices are forecast by the IMF to be about 12 percent higher in 2018-19, which will crimp real incomes and spending—assuming the increase is passed on into higher prices, rather than absorbed by the budget through excise tax reductions or by the oil marketing companies. And if higher oil prices requires tighter monetary policy to meet the inflation target, real interest rates could exert a drag on consumption.

Putting all these factors together, a pick-up in growth to between 7 and 7.5 percent in 2018-19 can be forecasted, re-instating India as the world's fastest growing major economy. This forecast is subject to upside potential and downside risks. The biggest source of upside potential will be exports. If the relationship between India's exports

and world growth returns to that in the boom phase, and if world growth in 2018 is as projected by the IMF, then that could add another ½ percentage point to growth.

Another key determinant of growth will be the implementation of the IBC process. Here timeliness in resolution and acceptance of the IBC solutions must be a priority to kick-start private investment. The greater the delays in the early cases, the greater the risk that uncertainty will soon shroud the entire IBC process. It is also possible that expeditious resolution may require the government to provide more resources to PSBs, especially if the haircuts required are greater than previously expected, the ongoing process of asset quality recognition uncovers more stressed assets, and if new accounting standards are implemented.

Persistently high oil prices (at current levels) remain a key risk. They would affect inflation, the current account, the fiscal position and growth, and force macroeconomic policies to be tighter than otherwise. One eventuality to guard against is a classic emerging market “sudden stall” induced by sharp corrections to elevated stock prices. (Box 9 suggests that India’s stock price surge is different from that in other countries but does not warrant sanguine-ness about its sustainability.) Savers, already smarting from reduced opportunities in the wake of demonetization, from depressed gold prices, and from lower nominal interest rates, would feel aggrieved, leading to calls for action. Stock price corrections could also trigger capital outflows, especially if monetary policy unwinds less hesitantly in advanced countries and if oil prices remain high. Policy might then have to respond with higher interest rates, which could choke off the nascent recovery. The classic emerging market dilemma of reconciling the trade-off between macro-stability and growth could then play itself out.

A key policy question will be the fiscal path for the coming year. Given the imperative of establishing credibility after this year, given the improved outlook for growth (and hence narrowing of the output gap), and given the resurgence of price pressures, fiscal policy should ideally have targeted a reasonable fiscal consolidation. However, setting overly ambitious targets for consolidation—especially in a pre-election year—based on optimistic forecasts that carry a high risk of not being realized will not garner credibility either. Pragmatically steering between these extremes would suggest the following: a modest consolidation that credibly signals a return to the path of gradual but steady fiscal deficit reductions.

Against this overall economic and political background, economic management will be challenging in the coming year. If the obvious pitfalls (such as fiscal expansion) are avoided and the looming risks are averted that would be no mean achievement.

(Source: *Economic Survey 2018-19 Volume I* [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

## SERVICE INDUSTRY IN INDIA

### Introduction

The services sector is not only the dominant sector in India’s GDP, but has also attracted significant foreign investment flows, contributed significantly to exports as well as provided large-scale employment. India’s services sector covers a wide variety of activities such as trade, hotel and restaurants, transport, storage and communication, financing, insurance, real estate, business services, community, social and personal services, and services associated with construction.

### Market Size

The services sector is the key driver of India’s economic growth. The sector has contributed 55.65 per cent of India’s Gross Value Added at current price in Q1 2018-19 and employed 28.6 per cent of the total population. Net service exports stood at US\$ 18.7 billion in Q1 2018-19 (P).

Nikkei India Services Purchasing Managers' Index (PMI) stood at 51.5 in August 2018. During the same month, business sentiments of service providers were recorded to be at their strongest levels since January 2015.

### Investments

Some of the developments and major investments by companies in the services sector in the recent past are as follows:

- Leisure and business travel and tourism spending are expected to increase to Rs 14,127.1 billion (US\$ 216.9 billion) and Rs 806.4 billion (US\$ 12.4 billion) in 2018, respectively.
- India’s earnings from medical tourism could exceed US\$ 9 billion by 2020.
- Indian healthcare companies are entering into merger and acquisitions with domestic and foreign companies to drive growth and gain new markets.

### Government Initiatives

The Government of India recognises the importance of promoting growth in services sectors and provides several incentives in wide variety of sectors such as health care, tourism, education, engineering, communications, transportation, information technology, banking, finance, management, among others.

Prime Minister Narendra Modi has stated that India's priority will be to work towards trade facilitation agreement (TFA) for services, which is expected to help in the smooth movement of professionals.

The Government of India has adopted a few initiatives in the recent past. Some of these are as follows:

- Under the Mid-Term Review of Foreign Trade Policy (2015-20), the Central Government increased incentives provided under Services Exports from India Scheme (SEIS) by two per cent.
- Government of India is working to remove many trade barriers to services and tabled a draft legal text on Trade Facilitation in Services to the WTO in 2017.

### **Road ahead**

Services sector growth is governed by both domestic and global factors. The Indian facilities management market is expected to grow at 17 per cent CAGR between 2015 and 2020 and surpass the US\$19 billion mark supported by booming real estate, retail, and hospitality sectors.

The implementation of the Goods and Services Tax (GST) has created a common national market and reduced the overall tax burden on goods. It is expected to reduce costs in the long run on account of availability of GST input credit, which will result in the reduction in prices of services.

Exchange Rate Used: INR 1 = US\$ 0.015 as of March 30, 2018

(Source: Report: - 'SERVICES' India Brand Equity Foundation: - [www.ibef.org](http://www.ibef.org))

## **RENEWABLE ENERGY INDUSTRY IN INDIA**

### **Introduction**

The Indian renewable energy sector is the fourth most attractive<sup>1</sup> renewable energy market in the world. The country ranks fourth<sup>2</sup> in the world in terms of total installed wind power capacity.

Installed renewable power generation capacity has increased steadily over the years, posting a CAGR of 9.29 per cent over FY08–18. India added record 11,788 MW of renewable energy capacity in 2017-18 and 1,832.26 MW (grid interactive and off-grid) in April-July 2018. The focus of Government of India has shifted to clean energy after it ratified the Paris Agreement. With the increased support of government and improved economics, the sector has become attractive from investors perspective. As India looks to meet its energy demand on its own, which is expected to reach 15,820 TWh by 2040, renewable energy is set to play an important role.

### **Market Size**

Installed renewable power generation capacity has increased at a fast pace over the past few years, posting a CAGR of 17.28 per cent between FY14–19. India added record 11,788 MW of renewable energy capacity in FY18 and 8.6 GW in FY19.

With a potential capacity of 363 gigawatts (GW) and with policies focused on the renewable energy sector, Northern India is expected to become the hub for renewable energy in India.<sup>3</sup>

### **Investments/ Developments**

According to data released by the Department of Industrial Policy and Promotion (DIPP), FDI inflows in the Indian non-conventional energy sector between April 2000 and June 2018 stood at US\$ 6.84 billion. More than US\$ 42 billion has been invested in India's renewable energy sector since 2014.

Some major investments and developments in the Indian renewable energy sector are as follows:

Inter-state distribution of wind power was started in August 2018.

In the first half of 2018, investments in clean energy increased 22 per cent year-on-year.

In the first half of 2018, India installed 1 MW of solar capacity every hour.

With 28 deals, clean energy made up 27 per cent of US\$ 4.4 billion merger and acquisition (M&A) deals which took place in India's power sector in 2017.

In March 2018, ReNew Power finalised a deal estimated at US\$ 1.55 billion to acquire Ostro Energy and make it the largest renewable energy company in India.



World's largest solar park named 'Shakti Sthala' was launched in Karnataka in March 2018 with an investment of Rs 16,500 crore (US\$ 2.55 billion).

Solar sector in India received investments of over US\$ 10 billion in CY 2017.

Private Equity (PE) investments in India's wind and solar power have increased by 47 per cent in 2017 (January 1 to September 25) to US\$ 920 million, across nine deals, as compared to US\$ 630 million coming from 10 deals during the corresponding period in 2016\*\*.

### **Government initiatives**

Some initiatives by the Government of India to boost the Indian renewable energy sector are as follows:

A new Hydropower policy for 2018-28 has been drafted for the growth of hydro projects in the country.

The Government of India has announced plans to implement a US\$ 238 million National Mission on advanced ultra-supercritical technologies for cleaner coal utilisation.

The Ministry of New and Renewable Energy (MNRE) has decided to provide custom and excise duty benefits to the solar rooftop sector, which in turn will lower the cost of setting up as well as generate power, thus boosting growth.

Around 4.96 million household size biogas plants were installed in the country under the National Biogas and Manure Management Programme (NBMMP) by 2016-17 end.

The Indian Railways is taking increased efforts through sustained energy efficient measures and maximum use of clean fuel to cut down emission level by 33 per cent by 2030.

### **Road Ahead**

The Government of India is committed to increased use of clean energy sources and is already undertaking various large-scale sustainable power projects and promoting green energy heavily. In addition, renewable energy has the potential to create many employment opportunities at all levels, especially in rural areas. The Ministry of New and Renewable Energy (MNRE) has set an ambitious target to set up renewable energy capacities to the tune of 175 GW by 2022 of which about 100 GW is planned for solar, 60 for wind and other for hydro, bio among other. India will need investments of around US\$ 125 billion to reach this target. As of June 2018, Government of India is aiming to achieve 225 GW of renewable energy capacity by 2022, much ahead of its target of 175 GW as per the Paris Agreement

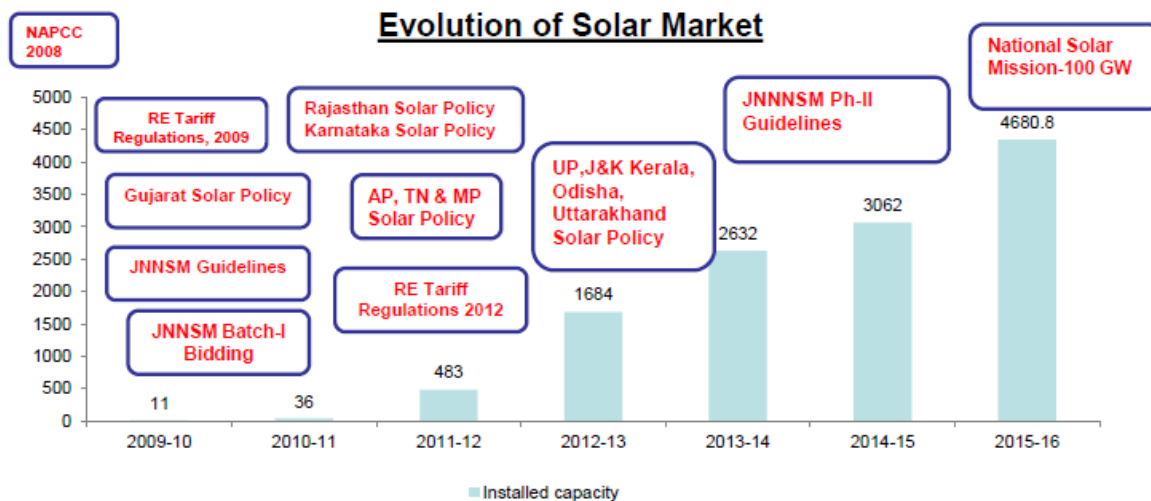
It is expected that by the year 2040, around 49 per cent of the total electricity will be generated by the renewable energy, as more efficient batteries will be used to store electricity which will further cut the solar energy cost by 66 per cent as compared to the current cost.\* Use of renewables in place of coal will save India Rs 54,000 crore (US\$ 8.43 billion) annually.

Exchange Rate Used: INR 1 = US\$ 0.015 as on March 04, 2018

(Source: Indian Renewable Energy Industry Analysis -India Brand Equity Foundation- [www.ibeg.org](http://www.ibeg.org))

### **EVOLUTION OF SOLAR MARKET IN INDIA**

Solar Power Market has grown from 11 MW in 2010 to 4680.808 MW in 2015. 16 Indian States have notified their Solar Policies.



(Source: [https://mnre.gov.in/file-manager/UserFiles/Workshop-RPO-RECs-18122015/Solar-Market-Mechanisms-in-India\\_TERI.pdf](https://mnre.gov.in/file-manager/UserFiles/Workshop-RPO-RECs-18122015/Solar-Market-Mechanisms-in-India_TERI.pdf))

### SOLAR INDUSTRY IN INDIA

India is endowed with a very vast solar energy potential with most parts of the country have about 300 sunny days and an average solar radiation incident over the land in the range of 4-7 kWh per day. International Energy Agency (IEA) estimates show that India’s solar potential is greater than 750 GW and its announced wind potential is 302 GW (actual could be higher than 1000 GW). India Energy Security Scenarios 2047 show a possibility of achieving a high of 479 GW of solar PV by 2047.

India’s environmental issues attributed to coal-based power plants, pollution created due to automobiles and commitment to reduction in carbon emissions lead the Government of India to announcing the National Action Plan for Climate Change and one of its most important missions - the Jawaharlal Nehru National Solar Mission (JNNSM).

To develop solar based renewable resources India embarked on the much talked about Jawahar Lal Nehru National Solar Mission (JNNSM) on 11th January, 2010 which was envisaged to be implemented in three phases. The target included:

- (i) deployment of 20,000 MW of grid connected solar power by 2022,
- (ii) 2,000 MW of off-grid solar applications including 20 million solar lights by 2022,
- (iii) 20 million square meter solar thermal collector area,
- (iv) to create favourable conditions for developing solar manufacturing capability in the country; and
- (v) support R&D and capacity building activities to achieve grid parity by 2022.

States also have come out with their own Solar Policy supporting grid connected rooftop systems include Andhra Pradesh Chhattisgarh, Gujarat, Haryana, Karnataka, Kerala, Manipur, Punjab, Rajasthan, Uttar Pradesh, Tamil Nadu, Uttarakhand and West Bengal.

Further impetus was given to this sector with Reserve Bank of India on April 2014 having included renewable energy projects under Priority Sector Lending for which bank loans up to a limit of US\$2.34 Million to borrowers will be available for renewable energy projects including grid connected solar rooftop and ground mounted systems. For individual households, the loan limit is US\$ 15,625 per borrower.

Solar Sector is poised for intense growth in India. However, this industry is still at a nascent stage though it has developed multifold over the last two decades primarily with PV and lately with Solar Thermal.

(Source: <http://www.ansmarketpro.com/report.php?id=5112>)

### GROWTH OF SOLAR POWER BY 2022

India attains global 5th positions in solar power installed capacities; India now at 5th global position for overall installed renewable energy capacity.

The Government has declared the trajectory of bidding 60 GW capacity of solar energy and 20 GW capacity of wind energy by March 2020, leaving two years' time for execution of projects.

Keeping in view our commitment to a healthy planet and our Nationally Determined Contributions as per the Paris Accord on Climate Change, India made a pledge that by 2030, 40% of installed power generation capacity shall be based on clean sources, it was determined that 175 GW of renewable energy capacity will be installed by 2022. This includes 100 GW from *solar*, 60 GW from wind, 10 GW from bio-power and 5 GW from small hydro power.

Registered lowest ever solar tariffs in India of Rs.2.44 per unit in reverse auctions carried out by Solar Energy Corporation of India (SECI) in May 2017, for 200 MW and again in July, 2018, for 600 MW. Registered lowest ever wind tariff of Rs.2.43 per unit in a tender of 500 MW project by Gujarat Government in the month of December 2017

Status of Solar Power projects as on October, 2018 is given below:

Target (GW)	Installed capacity (GW) as on 31.10.2018	Under Implementation (GW)	Tendered (GW)	Total Installed/ Pipeline (GW)
100	24.33	13.8	22.8	60.93

Progress of Solar Power in India during the last four and Half years (2014-15 to 2018-19 as on 31.10.2018)

Cumulative Achievement in MW (as on 31.03.2014)	Capacity Addition in MW					Cumulative Achievement in MW (as on 31.10.2018)
	2014-15	2015-16	2016-17	2017-18	2018-19	
2631.90	1112.08	3018.9	5526	9362.64	2661.12	24312.58

On 14<sup>th</sup> June, 2018, the Ministry of Power has notified the long term RPO trajectory from 2019-20 to 2021-22. The year-wise RPO levels are as under:

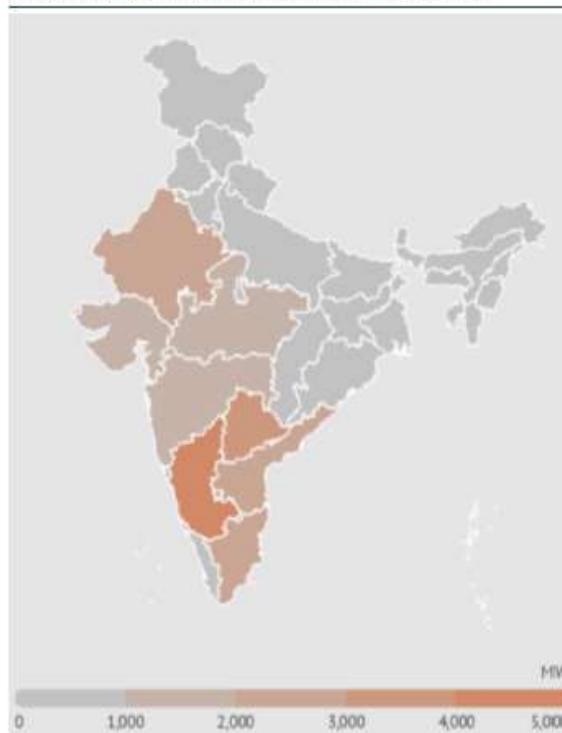
Long term RPO trajectory	2019-20	2020-21	2021-22
Non-solar	10.25%	10.25%	10.50%
Solar	7.25%	8.75%	10.50%
<b>Total</b>	<b>17.50%</b>	<b>19.00%</b>	<b>21.00%</b>

(Source: Year End Review 2018–MNRE–PIB- Ministry of New and Renewable Energy-<https://mnre.gov.in>)

**SOLAR POWER GENERATION GROWTH LIKELY TO OUTWEIGH OTHER SOURCES BY 2022**

- Due to its favourable location in the solar belt (400 S to 400 N), India is one of the best recipients of solar energy with relatively abundant availability
- Growth in solar power installed capacity is expected to surpass the installed capacity of wind power, reaching 100 GW by 2022. As of September 2018, installed solar power capacity in the country was 24.02 GW. In the first half of 2018, India installed 1 MW of solar capacity every hour.
- Rapidly falling costs has made Solar PV the largest market for new investment.
- Under Union Budget 2018-19, zero import duty on components used in making solar panel was announced to give a boost to domestic solar panel manufacturers.
- World's largest solar park named 'Shakti Sthala' was launched in Karnataka in March 2018 with an investment of Rs 16,500 crore (US\$ 2.55 billion).

State Wise Solar Installations in India (August 2018)



(Source: Indian Renewable Energy Industry Analysis -India Brand Equity Foundation- [www.ibeg.org](http://www.ibeg.org))

## MAJOR INITIATIVES TAKEN BY MINISTRY

### Solar Power (2018)

- The Government has revised the target of Grid Connected Solar Power Projects from 20,000 MW by the year 2021-22 to 100,000 MW by the year 2021-22 under the National Solar Mission.
- The country currently has the fifth highest solar installed capacity in the world with total installed capacity of 24.33 GW as on October, 2018 against a target of 100 GW by 2022. Further, 22.8 GW capacity is under implementation or have been tendered out.
- The Ministry plans to bid out remaining solar power capacity in 2018-19 and 2019-20, so that bidding gets completed for entire 100 GW capacity additions by March 2020, leaving two years' time for execution of projects.
- Solar Parks are being set up in the country. 47 solar parks of aggregate capacity 26,694 MW has been approved in 21 States up to November, 2018. Over 1,00,000 lakh acres of land identified for various solar parks out of which over 75,000 acres have been acquired. Solar projects of aggregate capacity 4195 MW have been commissioned inside various solar parks.

(Source: Year End Review 2018–MNRE–PIB- Ministry of New and Renewable Energy-<https://mnre.gov.in>)

### Solar Power (2017)

- Under National Solar Mission, the target for setting up solar capacity increased from 20 GW to 100 GW by 2021-22. Target of 10,000 MW, set for 2017-18 which will take the cumulative capacity over 20GW till 31st March 2018.
- As on date, 23656 MW has been tendered out, of which LOI issued for 19340 MW.
- Capacity of the scheme for "Development of Solar Parks and Ultra Mega Solar Power Projects" has been enhanced from 20,000 MW to 40,000 MW. 35 solar parks of aggregate capacity 20,514 MW have been approved in 21 States.
- Kurnool Solar Park in Andhra Pradesh with 1000 MW capacity has already been commissioned and is operational. With commissioning of 1000 MW capacity at single location, Kurnool Solar Park has emerged as the World's Largest Solar Park.
- 650 MW capacity commissioned in Bhadla Phase-II Solar Park in Rajasthan.

- 250 MW capacity commissioned in Phase –I of Neemuch, Mandsaur Solar Park (500 MW) in Madhya Pradesh.
- 3 new solar parks have been approved in this year at Rajasthan (1000 MW), Gujarat (500 MW) and Mizoram (23 MW) after issue of Guidelines for Enhancement of capacity from 20, 000 MW to 40, 000 MW under Solar Park Scheme.
- As on 30.11.2017 over 41.80 lakh Solar Lighting Systems, 1.42 lakh Solar Pumps, and power packs of 181.52 MWeq have been installed in the country. Major achievements of 18.47 lakh Solar Lighting Systems, 1.31 lakh. Solar Pumps, Power Packs of 96.39 MWeq have been reported during last three and half years.
- Several schemes namely (i) Defence scheme (ii) Central Public Sector Undertakings (CPSUs) scheme (iii) Bundling scheme (iv) Canal Bank/ Canal Top scheme (v) VGF Scheme (vi) Solar Park scheme (vii) Solar rooftops, have been initiated/launched by the Ministry under National Solar Mission which are under implementation.
- Under Defence scheme against a target of 300 MW, 357.50 MW has been sanctioned; under Central Public Sector Undertakings (CPSUs) scheme against a target of 1000 MW, entire capacity sanctioned under 3000 MW Bundling scheme, Tranch-I: 3000 MW has been tendered; under 100 MW Canal Bank/Canal Top scheme, all capacity sanctioned; under 2000 MW & 5000 MW VGF Scheme; and under 20,000 MW Solar Park scheme, 35 Solar parks have been approved in 21 States with aggregate capacity of 20,514 MW.

(Source: Year End Review 2017–MNRE–PIB- Ministry of New and Renewable Energy-<https://mnre.gov.in>)

### **Solar Rooftop**

Ministry is implementing Grid Connected Rooftop and Small Solar Power Plants Programme which provides for installation of 2100 MW capacity through CFA/ incentive in the residential, social, Government/PSU and Institutional sectors.

Under the programme, central financial assistance up to 30% of bench mark is being provided for such projects in Residential, Institutional and Social sectors in General Category States and upto 70% of the benchmark cost in Special Category States. For Government sector, achievement linked incentives are being provided. Subsidy/CFA is not applicable for commercial and industrial establishments in private sector.

- So far sanctions for 1767 MWp capacity solar rooftop projects has been issued and around 863.92 MWp capacity has been installed.
- All the 36 State / UT ERCs have now notified net/gross metering regulations and/or tariff orders for rooftop solar projects
- Concessional loans of around 1375 million US dollars from World Bank (WB), Asian Development Bank (ADB) and New Development Bank (NDB) have been made available to State Bank of India (SBI), Punjab National Bank (PNB) and Canara Bank for solar rooftop projects.
- Suryamitra programme has been launched for creation of a qualified technical workforce and over 11 thousand persons have been trained under the programme.
- An online platform for expediting project, approval, report submission, and monitoring of RTS projects has been created.
- Initiated geo-tagging of RTS projects, in co-ordination with ISRO, for traceability and transparency.
- Launched mobile app ARUN (Atal Rooftop Solar User Navigator) for ease of access of beneficiaries for request submission and awareness.
- MNRE has allocated Ministry wise expert PSUs for implementation of RTS projects in various Ministries/Departments.
- Published best practices guide and compendium of policies, regulations, technical standards and financing norms for solar power projects.

(Source: Year End Review 2017–MNRE–PIB- Ministry of New and Renewable Energy-<https://mnre.gov.in>)

### **Schemes of Government of India**



## 1. Solar Rooftop Scheme

Solar rooftops installed in households, industrial, institutional, and commercial buildings can be used to partly fulfill the energy needs in other occupants in the building. To give more boom to Solar Rooftop system government Launch a scheme called Solar Rooftop Subsidy Scheme. Solar Rooftop Subsidy Scheme is a Government of India plan to encourage use of solar energy in the country.



### *Benefits of Solar Rooftop System*

As this system is installed on roof so save lot of land area that is needed to produce electricity. Make the work easy as consumer need not depend on grid power. Also solar roof top system Decrease the usages of diesel generator and hence save the environment. Solar Rooftop System is Most suitable for commercial organization as can do max generation for the period of peak usage time. And also It is less costly then the grid power.

### *Total cost for the Solar Rooftop system*

The rate of solar system set up is not so costlier than electrical generator system. It's a onetime investment which saves lot of money from paying as electric bills. Also after installation of this solar system it needs no other expenses. Also people can save lot of their cash by using this Scheme.

### *Benefits given by Government under Solar Rooftop Scheme*

Government launch this scheme for few states of nation. These states includes many North Eastern States including Sikkim, Himachal Pradesh, J&K, Andaman & Nicobar Islands and Lakshadweep can get up to 70% discount on the solar system setup.

This subsidy is applicable for household, industrial, and social sector i.e. for hospitals, educational institutions etc. Also commercial sector can take benefits of this scheme. For this central government give budget of Rs. 600 crore to Rs. 5,000 crore over a period of 5 years up to 2019-20 under National Solar Mission (NSM).

Who usages this solar energy system has to pay only Rs.6.50/kWh which is very less compare to diesel generator and norm electricity. The implementation of the scheme also assists towards defensive the weather as a result of abatement of concerning 60 million tons of carbon dioxide per year. So finally it is safe for environment and health both.

(Source: <http://pmjandhanyojana.co.in/solarrooftop-gov-solar-rooftop-subsidy-scheme-apply-online>)

## 2. Rooftop Solar Power plant Subsidy Scheme

The government of India has taken the Rooftop Solar Power Plant Scheme as one of the ambitious project since; it has the potential of meeting the raising demands on electricity without damaging the environment. Under this scheme, government has fixed aim of attaining 1 Lakh mega watt of solar energy by the year of 2022, among those 40 thousand mega watt are to be gained under the shelf of Rooftop solar power plants.

In order to achieve the target and to boot the solar power plant utilization among the Indian public, the Indian government has introduced this special Rooftop Solar Power Plant Subsidy Scheme by placing the Ministry of New and Renewable Energy as the governing body.

### **Benefits Offered under Rooftop Solar Power plant Subsidy Scheme**

- As per this new subsidy scheme, people who are interested in placing rooftop solar power plant can able to avail 30 percent of the total installation amount required, as the subsidy from the government end.
- In addition to that, people who are about to fix the rooftop solar power plant can able to get Rupees ten lakh as home loans or under the label of priority sector lending loans from the nationalized banks of India.
- And the most beneficial factor under this subsidy scheme is the government of India will offers Rs. 2 for the every unit generated under the Rooftop solar power plant by the consumers under the banner of generation based incentives.
- Apart from generating the electricity by own, consumers can able to earn money by selling the excessive generation of power units with the regulated tariffs set by the government.

(Source: <http://pmjandhanyojana.co.in/solarrooftop-gov-solar-rooftop-subsidy-scheme-apply-online>)



### 3. SRISTI Scheme – Rooftop Solar Power Plant Subsidy Proposed by Central Government

Full form of SRISTI is Sustainable Rooftop Implementation for Solar Transfiguration of India.

A new SRISTI scheme has been introduced by the Central government in coordination with the New and Renewable Energy Ministry. Under the new SRISTI scheme is a type of scheme that will offer with financial incentive to the beneficiary for installing solar power plant rooftop projects within the country. The incentives will be offered by the central government.



- The new scheme has been introduced by the central government and will be completely regulated and introduced by Ministry of Renewable and new energy within the country.
- The exact date of implementation of the scheme has not yet exactly been declared by the central government.

#### Set Budget

- As the scheme is a type of subsidy scheme that is introduced nationwide so the central government has already announced to invest around Rs. 23,450 crore in the project implementation.
- The entire project cost for implementation will be done for the fiscal year to be completed till 2021-2022 country wide.

#### Key features of the scheme

- The central government has also stated that it shall be integrating the Discoms so that the process of solar subsidy can be implemented smoothly.
- Financial assistance will be provided by the central government for better installation of solar panels on the roof tops for benefiting the residents in generating cheap power supply.
- Residents will also be offered with benefit for installing in-line capacity according to the regulations of the local government for generating power according to their personal needs. They have to follow the State Electricity regulations (SERC).
- A subsidy will be provided by the central government for generating 5KWP capacity as compared to the power plant.
- Central government also aims at manufacturing 40,000 megawatt power under the set budget for the fiscal year.

#### Incentives under the scheme

Following incentives will be given by the central government under the new scheme.

- Under this scheme an incentive will be offered to the users belonging to the residential sector for generating 18,000 KW at the rate of Rs. 60,000 KW.
- Discoms facility will also be provided by the government in various sectors including commercial, government, industrial and social. Government will offer with fixed rates of Rs. 5500 per KW at Rs 55000 per KW cost.
- An overall subsidy of Rs. 9000 crores will be offered by the government for 5000 MW capacity installation of plant.
- Rs. 14,450 crore subsidy incentive for Dsicoms will be provided by the government for solar panels installation on rooftops for 35000 MW.



- A power generation of 40GW will be achieved by investing Rs. 23450 crore as total outlay of the entire project.

(Source: <http://pmjandhanyojana.co.in/sristi-scheme-rooftop-solar-power-plant-subsidy-government>)

## OUR BUSINESS

*Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled “Forward-Looking Statements” beginning on page 18 of this DRHP, for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.*

*The financial information used in this section, unless otherwise stated, is derived from our Financial Information, as restated prepared in accordance with Indian Accounting Standards, Companies Act and SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this DRHP, including the information contained in the sections titled “Risk Factors” and “Financial Information” beginning on pages 24 and 144, respectively.*

### OVERVIEW

Gensol Engineering Limited (“**Gensol**”) is a Solar Design & Engineering company with team of more than 500 employees and an experience of providing technical expertise over 19,000+ MW. As part of its consulting business, Gensol provides concept to commissioning solar advisory, engineering review, detailed engineering, construction supervision, quality control and technical due diligence services for projects in India and abroad. Over the past 5 years, Gensol has built a credible reputation as a one-stop solution across the entire value chain of solar industry by advising Governments policy makers, leading project developers, Solar EPC Companies, Lending Institutions and Vendors alike.

Besides advising various stakeholders in Solar Projects, Gensol also undertakes turnkey Engineering, Procurement and Construction contracts under its EPC Business, with international footprints, with help of our team of 180+ engineers. In all, Gensol has, so far, erected solar power plants with a cumulative capacity of more than 188 MW + on roofs as well as lands. Our Company is ISO 9001:2015 certified Company for solar consultancy and EPC.

Gensol has also expanded wings in international market by providing Consulting Services in countries like Indonesia, Nepal, Afghanistan, Sierra Leone, Chad, Gabon, Philippines, Oman, Ukraine and , Kenya. We have also an ongoing EPC project in Egypt. We are also entitled to subsidy in some of our projects from SECI.

Gensol entered into a Joint Venture with Solarig N-Gage SA from Spain in March 2015, which has a global O&M experience to offer Operation & Maintenance Services (O&M Business) in India under Solarig Gensol Utilities Private Limited (“**SGUPL**”). SGUPL provides preventive, corrective & predictive maintenance, onsite & remote SCADA monitoring & reporting, modules cleaning & vegetation abatement, facility management, health analysis, vendor warranty coordination etc. through computerized maintenance management system by IBM Maximo and thermo-graphic inspection & on site IV Curve testing. SGUPL is maintaining over 2200+ MWp and has performed health diagnosis via IV-Curve, string testing and thermal imaging.

Gensun Renewable Private Limited (“**GRPL**”), subsidiary of Gensol was incorporated as a private limited company under the provisions of Companies Act, 2013 on February 08, 2018. GRPL is mainly engaged in RESCO Business i.e. Renewable Energy Services Company which is engaged in power production generation and sale activity. GRPL has already entered into Power Purchase Agreement (PPA) with 3 clients for selling electricity generated from a cumulative 1.4MW Solar PV capacity. Our robust execution, steady supplier relationships and innovative financing solutions enable us to aim to deliver the lowest total cost of ownership and end user pricing.

Our Company is promoted by Anmol Singh Jaggi and Puneet Singh Jaggi. Our Promoters manage and control the major affairs of our business operations. With their dedication and commitment alongwith support of our key management personnel and dedicated employee base, our Company has shown an increasing trend in our business operations which is evidenced by the growth in our total income as per our Restated Consolidated Financial Statements from Rs. 6,231.77 lakhs in FY 2016-17 to Rs. 8,385.43 lakhs in FY 2018-19. We believe that our market position has been achieved by adherence to the vision of our Promoters and senior management and their experience.

From FY 2016-17 to FY 2018-19, as per our Restated Consolidated Financial Statements, i) our total revenue has shown growth from Rs. 6,231.77 lakhs to Rs. 8,385.43 lakhs, representing a CAGR of 16.00% ii) our EBITDA has shown growth from Rs. 182.46 lakhs to Rs. 1,005.29 lakhs, representing a CAGR of 134.73% iii) our profit after tax has shown growth from Rs. 118.90 lakhs to a profit of Rs. 649.68 lakhs, representing a CAGR of 133.75%.

## OUR COMPETITIVE STRENGTHS

- ***Our experienced management and dedicated employee base***

Our operations commenced under the guidance of our Promoters Anmol Singh Jaggi and Puneet Singh Jaggi, who have successfully managed various phases of expansion and growth of our business and operations. Our promoter Anmol Singh Jaggi has around 11 years of experience and manages Consulting, EPC and RESCO Business of the group and our Promoter Puneet Singh Jaggi has 8 years of experience and is managing O&M business and business development of our group.

They have been instrumental in formulating growth strategy for our Company and has with their experience developed and maintained cordial relationships with clients. Their industry knowledge and understanding also gives us the key competitive advantage while exploring new growth avenues. Our Promoters are supported by a dedicated management team with several years of industry experience in their respective domains of engineering, marketing, strategy and finance.

One of our greatest strengths has been association of our key management since inception. This helps us aim high, lead to prudent and prompt business decisions and high confidence of customers in our services and team. For further details regarding our Key Managerial Personnel, please refer to the chapter titled “Our Management” beginning on page 119 of this DRHP.

- ***Marquee client base and repeat orders***

Our recognised list of clients include Avaada Energy Pvt Ltd, Oriano Clean Energy Pvt Ltd, Maharashtra State Power Generation Company Limited, Mytrah Energy (India) Private Limited, etc. among others. We believe that ability to successfully bid and secure new projects is the result of our sustained focus on client satisfaction.

We have been able to secure repeat orders from many of our clients. We believe that our client base, consisting of some of well-known corporates and institutions, allows us to bid for and secure a broad range of projects. Our quality of work and timely execution has allowed us to enhance our relationships with existing clients and their referrals lead to secure projects from new clients.

- ***Diverse service offerings***

Our businesses of Consulting, EPC, O&M and RESCO is a unique mix of experience, learning, relationships and intellectual base which positions us very strongly as compared any of the competitors in each business who tend to operate in only one or two of such businesses. This allows us to engage with our customers on a true Concept to Commissioning and Beyond level, as compared to our competitors. With our consolidated operations, we aim to keep extending our diverse service offerings to our existing and new clients. We believe that this diversity of service offerings help us to cater to different market segments and open many new avenues especially in new geographies.

- ***Designing and execution capability***

Gensol boasts of one of the most advanced and technically equipped engineering teams in Solar energy space in the country. We are recognised for our capability to translate innovative and challenging concepts into practical solutions, feasible in both technical and economic terms. We are having 100% inhouse engineering model and do not outsource any aspects of the project. This allows to have stricter control over quality and timelines. Our such designing and execution capability has enabled us to handle complex projects. We believe that our designing and execution capability gives us a competitive edge over the peers.

- ***Timely completion of projects***

As on the date of the DRHP, we have completed around 156 consulting projects and 53 EPC projects, which is a result of adhering to our key policy of timely completion of projects. Timely completion of the projects as per the schedule and terms of the contract is of utmost importance for us. We have a good track record for timely completion of projects with minimum cost overruns. Timely completion of projects also helps the organization in reducing the possibilities of any penalty or liquidated damage being imposed upon by the clients. Execution of the projects in time also helps the company in maintaining good reputation among the clients and gaining repeated orders.

## OUR BUSINESS STRATEGY

- ***Capitalise on the growth opportunities available in the renewable energy sector***

We believe that the renewable energy sector in India has strong development potential in light of the prevailing demand-supply gap, favorable government policies, related legislation promoting the use of renewable energy

resources and growing awareness of the importance of reducing dependency on fossil fuels for environmental and energy security reasons. Electricity consumption in India is increasing rapidly, largely due to India's rapid industrial and economic growth. According to Central Electricity Authority, 30,071 MW of Solar Power plants were installed till July, 2019 whereas it was only 21,651 MW in March 2018 (Source: www.cea.nic.in). The growth has been driven by favorable policy support by the Government. To help meet the growing demand for electricity and cope with continuing supply deficits, the Government of India has put in place relevant policies to encourage private sector investment in the creation of additional power generation capacity and, in particular, the development of the renewable energy sector. We believe that the confluence of these factors driving the growth in demand for electricity in India as well as the Government of India's policies aimed at incentivizing the development of the renewable energy sector will provide us with significant growth opportunities in the solar sector. We intend to continue to capitalize on these opportunities which will help us achieve growth objectives.

- ***Improve performance and enhance returns from our core business***

We intend to continue our focus in enhancing project execution capabilities so as to derive multiple benefits of client satisfaction and improvements in skills. We have developed a reputation for undertaking and completing our projects in a timely manner. To facilitate efficient and cost effective decision making, we intend to continue to strengthen our internal systems. We also continuously strive to leverage new technological trends and project management advancements to minimize risk and better control over schedules.

We will constantly endeavor to leverage our operating skills through our equipment and project management tools to increase productivity and maximize asset utilization in our capital intensive projects. We intend to continue our focus on performance and project execution ability in order to maximize our operating margins.

- ***Increase our RESCO business operations***

With state policies becoming more conducive for distributed generation projects, we aim to significantly increase footprint of GREPL from existing 1.4 MW. In order to cater to the renewable power demands of the customers, we aim to increase our capacity and set up new solar power projects.

- ***Expand our customer base***

We have an established clientele base and long standing relationship with many of our clients. We intend to continue to expand our customer base by expanding our client network, participating in government tenders, etc. We also aim to explore new locations to enhance our customer base. We believe quality service and products of global standards will be of much importance for customer retention and repeat-order flow. We intend to have close interaction with our customers in a bid to strengthen our relationships with them and enabling us to understand their requirements, market perception and demand. We train our employees to consistently design and deliver client focused solutions. We will continue to focus on creating innovative designs through our R&D efforts.

- ***Optimal utilization of resources***

We constantly endeavours to improve our processes, skill up-gradation of our employees, modernization of infrastructure and methods of processing. We regularly analyse existing policies and operations which enable us to identify areas of improvements and act on the same, which improves our efficiency and utilization of resources. Our Company also has enjoyed good relations with our suppliers and as a consequence have the benefit of timely supplies of the materials which has been one of the major reasons to achieve timely fulfillment of orders of our customers. We constantly endeavor to implement an efficient procurement policy for inputs required for project execution so as to ensure cost efficiency in procurement which in turn results in cost effective production.

## **OUR BUSINESS OPERATIONS**

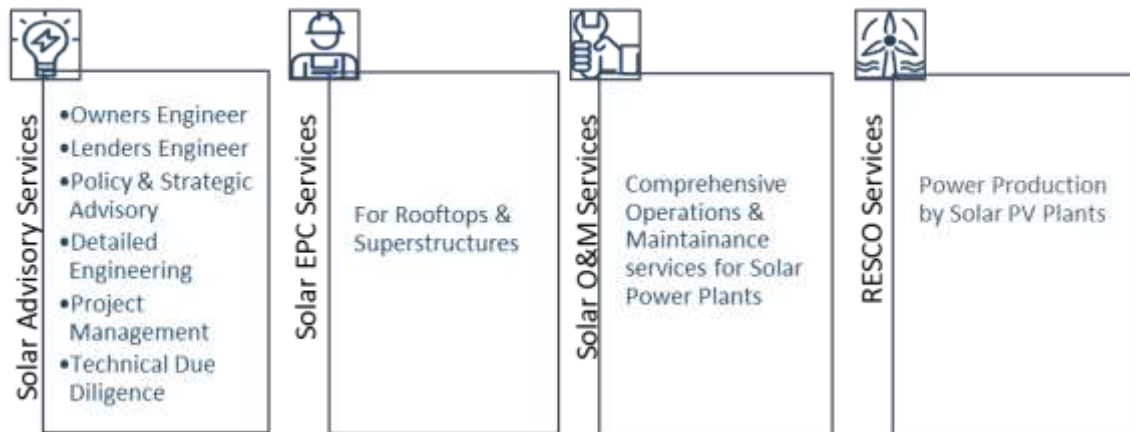
Our consolidated business operations consists of the following:

- Solar Advisory Services
- Solar EPC Services
- Solar O&M Services
- RESCO Services

Of the above services, Solar advisory services and Solar EPC services are offered by our Company. We mainly offer Solar O&M services through our joint venture and RESCO services through our subsidiary.

The above services are further categorized as under:





A brief description of our major services are as follows:

- **Solar Advisory Services**

Our offerings can be categorised depending upon our customer as follows:

**Owners Engineers**

Our Company explores into detail with respect to owner’s interest and ensure all the contracted terms are being followed, checks project feasibility and prepares DPR, policy checks, RFP for contractors and analyse the bids to finalize one, review of designs to ensure it is optimized for plant performance by constantly monitoring site work. Our services herein mainly include:

- Detailed Project Report & Financial Closure Assistance
- Procurement Assistance
- Design, Engineering & Review
- Construction Supervision
- Plant Handover

**Advising to Lenders**

To give confidence to the lenders on their investment decisions, our Company takes utmost care in ensuring plant's technical due diligence and feasibility of the project by doing plenty of detailed project review before giving a final report to lender for taking a right investment decision. Our Company assists lenders to evaluate projects for financing from technical, contractual, construction and commissioning risks perspective. Our services herein mainly include:

- Pre Financial Closure Due Diligence
- Site Visit Monitoring
- Pre & Post Disbursement Inspection
- Review Project EPC Contract for completeness and reasonability
- Energy Yield Estimation Plant
- Review of Permits and Licenses
- Performance Acceptance Test

**Consulting Services**

**Policy & Strategic Advisory** – Our Company helps policy makers draft guidelines to meet their renewable targets on one hand and also guides project developers to acquire greenfield and brownfield solar projects on the other hand. Our services herein mainly include the following:

- Policy Advisory
- Bidding Assistance
- Project Due Diligence
- Permits & Approvals

**Detailed Engineering and Review**



Our team of Electrical, Mechanical and Civil Engineers and Draughtsman are adept at designing and vetting Solar Engineering Drawings, Calculations and Quality Procedures. Detailed Engineering encapsulates the power of preparing optimized plant designs in the best interest of gaining optimized plant performance as per the best practices. We mainly provide our customers under such scope of services with:

- Basic Drawings
- Detailed Drawings
- Field & Material Quality Procedures
- As Built Drawings

#### **Project Management Services:**

Our clients sign us up for Project Management Consulting services to represent them on the construction sites where we are vested with the responsibility of ensuring engineering quality control, execution as per agreed schedules, a safe workplace and taking key decisions to do so.

#### **Technical Due Diligence:**

Long terms asset owners looking to acquire projects on sale, appoint us for technical and commercial due diligence of Solar Power plants. Our key responsibilities include energy yield prediction, risk analysis along with mitigation strategy, critical equipment inspection and testing, document review and drawing out a clear Operation and Maintenance strategy.

Our Company has established track record in solar design & engineering services and has provided advisory services for more than 156 projects with total portfolio of 19,372 MW in various states. Some our key completed consulting projects included services provided to companies such as Adani Green Energy (UP) Limited, Amplus Energy Solutions Private Limited, Pan India Infraprojects Pvt. Ltd., Mytrah Energy (India) Private Limited, SunEdison Solar Power India Pvt Ltd, Greenko Energies Pvt Ltd, etc.

- **Solar EPC Services**

In EPC segment, our Company has been part of around 53 projects having aggregate capacity of 190 MW spanning over roof-top (I&C) and ground mount (I&C). However our key focus in Solar EPC services, has been over roof top. We mainly provide such services to corporates, institutions or commercial establishments. At present, we have ongoing projects in around 7 states such as Rajasthan, Maharashtra, Gujarat, Karnataka, etc. We also have an international Solar EPC contract being undertaken in Egypt.

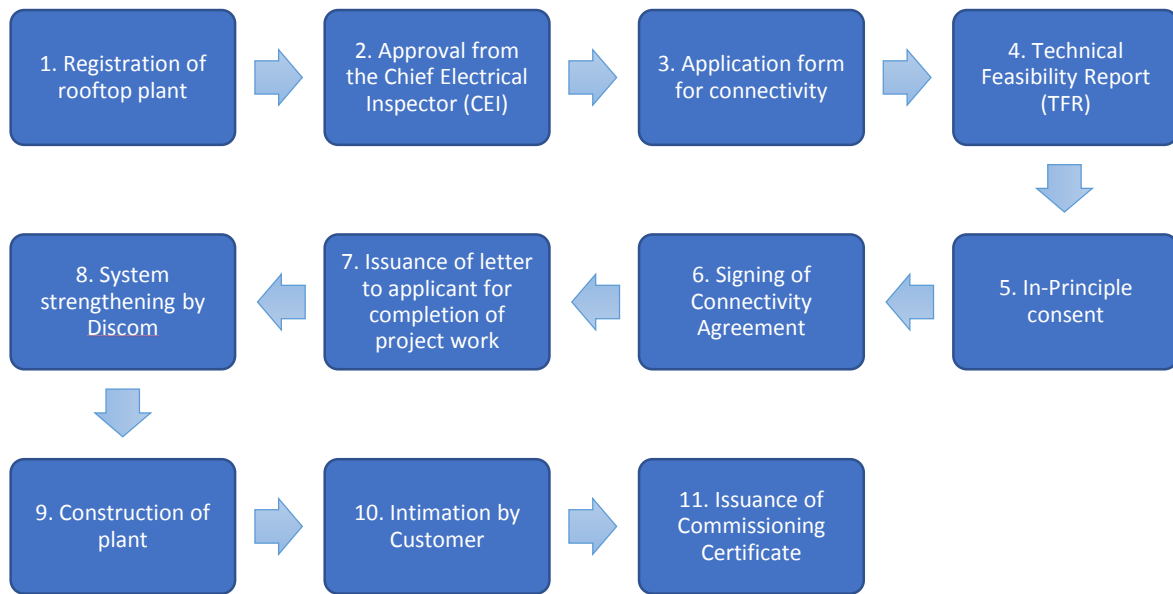
#### **Solar photovoltaic roof top solution**

In grid-interactive system (includes on-grid and grid interactive system), the DC power generated from solar PV panels is converted to AC power using power conditioning unit and is fed to the grid depending on the system installed at institution or commercial establishment. It is used to generate power during the daytime which is utilized fully by powering the captive loads and feeding excess power to the grid as long as grid is available. In cases, where solar power is not sufficient due to cloud cover etc. the captive loads are served by drawing power from the grid. The grid-interactive rooftop solar PV systems thus work on net metering<sup>6</sup> basis wherein the beneficiary pays to the utility on net meter reading basis only. Ideally, grid interactive systems do not require battery backup as the grid acts as the back-up for feeding excess solar power and vice-versa. However, to enhance the performance reliability of the overall systems, a minimum battery-back of one hour of load capacity is strongly recommended.

Key benefits of roof top solution are:

- Assured & Excellent Returns
- Quick Payback Period
- Renewable Energy Source
- Provides energy security
- Decrease the carbon footprint
- Technology Development
- Low Maintenance Costs
- Diverse Uses
- Reduce electricity bills and Increase Savings

**PROCESS FLOW CHART OF EPC OF ROOF TOP SOLUTION**



**A list of our some of our key completed EPC projects is as follows:**

Sr. No.	Name of EPC Projects	Total PV Capacity in kW	Year of Completion
1.	Greenergy Solar Enterprise Pvt Ltd	30000	2018
2.	Sunren Power Private Limited	25000	2016
3.	Ecoppia Scientific Ltd	5000	2016
4.	Azure Power India Pvt Ltd	4000	2015
5.	IIC Limited	2500	2016
6.	Samsonite South Asia Pvt.Ltd	1000	2017
7.	Mundra Solar Pvt Ltd	850	2017
8.	Premier Solar Systems Pvt Ltd	840	2016
9.	Hitachi India Pvt Ltd	693	2017
10.	Mapro Foods Pvt. Ltd.	565	2017

**A list of our some of our ongoing EPC projects is as follows:**

Sr. No.	Name of EPC Projects	State	Capacity (kWp)
1.	Mundra Solar PV Ltd	Maharashtra	5170.00
2.	Mundra Solar PV Ltd	Rajasthan	3000.00
3.	Solargy	Egypt	1400.00
4.	Gujarat State Disaster Management Authority	Gujarat	1000.00
5.	Vyom Power Pvt Ltd	Rajasthan	999.60
6.	Indo Global Infrastructure & Utility Services Pvt Ltd	Maharashtra	850.00
7.	Mind Space Shelters LLP	Maharashtra	700.00
8.	Indo Global Infrastructure & Utility Services Pvt Ltd	Maharashtra	600.00
9.	Param Renewable Energy Private Limited	Maharashtra	590.00
10.	Mapro Foods Private Limited	Maharashtra	512.00

**• Operation and Maintenance Services**

We have entered into a Joint Venture with Solarig N-Gage SA from Spain in March 2015, which has a global Solar O&M experience to offer Operation & Maintenance Services in India under Solarig Gensol Utilities Private Limited (“SGUPL”). We aim to be an independent O&M service provider to large-scale solar photovoltaic power plants in India, combining a cost advantage with compliance to global standards of asset managers. Our objective

is to excel at the key performance indicators that keep the assets of our clients both risk-free and profitable. SGUPL capitalizes on its knowledge and experience to offer professional services in the operation and maintenance of a wide range of technologies. The Company is equipped with various modern & testing instruments for identifying and rectifying defects in every perspective of the solar plant. The service portfolio covers the entire spectrum of operation and maintenance of a plant including annual O&M contracts. SGUPL provides preventive, corrective & predictive maintenance, onsite & remote SCADA monitoring & reporting, modules cleaning & vegetation abatement, facility management, health analysis, vendor warranty coordination etc. through computerized maintenance management system by IBM Maximo and thermo-graphic inspection & on site IV Curve testing. SGUPL is maintaining over 2200+ MWp and has performed health diagnosis via IV-Curve, string testing and thermal imaging.

- **RESCO Services**

In RESCO Model, entire Solar Power project is owned by the developer. Rooftop owners consume the electricity generated, for which they pay a pre-decided monthly tariff as per the Power purchase agreement with developer. Thus, for consumers, it is a low-cost intensive option. We have incorporated a subsidiary in 2018 Gensun Renewables Private Limited to mainly focus on RESCO services, It has a foot print of achieving 1.4 MW till date as a cumulative portfolio in providing RESCO services to our highly valued customers. Our robust execution, strong supplier relationships and innovative financing solutions enable us to aim to deliver the lowest total cost of ownership. As on date of the DRHP, GRPL had built at its own investments projects like 600 kWp at Appa University at Kulbargi, Karanataka, 709 kWp at Bijapur Lingayat District Education Association (BLDE) and 150 kWp at Karnatak Lingayat Education Society (KLE) and have been supplying electricity to them.

#### **IMMOVABLE PROPERTIES:**

The following table provides information regarding corporate office, branches and other facilities in India:

Sr.	Location	Owned/Rented/Leased/Licensed	Description of activities at a given location
1	SCO: 156-157 Sector 9C Madhya Marg, Chandigarh, CH 160031 IN	Rented	Registered Office
*2	12th Floor (A-2), Palladium Building, Corporate Road, Prahlad Nagar, Ahmedabad, Gujarat 380015	Leased	Corporate Office
3	3, WZ - 106/57, Rajouri Garden Extention, New Delhi, West Delhi, Delhi - 110027, India	Rented	Branch Office
4	Madhava Nagar, Near Reliance Petrol Pump, BH Road, Gouribidanaur, Chikballapur, Karnataka - 561213, India	Rented	Branch Office
5	611-617, Sixth Floor, Global Square, Yerwada, Haweli, Pune - 411021, Maharashtra, India	Rented	Branch Office
6	Uttam Nagar, Shop No. 03, Plot 59, Kalwar Road, Jhotwara Road, Jaipur - 302012, Rajasthan, India	Rented	Branch Office
7	Shashi Sharma, Late Sita Ram Patel Nagar Market, Main Market Orai, Jalaun - 285001, Uttar Pradesh, India	Rented	Branch Office

The following table provides summaries above information regarding our immovable properties:

By type	In numbers
Rented	6
Leased	1
<b>Total</b>	<b>7</b>

By activity	In numbers
Registered Office	1
Corporate Office	1
Branch	5
<b>Total</b>	<b>7</b>

## COMPETITION

The Renewable Energy Service Industry in which we operate is highly competitive and fragmented. We compete with a variety of local, regional, national and international service providers of varying sizes and operations. Competition emerges not only from organized sector and from both small and big regional and National players. We believe that the principal competitive factors include service quality, reliability, price and the availability that enable us to comprehensively address varying requirements of different customer segments and specific customer needs. The company has accumulated extensive experience of executing contracts and our experience in this business has enabled us to provide quality services in response to customer's demand for quality of services in timely manner.

Among listed companies, we believe Zodiac Energy Limited is offering services similar to those of our Company. Further there are other listed peers, such as Waa Solar Limited and K.P.I. Global Infrastructure Limited who are engaged in business activities which we propose to carry out in our subsidiary Company.

## EMPLOYEES

As on July 31, 2019, we employ approximately 201 employees in our issuer company, who are from senior management team, corporate managers, design, project, and administrative personals, etc. Additionally, we employ casual labor on contract basis according to our requirements. We believe in maintaining good relations with our employees.

Sr. no	Department	No of employees in issuer company
1.	Management	9
2.	Design	28
3.	Project	70
4.	Central function	24
5.	Business development	6
6.	Strategic consulting	7
7.	Supply chain management	5
8.	Corporate, project planning	2
9.	Administration	6
10.	Energy storage	2
11.	Wind (O & M)	9
12.	Contractual worker	33
	<b>Total</b>	<b>201</b>

In addition to the above we also have 339 employees in joint venture Solarig Gensol Utilities Private Limited who form part of technician, engineer team, and administrative personals

Sr. no	Department	No of employees in Joint venture
1.	Manager	4
2.	Engineers	98
3.	Senior engineer	22
4.	Junior engineer	62
5.	Technician	97
6.	Senior technician	37
7.	Administrative	19
	<b>Total</b>	<b>339</b>

## CAPACITY AND CAPACITY UTILISATION

Our Group being in the service industry, installed capacity and capacity utilization is not applicable to us.

## MARKETING

Being engaged in consulting and EPC Project, instead of any marketing structure, we have Standard Business Development Model. Our approach is to ensure that the three wings of the process of our company i.e. Marketing, Estimation and Tendering work seamlessly in achieving the objectives. The company has an efficient business development strategy and a coordinated approach to implement the same, which ensures a high success rate in procuring projects.

## RAW MATERIALS

Since we are engaged in manufacturing of solar power equipments, there is no raw material consumption in our business operations. However in our EPC contracts to assemble the solar power plant, we use many types of equipment, like Solar PV Modules, solar inverters, cables, Junction boxes, Mounting structures, transformers and other electrical equipment. We source these materials from both domestic and international market. Additionally we also import Invertor and module for our projects.

## UTILITIES & INFRASTRUCTURE FACILITIES

### Infrastructure Facilities

Our registered office, corporate office and branch offices are well equipped with computer systems, internet connectivity, other communications equipment, security and other facilities, which are required for our business operations to function smoothly.

**Power** - Our Company meets its basic power requirements by purchasing electricity from State Electricity Board.

**Water** - Adequate arrangements with respect to water requirements for drinking purpose are made at all the offices of the Company.

**Technology**- Our Company is providing EPC services related to power generations and technology used for power generations is mainly Solar Photovoltaic.

## END USERS

Our EPC services are mainly used by Corporates, factories / industries, institutes, & our consulting services are majorly used by infra developers.

## INSURANCE

Our Company has insurance coverage which we consider reasonably sufficient to cover all normal risk associated with our operations and which we believe is in accordance with the industry standards. These policies are subject to customary exclusions and deductibles. We believe that our insurance coverage is adequate for our business needs. We will continue to review our policies to ensure adequate insurance coverage maintained. We maintain insurance policies in respect of our business, operations, and workforce. We maintain marine cargo insurance policy, office and protector policies. Apart from the equipment and premises we have secured the worker's wages by taking Workmen Compensation policy.



## COLLABORATIONS / JVs:

Except as stated in the heading titled "Joint Ventures of Our Company" under the chapter titled "Our History and Certain Other Corporate Matters" beginning on page 114, our Company has not entered into any technical or other collaboration / JVs.

## EXPORT AND EXPORT OBLIGATION

Our Company does not have any Export Obligation under Export Promotion Capital Goods (EPCG) Scheme or any other scheme of Government of India.

## INTELLECTUAL PROPERTY RIGHTS

Sr. No.	Trademark	Trademark Type	Class	Applicant	Application No.	Validity/ Renewal	Registration Status
1.		Device	9	Gensol Ventures Private Limited	3961060	October 1, 2028	Registered
2.		Device	37	Gensol Ventures Private Limited	3961061	October 1, 2028	Registered

*We have been using the trademarks of Gensol Venture Private Limited, vide an assignment deed dated March 14, 2019. We also confirmed that no other applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.*

## KEY INDUSTRY REGULATIONS AND POLICIES

*Except as otherwise specified in this Draft Red Herring Prospectus, the Companies Act, 1956 / the Companies Act, 2013, We are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in business of architectural engineering, consultancy services and other technical activities in the solar energy sector industry. Taxation statutes such as the I.T. Act, and applicable Labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.*

### APPROVALS

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and Other Statutory Approvals” beginning on page number 168 of this Draft Red Herring Prospectus.

### APPLICABLE LAWS AND REGULATIONS

#### **BUSINESS/TRADE RELATED LAWS/REGULATIONS**

##### **The Micro, Small and Medium Enterprises Development Act, 2006**

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the act is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and regulation) Act, 1951 as “micro enterprise”, where the investment in plant and machinery does not exceed twenty-five lakh rupees; “Small enterprise”, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise, where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, “Micro – enterprise”, where the investment in equipment does not exceed ten lakh rupees, “Small Enterprise” where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or “Medium Enterprise” where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

##### **Industrial Policy of Relevant State**

##### **Industrial and Business Development Policy 2017 of Punjab**

The Industrial and Business Development Policy 2017 (“Industrial Policy of Punjab”) aims at developing the State as one of the most economically developed States in the Country and incentivizing and promoting business activities. Industrial Policy of Punjab lays a major emphasis on MSME units within the State since it has a strong base of MSME units. MSMEs play a crucial role in providing large employment opportunities at comparatively lower capital cost. MSMEs also help in industrialization of rural & backward areas, thereby, reducing regional imbalances. This Policy aims at building suitable capacity to focus on the development of MSMEs to make it a highly vibrant and dynamic sector. The Policy focuses on accelerating growth of MSMEs and aims at carrying out in depth study of 10 clusters every year for specific interventions to increase their competitiveness, upgrading and setting up common facility centres in 10 clusters every year upgrade and set up 10 Technology centres in the State. The Policy is a holistic framework for sustainable industrial growth of the State. The policy is architected around eight core strategic pillars of Infrastructure, Power, MSME, Ease of Doing Business, Startup & Entrepreneurship, Skills, Fiscal & Non-Fiscal Incentives and Stakeholder Engagement supported by Sector Specific Strategies for growth.

##### **Anti-Trust Laws**

##### **Competition Act, 2002**



An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to Rs. 1 lakh for each day during such failure subject to maximum of Rupees One Crore.

## **GENERAL CORPORATE COMPLIANCE**

### **The Companies Act 1956 and The Companies Act, 2013**

The consolidation and amendment in law relating to Companies Act, 1956 made way to enactment of Companies Act, 2013. The Companies act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

Further, Schedule V (read with sections 196 and 197), Part I lay down conditions to be fulfilled for the appointment of a managing or whole time director or manager. It provides the list of acts under which if a person is prosecuted he cannot be appointed as the director or Managing Director or Manager of the firm. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

## **EMPLOYMENT AND LABOUR LAWS**

### **Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act") and the Employees Provident Fund Scheme, 1952**

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

### **Employees Deposit Linked Insurance Scheme, 1976**

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

### **The Employees' Pension Scheme, 1995**

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this

act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

#### **Employees' State Insurance Act, 1948 (the "ESI Act")**

It is an act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government other than seasonal factories. Provided that nothing contained in this sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. This Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

#### **Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year covered to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

#### **Payment of Gratuity Act, 1972**

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five year period shall be relaxed in case of termination of service due to death or disablement.

#### **Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 ("MWA") came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

#### **Maternity Benefit Act, 1961**

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

#### **Equal Remuneration Act, 1979**

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against Female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

#### **Child Labour Prohibition and Regulation Act, 1986**

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

#### **Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001**

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

#### **The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013**

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an “Internal Complaints Committee” and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

### **TAX RELATED LEGISLATIONS**

#### **Value Added Tax (“VAT”)**

VAT is a system of multi-point Levy on each of the purchases in the supply chain with the facility of set-off input taxon sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT Liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each state that has introduced VAT has its own VAT Act, under which, persons Liable to pay VAT must register and obtain a registration number from Sales Tax Officer of the respective State.

*Note: The VAT Act now has been replaced by the Goods and Service Tax (GST) Act, 2017.*

#### **Service Tax**

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of ‘taxable services’, as specified in entry 39 defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 5<sup>th</sup> / 6<sup>th</sup> of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a half yearly return in Form ST 3 by the 25<sup>th</sup> of the month immediately following the half year to which the return relates.

*Note: The Service Tax now has been replaced by the Goods and Service Tax (GST) Act, 2017.*

#### **Central Sales Tax Act, 1956 (“CST”)**

The main object of this act is to formulate principles for determining (a) when a sale or purchase takes place in the course of trade or commerce (b) When a sale or purchase takes place outside a State (c) When a sale or purchase takes place in the course of imports into or export from India, to provide for Levy, collection and distribution of taxes on sales of goods in the course of trade or commerce, to declare certain goods to be of special importance trade or commerce and specify the restrictions and conditions to which State Laws imposing taxes on

sale or purchase of such goods of special importance (called as declared goods) shall be subject. CST Act imposes the tax on interstate sales and states the principles and restrictions as per the powers conferred by Constitution.

*Note: The CST Act now has been replaced by the Goods and Service Tax (GST) Act, 2017.*

### **Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administrated by Central Board of Excise and Customs under the Ministry of Finance.

### **The Central Excise Act, 1944**

The Central Excise Act, 1944 (“Central Excise Act”) consolidates and amends the law relating to Central Duties of Excise on goods manufactured or produced in India. Excisable goods under the Act means goods specified in the Schedule to the Central Excise Tariff Act, 1985 as being subject to duty of excise. Factory means any premises, including the precincts thereof, wherein or in any part of which excisable goods are manufactured, or wherein or in any part of which any manufacturing process connected with the production of these goods being carried on or is ordinarily carried out. Under the Act a duty of excise is levied on all excisable goods, which are produced or manufactured in India as and at the rates, set forth in the First Schedule to the Central Excise Tariff Act, 1985.

*Note: The Central Excise Act now has been replaced by the Goods and Service Tax (GST) Act, 2017.*

### **Goods and Service Tax (GST)**

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise – goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

It is applicable on all goods except for alcohol for human consumption and five petroleum products.

Taxpayers with an aggregate turnover of Rs. 20 lakhs would be exempt from tax. The exemption threshold for special category of states like North-East shall be Rs. 10 lakhs. Small taxpayers with an aggregate turnover in preceding financial year upto Rs. 75 lakhs (50 lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. In addition a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products.

Export and supplies to SEZ shall be treated as zero-rated supplies. Import of goods and services would be treated as inter-state supplies. Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen digit registration number known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple location in a state, a separate application will be made for registration of each and every location. The registered assessee are then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

## **OTHER LAWS**

### **Shops and establishments laws in various states**

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

## **INTELLECTUAL PROPERTY LEGISLATIONS**

In general, the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trade Marks Act, 1999

### **Indian Patents Act, 1970**

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

### **The Copyright Act, 1957**

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

### **Trade Marks Act, 1999**

The Trade Marks Act, 1999 (the "Trade Marks Act") provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

## **GENERAL LAWS**

- Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986 are also applicable to the company.

## **OTHER LAWS:**

### **Foreign Trade (Development and Regulation) Act, 1992**

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and licence to import or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade (DGFT) for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offence or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority



shall be considered to be final. The powers of all the civil court under Code of Civil Procedure, 1908 shall vest in him.

The EXIM Policy is a set of guidelines and instructions established by the DGFT in matters related to the export and import of goods in India. This policy is regulated under the said act. Director General of Foreign Trade (herein after referred to as DGFT) is the main governing body in matters related to the EXIM Policy. The Act shall provide development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Trade Policy is prepared and announced by the Central Government (Ministry of Commerce).

#### **Foreign Exchange Management Act, 1999**

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999("FEMA") and the rules and regulations promulgated there under. The act aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

#### **FEMA Regulations**

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India.

#### **The Foreign Direct Investment**

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (now known as Department for Promotion of Industry and Internal Trade), has issued consolidated FDI Policy Circular of 2017("FDI Policy 2017"), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India ("RBI") also issues Master Directions Foreign Investment in India and updates at the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions. The Indian company making such issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present our company is in the business of architectural



engineering, consultancy services and other technical activities in the solar energy sector. As these sectors/activities are not specifically listed in the Permitted Sectors, 100 % foreign direct investment through automatic route is permitted subject to applicable laws/regulations, security and other conditionality's.

## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### BRIEF HISTORY OF OUR COMPANY

Our Company was originally incorporated as Gensol Engineering Private Limited at Chandigarh as a Private Limited company under the provisions of Companies Act, 1956 *vide* Certificate of Incorporation dated September 25, 2012, bearing Corporate Identification Number U74210CH2012PTC034105, issued by the Registrar of Companies, Punjab and Chandigarh. Subsequently, our Company was converted into Public Limited Company pursuant to a special resolution passed by members in Extra-Ordinary General Meeting of Company held on February 08, 2019 and the name of our company was changed to Gensol Engineering Limited *vide* a fresh Certificate of Incorporation dated February 26, 2019, issued by the Registrar of Companies, Punjab and Chandigarh. The Corporate Identification Number of our Company is U74210CH2012PLC034105.

### Corporate profile of our Company

For information on our Company's business profile, activities, services, managerial competence, and customers, see chapters titled "Our Management", "Our Business" and "Industry Overview" beginning on pages 119, 97 and 79, respectively of this DRHP.

Anmol Singh Jaggi and Puneet Singh Jaggi are the Promoters of our Company.

Anmol Singh Jaggi, Puneet Singh Jaggi and Navneet Singh Gosal were the initial subscribers to the Memorandum of Association of our Company. For further information, please refer to the chapter titled "*Capital Structure*" beginning on Page 57 of this Draft Red Herring Prospectus.

### CHANGES IN THE REGISTERED OFFICE OF OUR COMPANY

At present, the Registered Office of our Company is situated at SCO: 156-157, Sector-9C, Madhya Marg, Chandigarh – 160031, India. The details of the changes in the Registered Office of our Company are set forth below:

From	To	Effective Date	Reasons
House No. 33, Sector -10, Chandigarh - 160011, India	SCO: 156-157, Sector-9C, Madhya Marg, Chandigarh – 160031, India	August 04, 2018	Administrative convenience
The change was approved by the Board by <i>vide</i> resolution dated September 04, 2018, since the change of Registered office was within the local limits of city/town/village.			

### KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

Year	Events
2012	Incorporation of Company
2014	Entered into a Joint Venture Agreement with Solarig N-Gage.
2015	Incorporation of Joint Venture Company "Solarig Gensol Utilities Private Limited"
2018	Acquisition of Subsidiary Company "Gensun Renewables Private Limited"
2019	Conversion of Company into Public Limited Company

### KEY AWARDS, CERTIFICATIONS, ACCREDITATIONS AND RECOGNITIONS

Year	Details
2013	Presented with Memento of RENERGY Coimbatore 2013 at CODISSIA Trade Fair Complex Coimbatore
	Presented with Memento Energy Expo'13 at International Exhibition for Energy & Power by SGPC

### MAIN OBJECTS OF OUR COMPANY

The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:

*"To engage in engineering consultation & execution of all forms of electrical power and all other forms of energy in all aspects and to plan, promote, develop, establish distribution networks or systems, trading platforms and to acquire, in any manner, these networks or systems or trading platforms from power generating companies, central or state government undertakings, local authorities or statutory bodies or other person within India or abroad."*

### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY IN THE LAST TEN YEARS

The following changes have been made to our Memorandum of Association, in the last ten years from the date of filing of this Draft Red Herring Prospectus:

DATE OF AGM / EGM	AMENDMENTS
January 05, 2019	Amendment in Clause V of MOA pursuant to Re-classification of unissued 3,50,000 Cumulative Convertible Preference Shares of Rs 10/- each in to fresh 3,50,000 Equity Shares of Rs 10/- each
	Amendment in Clause V of MOA pursuant to Increase in Authorized Share Capital of the Company from ₹ 40,00,000 divided into 4,00,000 Equity Shares to ₹9,00,00,000 divided into 90,00,000 Equity Shares

#### HOLDING COMPANY/(IES) OF OUR COMPANY

As on the date of this Draft Red Herring Prospectus, our company does not have holding company.

#### SUBSIDIARY COMPANY OF OUR COMPANY

As on the date of this Draft Red Herring Prospectus we have one subsidiary company, namely Gensun Renewables Private Limited.

#### 1. Gensun Renewables Private Limited (“GRPL”)

##### Corporate Information

Gensun Renewables Private Limited was incorporated at Ahmedabad, as a Private Limited Company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated February 08, 2018 bearing Corporate Identification Number U74999GJ2018PTC100798 issued by Deputy Registrar of Companies, Ahmedabad, Gujarat.

##### Registered Office

The registered office is situated at A/2, 12th Floor, Palladium Corporate Road, Prahladnagar, Ahmedabad-Gujarat 380015, India.

##### Main objects of GRPL

To provide services of construction and development of renewable energy project including providing services in Solar industry for Engineering Procurement and commissioning and other ancillary services.

##### Capital Structure and Shareholding Pattern

The authorised share capital of GRPL is Rs. 1.00 lakh divided into 10,000 equity shares of Rs. 10/- each and the paid-up capital is Rs. 1.00 lakh divided into 10,000 equity shares of Rs. 10/- each. The shareholding pattern of GRPL as on the date of this Draft Red Herring Prospectus is as mentioned below:

Sr. No.	Name of Shareholder	No. of Equity	Percentage
1.	Gensol Engineering Private Limited	5,100	51.00%
2.	Sunridge Green Ventures Private Limited	4,900	49.00%
	<b>Total</b>	<b>10,000</b>	<b>100.00%</b>

##### Board of Directors

The Board of Directors of GRPL as on the date of this Draft Red Herring Prospectus are as follows:

1. Anmol Singh Jaggi
2. Puneet Singh Jaggi
3. Manish Nandkishore Begrajka
4. Kanaiya Shamji Bhadra

##### Financial Performance

(Rs. in Lakhs except NAV)

Particulars	2018-19	2017-18
Paid Up Equity Capital	1.00	1.00
Reserves and Surplus (excluding revaluation reserve if any)	(1.06)	0.04
Sales and Other Income	-	0.10
Profit After Tax	(1.09)	0.04

Particulars	2018-19	2017-18
Earnings per share (basic & diluted) (In Rs.)	(10.95)	0.37
Net Asset Value (In Rs.)	(0.57)	10.37

#### Accumulated Profits or Losses of our Subsidiary not accounted for

There are no accumulated profits or losses of our subsidiary, not accounted for, by our company.

#### JOINT VENTURES OF OUR COMPANY

As on the date of this Draft Red Herring Prospectus, our company has not entered into any Joint venture except as mentioned below:

##### 1. Solarig Gensol Utilities Private Limited (“SGUPL”)

#### Corporate Information

Solarig Gensol Utilities Private Limited was incorporated at Ahmedabad, as a Private Limited Company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated March 12, 2015 bearing Corporate Identification Number U74120GJ2015FTC082558 issued by Assistant Registrar of Companies Gujarat.

#### Registered Office

The registered office is situated at A/2, 12th Floor, Palladium, Corporate Road, Prahladnagar, Ahmedabad-Gujarat 380015, India.

#### Main objects of SGUPL

To install, operate and maintain photovoltaic plants or other renewable energy projects in India, entering into Operation and Maintenance Agreements with holders of photovoltaic plants, including the assets management concerning photovoltaic plants and the companies (special purpose vehicles) and/or other public or private entities being the owners of such photovoltaic plants or renewable energy projects and the undertaking or conduct technical management directorate, planning, executing and bringing into operation of technical works or investments in general (in existing international terminology: “Project Management”) and establishment, general supervision, management, operation and maintenance, as well as the supply of services of repair and replacement of products, machines, spare parts, etc and conduct of studies, researches and projects of any nature relevant to any form of installations or / and conduct of studies, researches and projects of any nature relevant to any form of installations production units particularly in relation with renewable energy sources as well as other related and/or ancillary services

#### Capital Structure and Shareholding Pattern

The authorised share capital of SGUPL is Rs. 150.00 lakh divided into 15,00,000 equity shares of Rs. 10/- each and the paid-up capital is Rs. 93.45 lakh divided into 9,34,495 equity shares of Rs. 10/- each. The shareholding pattern of SGUPL as on the date of this Draft Red Herring Prospectus is as mentioned below:

Sr. No.	Name of Shareholder	No. of Equity	Percentage
1.	Solarig N. Gage Sa	4,83,020	51.68%
2.	Gensol Engineering Private Limited	4,51,475	48.32%
	<b>Total</b>	<b>9,34,495</b>	<b>100.00%</b>

#### Board of Directors

The Board of Directors of SGUPL as on the date of this Draft Red Herring Prospectus are as follows:

1. Anmol Singh Jaggi
2. Puneet Singh Jaggi
3. Eduardo Poza Garcia
4. Juarez Jaime Sureda
5. Nicolas Ruyschaert

## Financial Performance

(Rs. in Lakhs except NAV)

Particulars	2018-19	2017-18	2016-17
Paid Up Equity Capital	93.45	60.52	31.11
Reserves and Surplus (excluding revaluation reserve if any)	353.32	67.96	(7.04)
Sales and Other Income	2,376.72	1,145.32	192.19
Profit After Tax	285.35	75.01	1.51
Earnings per share (basic & diluted) (In Rs.)	31.20	13.00	0.48
Net Asset Value (In Rs.)	47.81	21.23	7.74

### REVALUATION OF ASSETS

There has been no revaluation of assets of our company in last 10 years from the date of this Draft Red Herring Prospectus.

### MERGERS AND ACQUISITIONS IN LAST 10 YEARS

Our Company has not merged / amalgamated itself nor has acquired any business / undertaking, in the last ten years from the date of this Draft Red Herring Prospectus.

### DIVESTMENT OF BUSINESS / UNDERTAKING BY COMPANY

Our company has not divested any of its business / undertaking in last 10 years from the date of this Draft Red Herring Prospectus.

### SHAREHOLDER'S AGREEMENTS

#### *Shareholder's Agreement dated December 16, 2014 between Solarig N-Gage, S.A. and Our Company*

Our Company has entered into a shareholders agreement with Solarig N-Gage, S.A. (herein after referred to as "Solarig"). Pursuant to the shareholders agreement, our Company and Solarig have agreed to incorporate a joint venture company, in India, with name "Solarig Gensol Utilities Private Limited" (herein after referred to as "SGUPL"), for the purpose of rendering operations and maintenance services to renewable power plants, situated in any country and photovoltaic plants, situated in India. The parties have agreed to contribute to the capital of SGUPL, wherein Solarig shall contribute 51% and our Company holds 49% of the paid up share capital of SGUPL. The parties to the agreement shall have voting rights equal to their contribution in the capital of SGUPL. The Agreement records inter se, rights and obligations with regard to the business relation to the extent related to SGUPL. As per the terms of the shareholders agreement, our Company shall be responsible for the day-to-day operations, administration, accounting and marketing of SGUPL, whereas Solarig shall be responsible for supervising management, purchase, supplies, quality check along with risk management of SGUPL. Pursuant to the shareholder's agreement, our Company has the right to appoint 2 directors and Solarig has right to appoint 3 directors as the members of the board of directors of SGUPL.

### OTHER MATERIAL AGREEMENTS

There are no material agreements or contracts which have been entered into by our Company prior to the date of this Draft Red Herring Prospectus which are not in the ordinary course of business.

### AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR A DIRECTOR OR PROMOTER OR ANY OTHER EMPLOYEE OF THE COMPANY

There are no agreements entered into by key managerial personnel or a Director or Promoter or any other employee of the Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

### AGREEMENTS WITH STRATEGIC PARTNERS, JOINT VENTURE PARTNERS AND/OR FINANCIAL PARTNERS AND OTHER AGREEMENTS

As on the date of filing this DRHP, there are no existing material agreements with strategic partners, and/or financial partners or other material agreements entered into by our Company which are not in its ordinary course of business.

However, our Company has entered into a Joint Venture Agreement dated December 01, 2014 with Solarig N Gage, SA, a Company incorporated and organised under laws of Spain. Details of the said agreement have been mentioned below;

Joint Venture Agreement dated December 01, 2014 entered between Gensol Engineering Private Limited and

Solarig N Gage, SA. The said agreement has been entered to regulate the incorporation of Joint Venture Company in India. The parties have agreed to sign this joint venture agreement that is the framework agreement regulating the incorporation of the Joint Venture Company in India and that includes the main documents that the parties have agreed both for the incorporation of Joint Venture Company and the regulation of their further relations as shareholders of the mentioned Joint Venture Company.

#### **TIME AND COST OVERRUNS IN SETTING UP PROJECTS**

As on the date of this Draft Red Herring Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

#### **STRATEGIC PARTNERS**

As on the date of filing of this Draft Red Herring Prospectus, our Company does not have any strategic partner.

#### **FINANCIAL PARTNERS**

Apart from the various arrangements with bankers and financial institutions which our Company undertake in the ordinary course of business, our Company does not have any other financial partners as on the date of this Draft Red Herring Prospectus.

#### **CAPACITY/FACILITY CREATION, LOCATION OF PLANTS**

For details pertaining to facility creation, location of plants, please see the chapter titled “Our Business” beginning on page 97 of this DRHP.

#### **LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY IN NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS**

For details pertaining to launch of key products, entry in new geographies or exit from existing markets, please see the chapter titled “Our Business” beginning on page 97 of this DRHP.

#### **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS / BANKS**

As on the date of this Draft Red Herring Prospectus, there have been no defaults or rescheduling of borrowings with any financial institutions / banks.



## OUR MANAGEMENT

### BOARD OF DIRECTORS

Under our Articles of Association, Our Company is required to have not less than three (3) directors and not more than 15 directors, subject to the applicable provisions of the Companies Act. As on date of this Draft Red Herring Prospectus, we have five (5) directors on our Board, which includes, one (01) Managing Director, one (01) Whole – Time Director, one (01) Non-Executive Director, who is also the woman director of our Company and two (02) Independent Directors.

The following table sets forth details regarding our Board of Directors as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name, Age, Father's/Husband's Name, Date of Birth Designation, Address, Occupation, Nationality, Term and DIN	Date of last Appointment / Re-appointment	Other Directorship
1.	<p><b>Name:</b> Anmol Singh Jaggi  <b>Father's Name:</b> Parminder Singh Jaggi  <b>Date of Birth:</b> October 18, 1985  <b>Age:</b> 33 years  <b>Designation:</b> Managing Director  <b>Address:</b> 304, Samarthya Hights, 100 Feet Road, Satellite, Ahmedabad – 380015, Gujarat, India  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>Term:</b> For a period of 5 years w.e.f. February 27, 2019  <b>DIN:</b> 01293305</p>	<p>Originally appointed as a Director on September 25, 2012</p> <p>Designated as Managing Director – February 27, 2019</p>	<p><b>Public Limited Company – Nil</b>  <b>Private Limited Company –</b></p> <ul style="list-style-type: none"> <li>• Prescinto Technologies Private Limited</li> <li>• Gensol Industries Private Limited</li> <li>• Solarig Gensol Utilities Private Limited</li> <li>• Gosolar Ventures Private Limited</li> <li>• Gensol Consultants Private Limited</li> <li>• Gensol Ventures Private Limited</li> <li>• Gensun Renewables Private Limited</li> <li>• Gensol Renewables Private Limited</li> <li>• Gensol Mobility Private Limited</li> <li>• Gensol Mobility Tech Private Limited</li> <li>• Gensol Charge Private Limited</li> <li>• Gensol Fleet Private Limited</li> </ul> <p><b>Limited Liability Partnership - Nil</b></p>
2.	<p><b>Name:</b> Puneet Singh Jaggi.  <b>Father's Name:</b> Parminder Singh Jaggi  <b>Date of Birth:</b> May 30, 1987  <b>Age:</b> 32 years  <b>Designation:</b> Whole Time Director  <b>Address:</b> 304, Samarthya Hights, 100 Feet Road, Satellite Ahmedabad 380015 Gujarat India  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>Term:</b> For a period of 5 years w.e.f. February 27, 2019  <b>DIN:</b> 02479868</p>	<p>Originally appointed as a Director on September 25, 2012</p> <p>Designated as Whole Time Director on February 27, 2019</p>	<p><b>Public Limited Company – Nil</b>  <b>Private Limited Company</b></p> <ul style="list-style-type: none"> <li>• Gensol Mobility Tech Private Limited</li> <li>• Gensol Charge Private Limited</li> <li>• Gensol Fleet Private Limited</li> <li>• Solarig Gensol Utilities Private Limited</li> <li>• Gosolar Ventures Private Limited</li> <li>• Prescinto Technologies Private Limited</li> <li>• Gensun Renewables Private Limited</li> <li>• Gensol Renewables Private Limited</li> <li>• Gensol Ventures Private Limited</li> <li>• Gensol Industries Private Limited</li> <li>• Gensol Mobility Private Limited</li> <li>• Gensol Consultants Private limited</li> </ul> <p><b>Limited Liability Partnership - Nil</b></p>
3.	<p><b>Name:</b> Jasminder Kaur  <b>Father's Name:</b> Rajinder Singh  <b>Date of Birth:</b> January 23, 1964  <b>Age:</b> 55 years</p>	<p>Appointed as Additional Director on April 01, 2016</p>	<p><b>Public Limited Company – Nil</b>  <b>Private Limited Company – Nil</b>  <b>Limited Liability Partnership - Nil</b></p>

Sr. No.	Name, Age, Father's/Husband's Name, Date of Birth Designation, Address, Occupation, Nationality, Term and DIN	Date of last Appointment / Re-appointment	Other Directorship
	<b>Designation:</b> Non-Executive Director <b>Address:</b> House No- 545, Sector- 6 Panchkula 134109, Haryana India. <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> Liable to retire by rotation effective from January 4, 2019 <b>DIN:</b> 01441131	Designated as Non-Executive Director on January 04, 2019	
4.	<b>Name:</b> Gaurav Kharbanda <b>Father's Name:</b> Satpal Kharbanda <b>Date of Birth:</b> February 18, 1982 <b>Age:</b> 37 years <b>Designation:</b> Independent Director <b>Address:</b> H.No. 2235, First Floor, Block-E, Near Maurya School, Palam Vihar, Choma (62), Carterpuri, Farrukhnagar, Gurgaon, Haryana - 122017 <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> For a period of 5 years effective from August 7, 2019 <b>DIN:</b> 08440746	Appointed as Independent Director on August 7, 2019	<b>Public Limited Company – Nil</b> <b>Private Limited Company – Nil</b> <b>Limited Liability Partnership - Nil</b>
5.	<b>Name:</b> Harish Kaushik <b>Fathers Name:</b> Suraj Bhan Sharma <b>Date of Birth:</b> July 20, 1960 <b>Age:</b> 59 years <b>Designation:</b> Independent Director <b>Address:</b> Flat-1904, Floor: 19, Sapphire Regency Tower, Ghod Bunder Road, Anand Nagar, Nr. Saraswati School, Thane West, Thane, Mumbai-400607, India <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> For a period of 5 years w.e.f. February 27, 2019 <b>DIN:</b> 08191765	Appointed as Independent Director on February 27, 2019	<b>Public Limited Company – Nil</b> <b>Private Limited Company –</b> Aegis Revolution Services Private Limited <b>Limited Liability Partnership –</b> <ul style="list-style-type: none"> <li>• Anthios Advisors LLP</li> </ul>

#### BRIEF PROFILE OF OUR DIRECTORS

##### **Anmol Singh Jaggi, Promoter, Managing Director**

Anmol Singh Jaggi, aged 33 years, is the Promoter, chairman and Managing Director of our Company. He has been associated with our Company since incorporation and has been re-designated as Managing Director w.e.f. February 27, 2019 for a period of five years. He has completed Bachelor of Technology under Petroleum Engineering branch from University of Petroleum and Energy Studies, Dehradun. He has an experience of 7 years in the Solar industry. He is the guiding force behind all the corporate decisions and is responsible for the entire business operations of our Company.

##### **Puneet Singh Jaggi, Promoter and Whole Time Director**

Puneet Singh Jaggi, aged 32 years is the Whole Time Director of our Company. He was associated with our company since incorporation and has been re-designated as Whole Time Director w.e.f February 27, 2019 for a period of five years He has completed Bachelor of Technology (Chemical Engineering) from Indian Institute of

Technology Roorkee. He has an experience of 7 years in Solar Industry. He looks after designing of Technical Architecture and manage entire Product development cycle of the company.

**Jasminder Kaur Jaggi, Non-Executive Director**

Jasminder Kaur Jaggi, aged 55 years is the Non-Executive Director of our Company. She was appointed as an Additional Director of our Company on April 1, 2016 and was designated as Non- Executive Director w.e.f January 04, 2019 and is liable to retire by rotation. She looks after Human Resource related activities of our company.

**Gaurav Kharbanda, Independent Director**

Gaurav Kharbanda, aged 37 years is an Independent Director of our Company. He was appointed as an Independent Director with effect from August 7, 2019. He is a Master’s in Business Administration. He completed his education from Kurukshetra University prior to joining our company as Independent Director he was associated with various listed company like Jamna Auto Industries Limited and Reliance Capital Limited. He has over 13 years of experience in various Industries.

**Harish Kaushik, Independent Director**

Harish Kaushik, aged 59 years is Independent Director of our Company. He was appointed as an Independent Director with effect from February 27, 2019. He holds a Bachelor of Commerce degree from University of Delhi. Prior to joining our Company he was associated with National Institute of Bank Management as Visiting Faculty for Infrastructure Finance - from August 2018 onwards. In the past, he has also been associated with Mytrah Energy India Limited as Vice President – Project & Corporate Finance, Reliance Capital Limited as Senior Vice President and Head Infra Finance, State Bank of India as Chief Manager for assignments on Project Finance (SBU) and as Assistant General Manager & Project Manager – for Project Finance (SBU) at State Bank of India. He has over 28 years of work experience in Finance Industry.

**CONFIRMATIONS**

As on the date of this Draft Red Herring Prospectus:

1. Except as stated below; none of the Directors of our Company are related to each other as per section 2(77) of the Companies Act, 2013.

Name of the Director	Name of the Other Director	Relation
Anmol Singh Jaggi	Puneet Singh Jaggi	Brothers
Anmol Singh Jaggi	Jasminder Kaur	Son – Mother
Puneet Singh Jaggi	Jasminder Kaur	Son – Mother

2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of our Directors are fugitive economic offender or are on the RBI List of willful defaulters.
5. Further, none of our Directors are or were directors of any company whose shares have been / were
  - (a) Suspended from trading by any of the stock exchange(s) during his/her tenure in that company in the last five years or;
  - (b) Delisted from the stock exchange(s) during the term of their directorship in such companies.
6. None of the Promoters, or Directors has been or is involved as a promoter or director of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

**BORROWING POWERS OF THE BOARD**

Pursuant to a special resolution passed at the Extraordinary General Meeting of our Company held on February 27, 2019 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time, and rules made there under and the Board of Directors (including committees) of the Company be and is hereby authorized to borrow money on such terms and conditions as may be considered and suitable by the Board of Directors up to a limit of Rs. 300 Crores notwithstanding that the money(s) to be borrowed together with the money(s) already borrowed by the Company (apart from the

Temporary Loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the Paid-up Capital of the Company and its Free Reserves of the Company.

#### REMUNERATION/COMPENSATION PAID TO DIRECTORS

Except as mentioned below, no other current Directors have received remuneration during the last financial year ended on March 31, 2018.

Name of the Directors	Amount (in Lakhs)
Jasminder Kaur	21.05

#### REMUNERATION PAID TO DIRECTORS BY OUR SUBSIDIARY OR ASSOCIATE COMPANIES

Our directors have not received any remuneration from our subsidiary and associate companies as on the date of this Draft Red Herring Prospectus.

#### Terms and conditions of employment of our Director:

##### 1. Anmol Singh Jaggi

Anmol Singh Jaggi is the Promoter and Managing Director of our Company. He has been designated as Managing Director w.e.f February 27, 2019 for a period of 5 years. The terms and conditions of his employment are as follows:

Remuneration	2.50 Lakhs per month
Term of appointment	5 Years
Perquisites	The remuneration, as aforesaid, shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilisation of gas, electricity, water, furnishing and repairs, medical assistance and leave travel concession for self and family including dependents.

##### 2. Puneet Singh Jaggi

Puneet Singh Jaggi is the Promoter and Whole Time Director of our Company. He is designated as Whole Time Director of our Company w.e.f February 27, 2019 for a period of 5 years. The terms and conditions of his employment are as follows:

Remuneration	2.50 Lakhs per month
Term of appointment	5 Years
Perquisites	The remuneration, as aforesaid, shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilisation of gas, electricity, water, furnishing and repairs, medical assistance and leave travel concession for self and family including dependents.

#### Remuneration for our Non-Executive Directors and Independent Directors

Non-Executive and Independent Directors of our Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and other applicable laws and regulations.

Remuneration paid to Jasminder Kaur, Non-Executive Director for the financial year 2017-18 as Executive Director was 21.05 Lakhs.

#### SHAREHOLDING OF OUR DIRECTORS IN THE COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares. Except as stated below no other directors have shareholding of our company

The following table details the shareholding of our Directors as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Anmol Singh Jaggi	19,64,000	32.50%	●
2.	Puneet Singh Jaggi	17,22,428	28.50%	●
3.	Jasminder Kaur	NIL	NIL	NIL

## **INTERESTS OF DIRECTORS**

### **Interest in promotion of our Company**

Our Directors Anmol Singh Jaggi, Puneet Singh Jaggi and Jasminder Kaur may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. For further details, refer to chapter titled “*Related Party Transactions*” and “*Promoter and Promoter Group*” beginning on page 142 beginning on page 132 of this Draft Red Herring Prospectus.

### **Interest in the property of our Company**

Except as stated/referred to in the heading titled “*Immovable Properties*” under the chapter titled “*Our Business*” beginning on page 97 and chapter titled “*Related Party Transaction*” on page 142 of the Draft Red Herring Prospectus, our Directors have not entered into any contract, agreement or arrangements in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them. Further our Directors do not have any interest in any immovable property acquired or proposed to be acquired of the Company or by the Company except otherwise disclosed in the heading titled “*Immovable Properties*” under the chapter titled “*Our Business*” beginning on page 97 of the Draft Red Herring Prospectus

### **Interest as member of our Company**

As on date of this Draft Red Herring Prospectus, our Directors together hold 36,86,428 Equity Shares in our Company i.e. 61% of the pre Issue paid up share capital of our Company. Therefore, our Directors are interested to the extent of their respective shareholding and the dividend declared and other distributions, if any, by our Company.

### **Interest as a Creditor of our Company**

As on the date of this Draft Red Herring Prospectus, except as stated in the chapter titled “*Financial Indebtedness*” and heading titled “*Related Party Transactions*” under chapter titled “*Financial Statements as Restated*” our Company has not availed loans from Directors of our Company.

### **Interest as Director of our Company**

Except as stated above and in the chapters titled “*Financial Statements as Restated*” and “*Capital Structure*” beginning on pages 144 and 57 respectively of this Draft Red Herring Prospectus our Directors, may deemed to be interested to the extent of remuneration, reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of agreements entered into with our Company, if any and AoA of our Company.

### **Interest as Key Managerial Personnel of our Company**

Anmol Singh Jaggi, Promoter, Managing Director, Puneet Singh Jaggi, Promoter and Whole Time Director and Jasminder Kaur, Non-Executive Director of the Company are the Key Managerial Personnel of the Company and may deemed to be interested to the extent of remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of agreement entered into with our Company, if any and AoA of our Company and to the extent of Equity Shares held by them in our Company. They may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares. Other than as disclosed above, no other Director is interested as Key Managerial Personnel of the Company. For further details, please refer to heading titled “*Related Party Transactions*” under chapter titled “*Financial Statements as Restated*” beginning on page 144 of this Draft Red Herring Prospectus.

### **Interest in transactions involving acquisition of land**

Our Promoters are not currently interested in any transaction with our Company involving acquisition of land. Except as stated/referred to under the heading titled “*Land and Property*” under chapter titled “*Our Business*” beginning on page 97 of this Draft Red Herring Prospectus, our Promoters has not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation in which the Promoters are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

### **Other Indirect Interest**

Except as stated in chapter titled “*Financial Statements as Restated*” beginning on page 144 of this Draft Red Herring Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

### Interest in the Business of Our Company

Except as stated in “*Related Party Transactions*” in the chapter titled “*Financial Statements as Restated*” beginning on page 144 of this Draft Red Herring Prospectus, our Directors do not have any other interests in our Company as on the date of this Draft Red Herring Prospectus.

### SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

As on the date of Draft Red Herring Prospectus our Directors does not hold any shareholding in any Subsidiaries and Associate companies

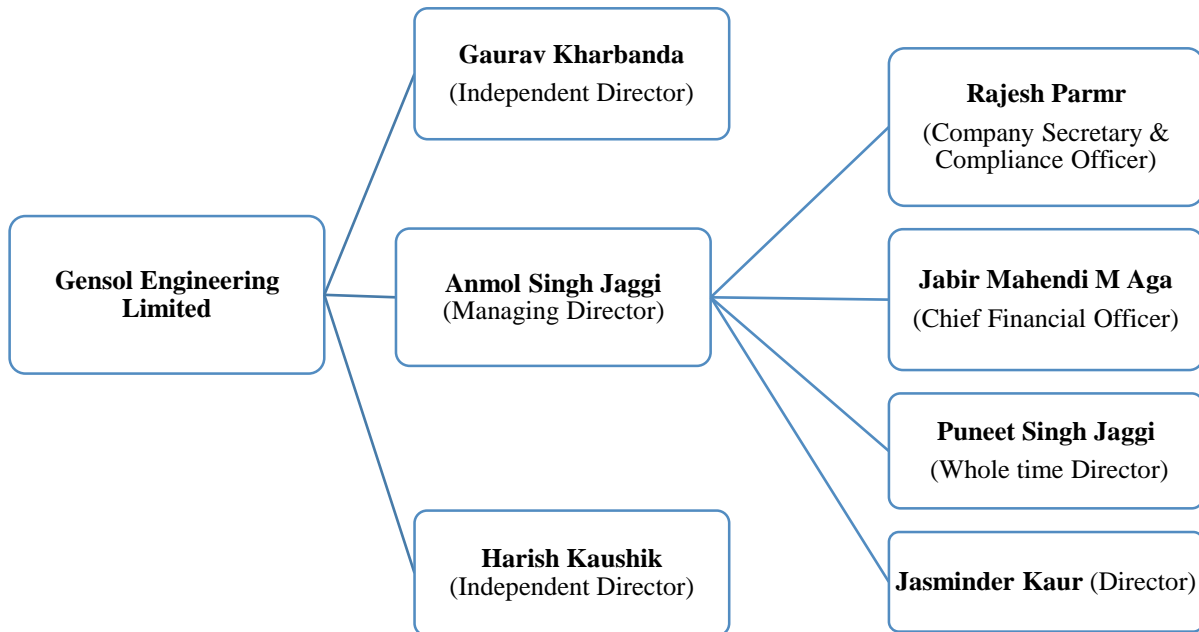
### CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Following are the changes in directors of our Company in last three years prior to the date of this Draft Red Herring Prospectus:

Name	Date of event	Nature of event	Reason
Jasminder Kaur	April 01, 2016	Appointment	Appointed as Additional Director
Jasminder Kaur	September 29, 2016	Regularisation	Regularisation of director
Anmol Jaggi	October 20, 2016	Cessation	Resigned as Director
Shalmali Kaur Jaggi	May 07, 2018	Appointment	Appointed as Director
Shalmali Kaur Jaggi	June 11, 2018	Cessation	Resigned as Director
Pranay Mundra	May 07, 2018	Appointment	Appointed as Director
Pranay Mundra	September 21, 2018	Cessation	Resigned as Director
Anmol Singh Jaggi	January 04, 2019	Appointment	Appointed as Additional Director
Anmol Singh Jaggi	January 05, 2019	Change in designation	Regularisation of director
Anmol Singh Jaggi	February 27, 2019	Change in designation	Designated as Managing Director
Puneet Singh Jaggi	February 27, 2019	Change in designation	Designated as Whole Time Director
Jasminder Kaur	January 4, 2019	Change in designation	Designated as Non- Executive Director
Ashish Swarup	February 27, 2019	Appointment	Appointed as Independent Director
Harish Kaushik	February 27, 2019	Appointment	Appointed as Independent Director
Ashish Swarup	August 7, 2019	Cessation	Resigned as Director
Gaurav Kharbanda	August 7, 2019	Appointment	Appointed as Independent Director



## ORGANISATIONAL STRUCTURE



## CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI Listing Regulations will also be complied with the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The Corporate governance framework is based on an effective Independent Board, the Board's Supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full board or through the various committees constituted to oversee specific operational areas.

As on the date of this Draft Red Herring Prospectus, there are 5 (five) Directors on our Board out of which 2 (two) are independent Directors and 1 (one) is non-executive director. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013, particularly, in relation to appointment of Independent Directors to our Board and constitution of committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations, the Equity Listing Agreements and the Companies Act, 2013.

**The following committees have been constituted in terms of SEBI Listing Regulations and the Companies Act, 2013.**

- A. Audit Committee
- B. Stakeholders Relationship Committee
- C. Nomination and Remuneration Committee

### A) Audit Committee

Our Company has re-constituted an audit committee ("**Audit Committee**"), as per section 177 of the Companies Act 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; vide resolution passed at the meeting of the Board of Directors held on August 7, 2019.

The terms of reference of Audit Committee adheres to the requirements of Regulation 18 of the Listing Agreement, proposed to be entered into with the Stock Exchange in due course. The committee presently comprises the following three (3) directors:

<b>Name of the Directors</b>	<b>Status</b>	<b>Nature of Directorship</b>
Gaurav Kharbanda	Chairman	Independent Director
Harish Kaushik	Member	Independent Director
Anmol Singh Jaggi	Member	Managing Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

The Audit Committee shall have following powers:

- a. To investigate any activity within its terms of reference;
- b. To seek information from any employee;
- c. To obtain outside legal or other professional advice; and
- d. To secure attendance of outsiders with relevant expertise if it considers necessary.

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; and
- e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The role of the Audit Committee not limited to but includes:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - ii. Changes, if any, in accounting policies and practices and reasons for the same;
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. Significant adjustments made in the financial statements arising out of audit findings;
  - v. Compliance with listing and other legal requirements relating to financial statements;
  - vi. Disclosure of any related party transactions;
  - vii. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval.

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft Red Herring Prospectus/Prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence, performance and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non - payment of declared dividends) and creditors.
18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board.
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
21. To investigate any other matters referred to by the Board of Directors.
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

#### **Meeting of Audit Committee and relevant Quorum**

The audit committee shall meet at least 4 times in a year and not more than 4 months shall elapse between 2 meetings. The quorum shall be either 2 members or one third of the members of the Audit Committee whichever is greater, but there shall be a minimum of 2 Independent Directors, who are members, present.

#### **B) Stakeholder's Relationship Committee**

Our Company has constituted a shareholder / investors grievance committee ("*Stakeholders' Relationship Committee*") to redress complaints of the shareholders. The Stakeholders' Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on August 7, 2019.

The Stakeholders' Relationship Committee comprises the following Directors:

<b>Name of the Directors</b>	<b>Status</b>	<b>Nature of Directorship</b>
Jasminder Kaur	Chairman	Non – Executive Director
Gaurav Kharbanda	Member	Independent Director

Harish Kaushik	Member	Independent Director
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The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Stakeholders' Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The scope and function of the Stakeholder's Relationship Committee and its terms of reference shall include the following:

**A. Tenure:** The Stakeholder's Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder's Relationship Committee as approved by the Board.

**B. Meetings:** The Stakeholder's Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on quarterly basis regard the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.

**C. Role of the Stakeholder's Relationship Committee:**

The Committee shall consider and resolve grievances of security holders, including but not limited to:

1. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.
2. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
3. Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders /Investors grievances.
4. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
5. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
6. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
7. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting.
8. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

**C) Nomination and Remuneration Committee**

Our Company has re-constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on August 7, 2019. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Harish Kaushik	Chairman	Independent Director
Gaurav Kharbanda	Member	Independent Director
Jasmindar Kaur	Member	Non – Executive Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

**1) Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

**2) Meetings:** The committee shall meet as and when the need arise for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. Meeting of the Nomination and Remuneration Committee shall be called by at least seven day's notice in advance.

**3) Role of the Nomination and Remuneration Committee not limited to but includes:**

- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration for directors, KMPs and other employees.
- Identifying persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- Formulation of criteria for evaluation of performance of independent directors and Board of Directors
- Devising a policy on diversity of board of directors
- Deciding on, 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.
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- Decide the amount of Commission payable to the Whole time Director / Managing Directors.
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
- To formulate and administer the Employee Stock Option Scheme.

**Policy on Disclosures and Internal Procedure for Prevention of Insider Trading:**

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME Platform of BSE Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. Further, Board of Directors at their meeting held on March 12, 2019 have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

Rajesh Parmar, Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

**KEY MANAGERIAL PERSONNEL**

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

**The details of our Key Managerial Personnel are set out below:**

**Anmol Singh Jaggi, Promoter, Managing Director**

Anmol Jaggi, aged 33 years, is the Promoter, Managing Director of our Company. He has been associated with our Company since incorporation and has been re-designated as Managing Director w.e.f. February 27, 2019 for a period of five years. He has completed Bachelor of Technology under Petroleum Engineering branch from University of Petroleum and Energy Studies, Dehradun. He has an experience of 7 years in the Solar industry. He is the guiding force behind all the corporate decisions and is responsible for the entire business operations of our Company.

**Puneet Singh Jaggi, Promoter and Whole Time Director**

Puneet Singh Jaggi, aged 32 years is the Whole Time Director of our Company. He was associated with our company since incorporation and has been re- designated as Whole Time Director w.e.f February 27, 2019 for a period of five years He has completed Bachelor of Technology (Chemical Engineering) from Indian Institute of

Technology Roorkee. He has and experience of 7 years in Solar Industry. He looks after designing of Technical Architecture and manage entire Product development cycle of the company.

**Jabir Mahendi M Aga, Chief Financial Officer**

Jabir Mahendi M Aga, aged 32 years has been appointed as the Chief Financial Officer of our Company with effect from February 27, 2019. He has completed his Masters of Business Administration (MBA) in Finance from Gujarat University and has an aggregate experience of more than 8 years in Finance and Accounts Industry. He is responsible for looking after accounting, finance and taxation of our Company.

**Rajesh Parmar, Company Secretary and Compliance Officer**

Rajesh Parmar, aged 29 years is Company Secretary and Compliance Officer of our Company with effect from February 27, 2019. He has completed his Bachelor of Law from Gujarat University also he is a Company Secretary by qualification and a member of Institute of Company Secretaries of India. He looks after the Legal and Compliance Department of our Company.

**RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL**

Except as stated below; none of the Key Managerial Personnel's are related to each other within the meaning of Section 2 (77) of the Companies Act, 2013.

Director	Other Director	Relation
Anmol Singh Jaggi	Puneet Singh Jaggi	Brothers

**ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS**

None of our Key Managerial Personnel have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

**SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL**

Except as mentioned below, none of our Key Managerial Personnel holds any Equity shares of our company as on the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Key Managerial Personnel	No. of Shares held
1.	Anmol Singh Jaggi	19,64,000
2.	Puneet Singh Jaggi	17,22,428

**RELATIONSHIPS OF DIRECTORS/ AND PROMOTERS WITH KEY MANAGERIAL PERSONNEL**

None of our Directors of the Company are related to the Key Managerial Personnel within the meaning of Section 2(77) of the Companies Act, 2013 except as mentioned below:

Name of Director	Name of KMP	Relationship
Anmol Singh Jaggi	Puneet Singh Jaggi	Brothers
Jasminder Kaur	Anmol Singh Jaggi	Mother - Son
Jasminder Kaur	Puneet Singh Jaggi	Mother - Son

**BONUS OR PROFIT SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL**

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Key Managerial Personnel.

**CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL**

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

**LOANS TO KEY MANAGERIAL PERSONNEL**

Our company has not given any loans and advances to the Key Managerial Personnel as on the date of this Draft Red Herring Prospectus.

**INTEREST OF KEY MANAGERIAL PERSONNEL**

The Key Managerial Personnel of our Company have interest in our Company 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 business and to the extent of Equity Shares held by them in our Company, if any and dividends payable thereon and other distributions in respect of such equity shares, if any. Except as



disclosed in this Draft Red Herring Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Except as stated otherwise in this Draft Red Herring Prospectus, we have not entered into any contract, agreement or arrangement during the preceding 2 (two) years from the date of this Draft Red Herring Prospectus in which the Key Managerial Personnel are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

Except as stated in the chapters “*Our Management*” and “*Related Party Transactions*” beginning on pages 119 and 142 respectively of this Draft Red Herring Prospectus and described herein above, our key managerial personnel do not have any other interest in the business of our Company.

#### **CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS**

The changes in the Key Managerial Personnel in the last three years from the date of this Draft Red Herring Prospectus are as follows:

<b>Name of Managerial Personnel</b>	<b>Date of Event</b>	<b>Nature of event</b>	<b>Reason</b>
Anmol Singh Jaggi	February 27, 2019	Re-designation	Designated as Managing Director and Chairman
Puneet Singh Jaggi	February 27, 2019	Re-designation	Designated as Whole Time Director
Jabir Mahendi M Aga	February 27, 2019	Appointment	Appointed as Chief Financial Officer
Rajesh Parmar	February 27, 2019	Appointment	Appointment as Company Secretary and Compliance officer

#### **ESOP/ESPS SCHEME TO EMPLOYEES**

Presently, we do not have any ESOP/ESPS Scheme for employees.



#### **PAYMENT OR BENEFIT TO OUR OFFICERS (NON SALARY RELATED)**

Except as disclosed in the heading titled “*Related Party Transactions*” in the section titled “*Financial Statements as Restated*” beginning on page 144 of this Draft Red Herring Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

## OUR PROMOTER AND PROMOTER GROUP

The Promoters of our Company is Anmol Singh Jaggi and Puneet Singh Jaggi. As on the date of this Draft Red Hearing Prospectus our promoters hold, in aggregate 36,86,428 Equity Shares representing 61.01% of the pre-issue paid up Capital of our Company.

### Brief profile of our Promoter is as under:

	<p style="text-align: center;"><b>Anmol Singh Jaggi, Promoter, Chairman and Managing Director</b></p> <p>Anmol Jaggi, aged 33 years, is the Promoter, Chairman and Managing Director of our Company. He has been associated with our Company since incorporation and has been designated as Managing Director w.e.f. February 27, 2019 for a period of five years. He has completed Bachelor of Technology under Petroleum Engineering branch from University of Petroleum and Energy Studies, Dehradun. He has an experience of 7 years in the Solar industry. He is the guiding force behind all the corporate decisions and is responsible for the entire business operations of our Company.</p> <p><b>Date of Birth:</b> October 18, 1985  <b>Nationality:</b> Indian  <b>Passport No:</b> N9319399  <b>Driving License:</b> DL12 20180003881  <b>Aadhar Card No:</b> 545960415484  <b>PAN:</b> AGNPJ4504B  <b>Address:</b> 304, Samarthya Heights, 100 Feet Road, Satellite, Ahmedabad – 380015</p> <p>For further details pertaining to other ventures involving Anmol Singh Jaggi, including terms of appointment as Managing Director, other directorships, please refer to the chapter titled “Our Management” beginning on page 119 of this Draft Red Hearing Prospectus.</p>
	<p style="text-align: center;"><b>Puneet Singh Jaggi, Promoter and Whole Time Director</b></p> <p>Puneet Singh Jaggi, aged 32 years is the Whole Time Director of our Company. He was associated with our company since incorporation and is designated as Whole Time Director w.e.f February 27, 2019 for a period of five years He has completed Bachelor of Technology under chemical branch from Indian Institute of Technology Roorkee. He has and experience of 7 years in Solar Industry. He looks after designing of Technical Architecture and manage entire Product development cycle of the company.</p> <p><b>Date of Birth:</b> May 30, 1987  <b>Nationality:</b> Indian  <b>Passport No:</b>P0978931  <b>Driving License:</b> 7303/DL/PKL  <b>Aadhar Card No:</b> 4313 5297 1579  <b>PAN:</b> AHRPJ5583B  <b>Address:</b> 304, Samarthya Heights, 100 Feet Road, Satellite, Ahmedabad – 380015</p> <p>For further details pertaining to other ventures involving Puneet Singh Jaggi, including terms of appointment as Whole Time Director, other directorships, please refer to the chapter titled “Our Management” beginning on page 119 of this Draft Red Hearing Prospectus.</p>

### DECLARATION

A declaration confirming that the Permanent Account Number, Bank Account Number(s) and Passport Number of the promoters have been submitted to the stock exchanges on which the specified securities are proposed to be listed, at the time of filing the Draft Red Herring Prospectus.

## INTEREST OF PROMOTERS

Our Promoters Anmol Singh Jaggi and Puneet Singh Jaggi are interested in our Company to the extent that they have promoted and formed our Company and are interested to the extent of their shareholding and the dividend receivable, if any and other distributions in respect of the Equity Shares held by them. For details regarding shareholding of our promoters in our Company, please refer “*Capital Structure*” beginning on page 57 of this Draft Red Hearing Prospectus.

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Some of our Promoters are also the Director and KMP of our Company and may be deemed to be interested to the extent of remuneration and/ or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of the agreements entered into with our Company, if any and subject to Articles of Association of our Company. For details please refer to the chapter titled “*Our Management*”, “*Financial Statements*” and “*Capital Structure*” beginning on pages 119, 144 and 57 respectively of this Draft Red Herring Prospectus.

Except as mentioned in the chapter titled “*Our Business*” under “Land & Property”, our Promoters do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of three years before filing of this Draft Red Herring Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

For details of related party transactions entered into by our Company during last financial year with our Promoters and Group Companies, the nature of transactions and the cumulative value of transactions, see “*Related Party Transactions*” on page no 142 of this Draft Red Herring Prospectus.

Further, our Promoters has given personal guarantees, respectively, towards financial facilities availed from Bankers of our Company; therefore, are interested to the extent of the said guarantees.

Further, none of our Promoters have given material guarantees to the third party(ies) with respect to the specified securities of the Company.

Except as stated otherwise in the chapter titled “*Related Party Transactions*” on page 142 of this Draft Red Herring Prospectus, no amount or benefits were paid or given during the preceding two years from the date of filing of this DRHP or intended to be paid or given to any of the Promoters or promoter group members.

## OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 is as under:

### 1. Natural Persons who are part of the Promoter Group:

Relationship with Promoter	Anmol Singh Jaggi	Puneet Singh Jaggi
Mother	Jasminder Kaur	Jasminder Kaur
Brother	Puneet Singh Jaggi	Anmol Singh Jaggi
Sister	-	-
Spouse	Mugdha Kaur Jaggi	Shalmali Kaur Jaggi
Son	Mantej Singh Jaggi (Minor) Abir Singh Jaggi (Minor)	-
Daughter	-	Tanisha Kaur Jaggi (Minor)
Spouse’s Father	Dilip Mukund Ranade	Satish Mukund Ranade
Spouse’s Mother	Shubhada Ranade	Suchitra Satish Ranade
Spouse’s Brother	-	-
Spouse’s Sister	Meghana Joshi	Shruti Anand Kawthekar

### 2. Companies, Firms, Entities and HUFs forming part of our Promoter Group:

- 1) Parminder Singh (HUF)
- 2) Gosolar Ventures Private Limited
- 3) Prescinto Technologies Private Limited
- 4) Gensol Ventures Private Limited
- 5) Solarig Gensol Utilities Private Limited
- 6) Gensun Renewable Private Limited
- 7) Gensol Consultants Private Limited

- 8) Gensol Industries Private Limited (*Formerly known as Rheinland Battery Storage Private Limited*)
- 9) Gensol Mobility Private Limited
- 10) Gensol Mobility Tech Private limited
- 11) Gensol Charge Private Limited
- 12) Gensol Fleet Private Limited
- 13) Vigilant Management & legal solutions LLP
- 14) Gensol Renewables Private Limited

#### **RELATIONSHIP OF PROMOTER WITH OUR DIRECTORS**

Except as mentioned below, our Promoter are not related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013:

<b>Name of Promoter</b>	<b>Name of Director</b>	<b>Relationship</b>
Anmol Singh Jaggi	Puneet Singh Jaggi	Brother-Brother
Anmol Singh Jaggi	Jasminder Kaur	Son-Mother
Puneet Singh Jaggi		

#### **DISASSOCIATION BY THE PROMOTER IN THE LAST THREE YEAR**

One of our Promoter Puneet Singh Jaggi has disassociated himself from the following entities during the preceding three years:

<b>Name of Company/Entity</b>	<b>Reason for Disassociation</b>
Roaring Solar Power Private Limited	Strike off
Thunderbird Security Services Private Limited	Sale of investment

#### **LITIGATION INVOLVING OUR PROMOTER**

For details of legal and regulatory proceedings involving our Promoters, please refer "*Outstanding Litigation and Material Developments*" beginning on page 161 of this Draft Red Hearing Prospectus.

#### **CONFIRMATIONS**

Our Company, Promoter(s) and Promoter Group are not debarred from accessing or operating the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters are not promoter or director of any other company which is debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Neither our Company nor Promoter(s) are wilful defaulters.

None of our Promoter(s) is/are Fugitive Economic Offender.

Except as disclosed in "*Related Party Transactions*" on page 142 of this Draft Red Herring Prospectus, our Promoters are not related to any of the sundry debtors or are not beneficiaries of Loans and Advances given by/to our Company.

## OUR GROUP COMPANIES

In accordance with the provisions of the SEBI (ICDR) Regulations, for the purpose of identification of “Group Companies”, our Company has considered companies with which there were related party transactions, during the period for which financial information is disclosed as covered under the applicable accounting standards, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountant of India and other companies as considered material by the board of the issuer. Pursuant to a resolution dated March 12, 2019, our Board vide a policy of materiality has resolved that except as mentioned in the list of related parties prepared in accordance with Accounting Standard 18, no other Company is material in nature. Further, companies which have not been disclosed as related parties in the restated consolidated financial statements of our company for the last three financial years or which are no longer associated with our Company have not be disclosed as Group Companies.

For the avoidance of doubt and pursuant to Regulation 2(1)(t) of SEBI ICDR Regulations, it is clarified that our subsidiary(ies) and joint venture will not be considered as Group Company.

**Based on the above, the following are our Group Company:**

1. Gensol Consultants Private Limited
2. Prescinto Technologies Private Limited
3. Gosolar Ventures Private Limited
4. Gensol Ventures Private Limited
5. Gensol Industries Private Limited (*Formerly known as Rheinland Battery Storage Private Limited*)
6. Gensol Mobility Private Limited
7. Gensol Renewables Private Limited

### CONFIRMATIONS

Unless otherwise specifically stated in this section, none of the Group Companies (i) are listed on any stock exchange in India or abroad; (ii) have completed any public or rights issue in the preceding three years; (iii) have become a sick company within the meaning of the erstwhile SICA; (iv) are under winding-up; (v) have become defunct; (vi) have made an application to the relevant registrar of companies in India in whose jurisdiction such Group Company is registered in the five years preceding the date of filing this Draft Red Herring Prospectus with SEBI, for striking off its name; (vii) have received any significant notes from the auditors; or (viii) have any pending litigation which has material impact on our Company.

### OUR GROUP COMPANY

The details of our Group Company are provided below:

#### 1. Gensol Consultants Private Limited

##### *Corporate Information*

Gensol Consultants Private Limited (“GCPL”) is a Private Limited Company incorporated on March 20, 2007 under the provisions of Companies Act, 1956 and has its registered office situated at Plot No. 90 B, Sector 18 – Gurgaon, Haryana 122008, India. The Corporate Identification Number of GCPL is U74140HR2007PTC036685. The current paid up capital of GCPL is Rs. 56.45 lakhs.

##### *Board of Directors as on the date of this Draft Red Herring Prospectus*

1. Anmol Singh Jaggi
2. Puneet Singh Jaggi

##### *Main objects of the Company*

1. To carry on business of consultancy and advisory in the field of GHG emission, environment, pollution control, climate change and energy conservation in India and also under Kyoto protocol including to provide all support, services and mechanism relating to credit emission trade to its customers through joint implantation, clean development mechanism (CDM) & international emission trade.
2. To carry on the business of project consultants for implementation of project related to GHG emission environment, pollution control, climate change and energy conservation in India & abroad.

**Financial Performance**
*(Rs. in Lakhs except NAV and Earnings per share)*

Particulars	2017-18	2016-17	2015-16
Paid Up Equity Capital	56.45	56.45	56.45
Reserves and Surplus (excluding revaluation reserve if any)	(54.29)	(158.54)	(338.19)
Sales and Other Income	671.70	674.99	686.28
Profit After Tax	104.25	179.65	88.20
Earnings per share (basic & diluted) (In Rs.)	18.00	31.83	15.63
Net Asset Value (In Rs.)	0.38	(18.09)	(49.91)

**Nature and Extent of Interest of Promoters**

Our Promoters holds 1,85,000 Equity Shares in GCPL which tends to 32.77% of equity holdings of the company. Below are details of the Share holdings held by our promoter as on the date of Draft Red Herring Prospectus.

Name of Promoters	No. of Shares	% of Holdings
Anmol Singh Jaggi	1,75,000	31.00%
Puneet Singh Jaggi	10,000	1.77%

**Significant Notes of Auditor**

There are no significant notes of the auditors in relation to the aforementioned financial statements.

**2. Prescinto Technologies Private Limited**
**Corporate Information**

Prescinto Technologies Private Limited (“PTPL”) is a Private Limited Company incorporated on December 05, 2016 under the provisions of Companies Act, 2013 and has its registered office situated at A/2 12th Floor, Palladium Corporate Road, Prahladnagar, Ahmedabad, Gujarat - 380015, India. The Corporate Identification Number of PTPL is U72501GJ2016PTC094565. The current paid up capital of PTPL is Rs. 15.00 lakhs.

**Board of Directors as on the date of this Draft Red Herring Prospectus**

1. Anmol Singh Jaggi
2. Puneet Singh Jaggi

**Main object of the Company**

1. To carry on the businesses of designing, developing, customising, implementing, maintaining, testing, benchmarking, analysing and dealing in software and data analytics (whether under licence or otherwise), and providing and/or assisting with remote monitoring solutions, design monitoring systems or solutions whether in India or abroad, take up information technology related assignments, offer services on-site/ offsite or through development centres using owned /hired or third party infrastructure and equipment, providing solutions/ packages/ services through applications services provider mode via internet or otherwise, to undertake IT enabled services and to buy, sell or otherwise deal in such hardware and software packages and offering equipment, solutions and services for networking and network management, data centre management and to provide consultancy services in all above mentioned areas in India or abroad.
2. To carry on the businesses of development, manufacturing, running, operating, managing, advising on and supplying data processing and information retrieval systems (whether remotely located or not) and systems utilising the capture, storage, processing, transmission or receipt of messages and signals (including but not limited to data, sounds and visual images) by, with the aid of, in conjunction with, or in any way utilising, computers, or similar equipment, and computer programs and databases and to carry on the businesses of operating, managing, advising on, supplying and dealing in services and facilities of all kinds which incorporate, use or are used in conjunction with, in connection with or ancillary to, systems of such descriptions as aforesaid or any of the apparatus and equipment comprised therein and to establish, maintain, conduct, provide, procure or make available services of every kind including technical, commercial, statistical, engineering, management, data processing, business advisory and other services and to provide software, hardware or programmes consultancy, information processing and business advisory services related to the preparation and maintenance of data, information, reports, data processing of every kind and description for aiding commerce, industry, scientific research and for all other related businesses whether in India or abroad.



### Financial Performance

(Rs. in Lakhs except NAV and Earnings per share)

Particulars	2017-18	2016-17
Paid Up Equity Capital	15.00	15.00
Reserves and Surplus (excluding revaluation reserve if any)	(148.20)	(20.05)
Sales and Other Income	32.41	-
Profit After Tax	(128.15)	(20.05)
Earnings per share (basic & diluted) (In Rs.)	(85.00)	(13.00)
Net Asset Value (In Rs.)	(88.80)	(3.37)

\*Since, the Company is incorporated in December, 2016, financial statements are available for last 2 years only.

#### Nature and Extent of Interest of Promoters

Our Promoter Puneet Singh Jaggi holds 1,32,000 Equity Shares in PTPL which tends to 88% of equity holdings of the company. **Significant Notes of Auditor**

There are no significant notes of the auditors in relation to the aforementioned financial statements.

### 3. Gosolar Ventures Private Limited

#### Corporate Information

Gosolar Ventures Private Limited (“Gosolar”) is a Private Limited Company incorporated on April 06, 2015 under the provisions of Companies Act, 2013 and has its registered office situated at A/2 12th Floor, Palladium Corporate Road, Prahladnagar, Ahmedabad, Gujarat-380015, India. The Corporate Identification Number of Gosolar is U74120GJ2015PTC082813. The current paid up capital of Gosolar is Rs. 2.25 lakhs consisting of Rs. 1.89 lakhs equity share capital and Rs. 0.36 lakhs preference share capital.

#### Board of Directors as on the date of this Draft Red Herring Prospectus

1. Anmol Singh Jaggi
2. Puneet Singh Jaggi

#### Main object of the Company

To design, plan, assemble, supply, erect, commission, test, maintain, trouble shooting, repair, service of electrical and/or electronics goods including solar, items, instruments, parts, electrical control, switchgear panels, switches, cables, plugs, powers projects in industrial, commercial, residential, establishments etc., in part individual and/or composite key basis

### Financial Performance

(Rs. in Lakhs except NAV and Earnings per share)

Particulars	2017-18	2016-17	2015-16
Paid Up Equity Capital	2.25	2.25	2.15
Reserves and Surplus (excluding revaluation reserve if any)	(235.42)	(103.20)	4.06
Sales and Other Income	22.07	13.87	13.28
Profit After Tax	(132.22)	(127.15)	(95.37)
Earnings per share (basic & diluted) (In Rs.)	(698.00)	(565.44)	(444..60)
Net Asset Value (In Rs.)	(1,036.92)	(448.95)	28.91

#### Nature and Extent of Interest of Promoters

Our Promoters hold 1,35,520 Equity Shares in Gosolar which tends to 71.52% of equity holdings of the company. Below are details of the Share holdings held by our promoters as on the date of Draft Red Herring Prospectus:

Name of Promoters	No. of Shares	% of Holdings
Anmol Singh Jaggi	67,760	35.76%
Puneet Singh Jaggi	67,760	35.76%

#### Significant Notes of Auditor

There are no significant notes of the auditors in relation to the aforementioned financial statements.

#### 4. Gensol Ventures Private Limited

##### *Corporate Information*

Gensol Ventures Private Limited (“GVPL”) is a Private Limited Company incorporated on March 28, 2017 under the provisions of Companies Act, 2013 and has its registered office situated at A/2 12th Floor, Palladium Building, Opp. Vodafone House, Corporate Road, Prahladnagar, Ahmedabad, Gujarat - 380015, India. The Corporate Identification Number of GVPL is U74999GJ2017PTC096539. The current paid up capital of GVPL is Rs. 1.00 lakh.

##### *Board of Directors as on the date of this Draft Red Herring Prospectus*

1. Anmol Singh Jaggi
2. Puneet Singh Jaggi

##### *Main object of the Company*

To carry on the businesses of Solar power projects including Engineering, procurement, Commissioning whether in India or abroad, to provide consultancy services in all above mentioned areas in India or abroad.

##### *Financial Performance*

(Rs. in Lakhs except NAV and Earnings per share)

Particulars	2017-18
Paid Up Equity Capital	1.00
Reserves and Surplus (excluding revaluation reserve if any)	0.04
Sales and Other Income	0.10
Profit After Tax	0.01
Earnings per share (basic & diluted) (In Rs.)	0.07
Net Asset Value (In Rs.)	10.44

\*Since, the Company is incorporated in March, 2017, financial statements are available for last 1 year only.

##### *Nature and Extent of Interest of Promoters*

Our Promoters holds 2,042 Equity Shares in GVPL which tends to 20.42% of equity holdings of the company. Below are the details of the Share holdings held by our promoters as on the date of Draft Red Herring Prospectus

Name of Promoters	No. of Shares	% of Holdings
Anmol Singh Jaggi	213	2.13%
Puneet Singh Jaggi	1,829	18.29%

##### *Significant Notes of Auditor*

There are no significant notes of the auditors in relation to the aforementioned financial statements.

#### 5. Gensol Industries Private Limited (Formerly known as Rheinland Battery Storage Private Limited)

##### *Corporate Information*

Gensol Industries Private Limited (“GIPL”) is a Private Limited Company incorporated on July 10, 2017 under the provisions of Companies Act, 2013 and has its registered office situated at A/2 12th Floor, Palladium Building, Corporate Road, Prahladnagar, Ahmedabad, Gujarat - 380015, India.. The company changed its name from ‘Rheinland Battery Storage Private Limited’ to ‘Gensol Industries Private Limited’ pursuant to special resolution passed in the Extra-ordinary general meeting dated July 10, 2018. The Corporate Identification Number of GIPL is U74110GJ2017PTC098221. The current paid up capital of GIPL is Rs. 1.00 lakh.

##### *Board of Directors as on the date of this Draft Red Herring Prospectus*

1. Anmol Singh Jaggi
2. Puneet Singh Jaggi

##### *Main object of the Company*

To design, develop, assemble, manufacture, export, trade, sale, pre-commissioning, checks at site, installation testing, commissioning & handing of all types of low voltage equipment, such as distribution box, MCC, PCC,

relay, control panel, metering box/panel, power factor improvement equipment and High voltage switchgear panels, equipment for both indoor and outdoor application and EPC Contract thereof.

### **Financial Performance**

(Rs. in Lakhs except NAV and Earnings per share)

<b>Particulars</b>	<b>2017-18</b>
Paid Up Equity Capital	1.00
Reserves and Surplus (excluding revaluation reserve if any)	0.16
Sales	36.00
Profit After Tax	0.16
Earnings per share (basic & diluted) (In Rs.)	2.00
Net Asset Value (In Rs.)	11.62

\*Since, the Company is incorporated in July, 2017, financial statements are available for last 1 year only.

### **Nature and Extent of Interest of Promoters**

Our Promoter Puneet Singh Jaggi holds 100 Equity Shares in GIPL which tends to 1% of equity holdings of the Company.

### **Significant Notes of Auditor**

There are no significant notes of the auditors in relation to the aforementioned financial statements.

## **6. Gensol Mobility Private Limited**

### **Corporate Information**

Gensol Mobility Private Limited (“GMPL”) is a Private Limited Company incorporated on October 24, 2018 under the provisions of Companies Act, 2013 and has its registered office situated at 1207 to 1212, A/2, Palladium, Near Orchid Wood, Opp Divy Bhaskar Corporate Road, Makarba, Ahmedabad, Gujarat - 380015, India. The Corporate Identification Number of GMPL is U74999GJ2018PTC104895. The current paid up capital of GMPL is Rs. 110.88 lakh.

### **Board of Directors as on the date of this Red Herring Prospectus**

1. Anmol Singh Jaggi
2. Puneet Singh Kaur

## **7. Gensol Renewables Private Limited**

### **Corporate Information**

Gensol Renewables Private Limited (“GRWPL”) is a Private Limited Company incorporated on March 6, 2018 under the provisions of Companies Act, 2013 and has its registered office situated at A/2, 12<sup>th</sup> Floor, Palladium Corporate Road, Prahladnagar, Ahmedabad, Gujarat - 380015, India. The Corporate Identification Number of GRWPL is U74999GJ2018PTC101075. The current paid up capital of GRWPL is Rs. 1.00 lakh.

### **Board of Directors as on the date of this Red Herring Prospectus**

1. Anmol Singh Jaggi
2. Puneet Singh Jaggi

## **LITIGATIONS INVOLVING OUR GROUP COMPANIES**

For details of litigation involving our group companies which have a material impact on our Company, kindly refer to the chapter, titled, “Outstanding Litigation” on page 161 of this DRHP.

## **NEGATIVE NET WORTH**

Our Group Companies Gensol Consultants Private Limited, Prescinto Technologies Private Limited and Gosolar Ventures Private Limited have negative net-worth during the financial years ended March 31, 2018, 2017 and 2016

## **LOSS MAKING GROUP COMPANIES**



Our Group Companies Prescinto Technologies Private Limited and Gosolar Ventures Private Limited have incurred losses during the financial years ended March 31, 2018, 2017 and 2016.

#### **DEFUNCT / STRUCK-OFF COMPANY**

None of our Group Companies have remained defunct and no application has been made to the Registrar of Companies for striking off the name of any of our Group Companies during the five years preceding the date of filing the Draft Red Herring Prospectus with Stock exchange. Further, our Group Companies is not falling under the definition of sick companies within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 or is under winding up/insolvency proceedings.

#### **NATURE AND EXTENT OF INTEREST OF OUR GROUP COMPANIES**

##### **Interest in the promotion of our Company**

None of our Group Companies have any interest in promotion of our Company. However, our group Company, Gensol Ventures Private Limited is interested to the extent of equity shares held by it in our Company. For details refer to the chapter titled, "Capital Structure" beginning on page 57 of this DRHP.

##### **Interest in the properties acquired or proposed to be acquired by our Company in the past three years or proposed to be acquired**

Except as mentioned in the chapter titled "Our Business" under the heading Land & Property beginning on page 97 of this Draft Red Herring Prospectus, none of our Group Companies have any interest in the properties acquired or proposed to be acquired by our Company in the three years preceding the filing of Draft Red Herring Prospectus.

##### **Interest in transactions involving acquisition of land, construction of building and supply of machinery.**

None of our Group Company is interested in any transactions involving acquisition of land, construction of building or supply of machinery.

#### **COMMON PURSUITS**

Our Group Company, Gensol Consultant Private Limited deals in similar business activities as that of our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and in circumstances where our respective interests diverge. However, our Company has entered into separate non-compete agreement, with our group company Gensol Consultant Private Limited in order to avoid the conflict of interest envisaged above. Further M/s. Gensol Renewables Private Limited is allowed to carry on activities as per its MOA, which are similar to the activities carried by our Group. However, there have been no operations in the said Group Company till date. In addition, some of our Directors are also directors on the boards of some of our group companies. These overlapping directorships could create conflicts of interest between us and the Promoter.

##### **Related Business transactions between our Company & Group Companies and significance on the financial performance of our Company**

Except as disclosed in "Related Party Transactions" on page 142 of this Draft Red Herring Prospectus, there are no related business transactions of our Company with its Group Companies and significance of the same on the financial performance of our Company.

##### **Business interests of Group Companies/ Subsidiaries/ Associate Companies in our Company**

Other than as disclosed in "Related Party Transactions" on page 142 of this Draft Red Herring Prospectus, none of the group companies/ subsidiaries/ associate companies have any interests in the business of our Company or interest of any other nature as on the date of this Draft Red Herring Prospectus.

#### **PAYMENT OR BENEFIT TO OUR GROUP COMPANY**

Except as stated in chapter titled "*Related Party Transactions*" beginning on page 142 of this Draft Red Herring Prospectus, no amounts or benefits were paid or intended to be paid to our Group Company during last three years from date of filing this DRHP.

##### ***Other Disclosures***

Our Group Company is not listed on the stock exchange and have not made any public/rights issue in the last three years. Further no action has been taken against the Group Company by any stock exchange or SEBI.

Further our Group Company has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

Our Group Company has not been identified as willful defaulter as defined under the SEBI ICDR Regulations.



## **RELATED PARTY TRANSACTIONS**

For details on Related Party Transactions of our Company, please refer to *Annexure XXXVII* of Restated Financial Statements under the section titled, “*Financial Statements as restated*” beginning on page 144 of this Draft Red Herring Prospectus.



## **DIVIDEND POLICY**

Under the Companies Act, 2013, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. Under the Companies Act, 2013 dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not paid any dividend for the last three financial years.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the "record date" are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.



**SECTION VI – FINANCIAL STATEMENTS**

**FINANCIAL STATEMENTS AS RESTATED**

<b>Particulars</b>	<b>Page No.</b>
Restated Financial Statements	F1 – F50

## INDEPENDENT AUDITOR'S REPORT

To the Members of **GENSOL ENGINEERING LIMITED**

### **Report on the Audit of the Consolidated Financial Statements**

#### **Opinion**

We have audited the accompanying consolidated financial statements of **GENSOL ENGINEERING LIMITED** (hereinafter referred to as the 'Holding Company') and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), its jointly controlled entity, which comprise the consolidated Balance Sheet as at March 31, 2019, and the consolidated statement of Profit and Loss and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2019, of consolidated profit and its consolidated cash flows for the year then ended.

#### **Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in *the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its jointly controlled entity to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Other Matters**

- (a) We did not audit the financial statements of a subsidiary of Gensol Engineering Limited, whose financial statements reflect total assets of Rs. 737.49 Lacs as at March 31, 2019, total revenues of Rs. Nil Lacs, and net cash inflows amounting to Rs. 0.03 Lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.
- (b) We did not audit the financial statements of a joint venture of Gensol Engineering Limited, whose financial statements reflect total assets of Rs. 505.97 Lacs as at March 31, 2019, total revenues of Rs. 1049.61 Lacs, and net cash outflows amounting to Rs. 34.81 Lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this jointly controlled entity, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid jointly controlled entity is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

#### **Report on Other Legal and Regulatory Requirements**

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and jointly controlled company incorporated in India, none of the directors of the Group companies and jointly controlled company incorporated in India is disqualified as on 31<sup>st</sup> March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. There were no pending litigations which would impact the consolidated financial position of the Group, its associates and jointly controlled entities.
  - ii. The Group and its jointly controlled company did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company and jointly controlled company incorporated in India.

**For, K C Parikh & Associates**  
(Chartered Accountants)  
(Firm's Regn. No. 107550W)

Date : 06/05/2019  
Place : Ahmedabad

**CA. Chintan M. Doshi**  
Partner  
M.No. : 118298



## **ANNEXURE – A TO INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report the members of Gensol Engineering Limited of even date)

### **Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of Gensol Engineering Limited as of and for the period ended March 31, 2019, we have also audited the internal financial controls over financial reporting of Gensol Engineering Limited ('the Holding Company'), its subsidiary company and its jointly controlled entity which are companies incorporated in India as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The Respective Board of Directors of the Holding Company and its subsidiary company and its jointly controlled entity, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the these companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company and its subsidiary and its jointly controlled entity's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, Holding Company, subsidiary company and its jointly controlled entity, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by these Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

**For, K C Parikh & Associates**  
(Chartered Accountants)  
(Firm's Regn. No. 107550W)

Date : 06/05/2019  
Place : Ahmedabad

Sd/-  
**CA. Chintan M. Doshi**  
Partner  
M.No. : 118298

**GENSOL ENGINEERING LIMITED**  
**CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS RESTATED**

(All Amount in INR, unless otherwise stated)

Sr. No.	Particulars	Ref	As At 31st March, 2019	As At 31st March, 2018	As At 31st March, 2017
	<b>EQUITY AND LIABILITIES</b>				
1)	<b>Shareholders Funds</b>				
	a. Share Capital	3	604.27	1.23	1.23
	b. Reserves & Surplus	4	700.00	653.36	119.70
			<b>1,304.27</b>	<b>654.59</b>	<b>120.93</b>
	Minority Interest		(0.03)	0.51	-
2)	<b>Non Current Liabilities</b>				
	a. Long Term Borrowings	5	679.77	74.50	15.96
	b. Deferred Tax Liabilities		-	-	-
	c. Long Term Provisions	6	42.21	27.86	20.96
			<b>721.98</b>	<b>102.36</b>	<b>36.92</b>
3)	<b>Current Liabilities</b>				
	a. Short Term Borrowings	7	4.55	19.59	15.48
	b. Trade Payables	8	919.10	952.26	230.17
	c. Other Current Liabilities	9	1,138.26	810.31	558.04
	d. Short Term Provisions	10	200.53	104.09	35.26
			<b>2,262.44</b>	<b>1,886.25</b>	<b>838.95</b>
	<b>TOTAL (1+2+3)</b>		<b>4,288.66</b>	<b>2,643.71</b>	<b>996.80</b>
	<b>ASSETS</b>				
4)	<b>Non Current Assets</b>				
	a. Fixed Assets				
	i. Tangible Assets		898.73	104.79	29.25
	Less: Accumulated Depreciation		(68.57)	(26.45)	(14.97)
	ii. Intangible Assets		11.59	9.74	-
	<b>Net Block</b>	11	841.75	88.08	14.28
	b. Deferred Tax Assets (Net)	12	47.97	38.35	46.59
	c. Long Term Loans & Advances	13	-	22.65	0.12
	d. Other non-current assets	14	162.93	34.53	9.60
			<b>1,052.65</b>	<b>183.61</b>	<b>70.59</b>
5)	<b>Current Assets</b>				
	a. Trade Receivables	15	2,255.52	1,638.97	641.99
	b. Cash and Cash Equivalents	16	255.68	191.76	70.99
	c. Short Term Loans & Advances	17	97.94	218.35	212.06
	d. Other Current Assets	18	626.87	411.02	1.17
			<b>3,236.01</b>	<b>2,460.10</b>	<b>926.21</b>
	<b>TOTAL (4+5)</b>		<b>4,288.66</b>	<b>2,643.71</b>	<b>996.80</b>

Note: The above statement should be read with the restated consolidated statement of profit and loss, cash flow statement, significant accounting policies and notes to restated consolidated summary statements as appearing in Annexures II, III, IV and from XXX to XXXVIII respectively.

**In terms of our report attached**

For K C Parikh & Associates  
Chartered Accountants  
Firm Regn. No. 107550W

**For and on behalf of the Board of Directors**

GENSOL ENGINEERING LIMITED  
U74210CH2012PLC034105

**(CA. Chintan M Doshi)**

Partner  
Membership No. 118298  
Place : Ahmedabad  
Date : 6 May, 2019

**PUNEET SINGH JAGGI**  
**(Director)**  
**(DIN-02479868)**

**RAJESH PARMAR**  
**(Company Secretary)**

**ANMOL SINGH JAGGI**  
**(Director)**  
**(DIN-01293305)**

**JABIR MAHENDI**  
**(Chief Financial Officer)**

**GENSOL ENGINEERING LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS AS RESTATED**

(All Amount in INR, unless otherwise stated)

**ANNEXURE - II**

(Amt. in Lacs)

Sr. No.	Particulars	REF	For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>A</b>	<b>INCOME</b>				
	Revenue from Operations	19	8,338.53	6,902.22	6,217.08
	Other Income	20	46.90	62.20	14.69
	<b>Total Income (A)</b>		<b>8,385.43</b>	<b>6,964.42</b>	<b>6,231.77</b>
<b>B</b>	<b>EXPENDITURE</b>				
	Cost of materials consumed	21	-	-	-
	Purchase of stock-in-trade	21	3,458.41	3,226.88	4,179.19
	Changes in inventories of finished goods, traded goods and work-in-progress	21	-	-	-
	Employee benefit expenses	22	1,532.03	1,085.22	604.01
	Finance costs	23	77.21	27.75	4.32
	Depreciation and amortisation expense	24	44.42	11.64	11.78
	Other Expenses	25	2,389.70	1,867.47	1,266.11
	<b>Total Expenses (B)</b>		<b>7,501.77</b>	<b>6,218.96</b>	<b>6,065.41</b>
<b>C</b>	<b>Profit before tax ( A-B)</b>		<b>883.66</b>	<b>745.46</b>	<b>166.36</b>
	Prior period items (Net)				
	<b>Profit before exceptional, extraordinary items and tax (A-B)</b>		<b>883.66</b>	<b>745.46</b>	<b>166.36</b>
	Exceptional items			-	-
	<b>Profit before extraordinary items and tax</b>		<b>883.66</b>	<b>745.46</b>	<b>166.36</b>
	Extraordinary items				
<b>D</b>	<b>Profit before tax</b>		<b>883.66</b>	<b>745.46</b>	<b>166.36</b>
	Tax expense :	26			
	(i) Current tax		244.14	203.42	52.16
	(ii) Short Provision of tax		-	-	-
	(ii) Deferred tax		(9.62)	8.24	(4.58)
	(iii) MAT credit		-	0.12	(0.12)
<b>E</b>	<b>Total Tax Expense</b>		<b>234.52</b>	<b>211.78</b>	<b>47.46</b>
<b>F</b>	<b>Profit for the year before Minority Interest (D-E)</b>		<b>649.14</b>	<b>533.68</b>	<b>118.90</b>
<b>G</b>	Minority Interest		(0.54)	0.02	-
<b>H</b>	<b>Profit for the year after Minority Interest (F - G)</b>		<b>649.68</b>	<b>533.66</b>	<b>118.90</b>
	<b>ACTUAL</b>				
	<b>Earning per equity share(face value of Rs. 10/- each): Basic and Diluted</b>	27	<b>10.75</b>	<b>8.83</b>	<b>1.97</b>
	<b>Adjusted Earning per equity share(face value of Rs. 10/- each): Basic and Diluted</b>		<b>10.75</b>	<b>8.83</b>	<b>1.97</b>

Note: The above statement should be read with the restated consolidated statement of assets and liabilities, cash flow statement, significant accounting policies and notes to restated consolidated summary statements as appearing in Annexures I, III, IV and from XXX to XXXVIII respectively.

**In terms of our report attached**

For K C Parikh & Associates  
Chartered Accountants  
Firm Regn. No. 107550W

**For and on behalf of the Board of Directors**

GENSOL ENGINEERING LIMITED  
U74210CH2012PLC034105

(CA. Chintan M Doshi)

Partner

Membership No. 118298

Place : Ahmedabad

Date : 6 May, 2019

PUNEET SINGH JAGGI

(Director)

(DIN-02479868)

ANMOL SINGH JAGGI

(Director)

(DIN-01293305)

RAJESH PARMAR

(Company Secretary)

JABIR MAHENDI

(Chief Financial Officer)

**GENSOL ENGINEERING LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOW AS RESTATED**  
(All Amount in INR, unless otherwise stated)

**ANNEXURE - III**  
(Amt. in Lacs)

<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>	<b>As At 31st March, 2017</b>
<b><u>Cash flow from operating activities:</u></b>			
Net Profit before tax as per Profit And Loss A/c	883.66	745.46	166.36
Adjusted for:			
Depreciation & Amortisation	44.42	11.64	11.78
Interest & Finance Cost	77.21	27.75	4.32
Interest income	(6.16)	(6.25)	(1.76)
<b>Operating Profit Before Working Capital Changes</b>	<b>999.13</b>	<b>778.60</b>	<b>180.70</b>
Adjusted for (Increase)/ Decrease:			
Trade Receivables	(616.55)	(996.98)	(292.79)
Other Current assets	(344.25)	(434.78)	60.06
Loans and advances and other assets	143.06	(28.94)	(186.26)
Trade payables	(33.16)	722.09	98.04
Other Current Liabilities & Provisions	274.16	265.32	198.81
<b>Cash Generated From Operations</b>	<b>422.39</b>	<b>305.31</b>	<b>58.56</b>
Direct Tax Paid	(79.56)	(140.74)	(52.38)
<b>Net Cash Flow from/(used in) Operating Activities: (A)</b>	<b>342.83</b>	<b>164.57</b>	<b>6.18</b>
<b><u>Cash Flow From Investing Activities:</u></b>			
Purchase of Fixed Assets	(798.09)	(85.44)	(9.15)
Bank Deposit Matured	(46.71)	(7.47)	(47.62)
Interest Income	6.16	6.25	1.76
<b>Net Cash Flow from/(used in) Investing Activities: (B)</b>	<b>(838.64)</b>	<b>(86.66)</b>	<b>(55.01)</b>
<b><u>Cash Flow from Financing Activities:</u></b>			
(Payment)/ Proceeds From Share Capital/Minority Interest Holders	-	0.49	-
Proceeds from long term borrowings	605.27	58.54	15.91
(Repayments)/ Proceeds from short term borrowings (Net)	(15.04)	4.11	15.48
Interest & Financial Charges	(77.21)	(27.75)	(4.32)
<b>Activities (C)</b>	<b>513.02</b>	<b>35.39</b>	<b>27.07</b>
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	17.21	113.30	(21.76)
Cash & Cash Equivalents As At Beginning of the Year	129.61	16.31	38.07
Cash & Cash Equivalents As At End of the Year	<b>146.82</b>	<b>129.61</b>	<b>16.31</b>

**Notes :**

**1 Cash and bank balances at the end of the year comprises:**

Particulars	As At 31st March, 2019	As At 31st March, 2018	As At 31st March, 2017
<b>(A) Cash &amp; Cash Equivalents</b>			
Cash on hand	11.74	6.98	8.17
Balances with banks			
(i) In current accounts	135.08	122.63	8.14
<b>Total Cash &amp; Cash Equivalents</b>	<b>146.82</b>	<b>129.61</b>	<b>16.31</b>
<b>(B) Other Bank Balances</b>			
(i) In deposit accounts	108.86	62.15	54.68
<b>Total Other Bank Balances</b>	<b>108.86</b>	<b>62.15</b>	<b>54.68</b>
<b>T O T A L</b>	<b>255.68</b>	<b>191.76</b>	<b>70.99</b>

- 2 The cash flow statement has been prepared under the “Indirect Method” as set out in the Accounting Standard - 3 on Cash Flow Statements specified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.
- 3 The above statement should be read with the notes to restated consolidated summary Summary Statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure and with the notes on adjustments for the Restated consolidated Statement of the Assets and Liabilities, the Restated Statement of Profit and Loss and the Restated of Cash Flows.
- 4 The above statement should be read with the restated consolidated statement of assets and liabilities, statement of profit and loss, significant accounting policies and notes to restated consolidated summary statements as appearing in Annexures I, III, IV and from XXX to XXXVIII respectively.
- 5 Figures in Brackets represents Outflow.

**In terms of our report attached**

For K C Parikh & Associates  
Chartered Accountants  
Firm Regn. No. 107550W

**For and on behalf of the Board of Directors**  
GENSOL ENGINEERING LIMITED  
U74210CH2012PLC034105

**PUNEET SINGH JAGGI**  
**(Director)**  
**(DIN-02479868)**

**ANMOL SINGH JAGGI**  
**(Director)**  
**(DIN-01293305)**

**(CA. Chintan M Doshi)**

Partner  
Membership No. 118298  
Place : Ahmedabad  
Date : 6 May, 2019

**RAJESH PARMAR**  
**(Company Secretary)**

**JABIR MAHENDI**  
**(Chief Financial Officer)**



**GENSOL ENGINEERING LIMITED**

**RESTATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:**

**ANNEXURE - IV (A)**

**A. SIGNIFICANT ACCOUNTING POLICIES:**

**1 Corporate information**

Gensol Engineering Limited (“the company”) was originally incorporated in name of Gensol Engineering Private Limited in 2012 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Punjab & Chandigarh. Subsequently, the Company was converted into a Public Limited Company and the name of the Company was changed from “Gensol Engineering Private Limited” to “Gensol Engineering Limited” vide a fresh Certificate of Incorporation dated February 26, 2019 issued by the Registrar of Companies, Chandigarh. The company is engaged in the business of Solar Consulting & EPC. Gensol Engineering Private Limited was incorporated on 25th September, 2012.

**2 Summary of significant accounting policies**

**a. Basis of Preparation of Summary Statements & Use of Estimates**

The Restated Consolidated summary Statement of Assets and Liabilities of the Company as at 31 March 2019, 31 March 2018 and 31 March 2017, the Restated Consolidated Statement of Profit and Loss, the Restated Consolidated Statement of Cash flows for the years then ended and Notes to Restated Summary Statements (herein collectively referred to as ‘Restated Summary Statements’) have been compiled by the management from the audited Summary Statements of the Company for the years ended on 31 March 2019, 31 March 2018 and 31 March 2017, approved by the Board of Directors of the Company. Restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014,. The Company’s management has recast the Summary Statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of Restated Summary Statements.

The Consolidated Summary Statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these Consolidated Summary Statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies

The Consolidated Summary Statements have been prepared on an accrual basis under the historical cost convention. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

The preparation of the Summary Statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Summary Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the years in which the results are known / materialize.

**b. Principles of Consolidation:**

The consolidated Summary Statements include the Summary Statements of GENSOL ENGINEERING LIMITED (‘the Company’), its subsidiaries and joint ventures as described in Note No. 29 (collectively referred to as ‘the Group’). The consolidated Summary Statements have been prepared on the basis of Accounting Standard 21, ‘Consolidated Summary Statements’, and Accounting Standard (AS) 27 ‘Financial reporting of Interests in Joint Ventures’ issued by the Institute of Chartered Accountants of India. The consolidated Summary Statements have been prepared on the following basis:

## RESTATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:

(i) The Summary Statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard-21 - "Consolidated Summary Statements" issued by the Institute of Chartered Accountants of India.

(ii) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the Summary Statements as Goodwill or Capital Reserve as the case may be.

(iii) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

(iv) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the company's shareholders.

(v) As far as possible, the Consolidated Summary Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate Summary Statements, except where it is not practicable to do so.

(vi) Intragroup balances and intragroup transactions are eliminated to the extent of share of the parent company in full.

(vii) Unrealised profits on account of intra group transactions have been accounted for depending upon whether the transaction is an upstream or a downstream transaction.

(viii) Interests in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 – "Financial Reporting of Interests in Joint Ventures".

### **b. Current & Non- Current Classification**

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle as 12 months and other criteria set out in Revised Schedule III to the Companies Act, 2013. Based on the nature of activities and time between the activities performed and their subsequent realisation in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

### **c. Cash and Cash Equivalents (For Purposes of Cash Flow Statement)**

Cash comprises cash on hand and demand deposit with banks. Cash equivalents are short-term balances (with an original Maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### **d. Cash Flow Statement**

The Cash Flow Statement has been prepared in accordance with the indirect method prescribed under Accounting Standard - 3 of the Companies (Accounting Standards) Rules, 2006 (as amended). whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### **e. Fixed Assets**

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and impairment losses, if any. The cost comprises of the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

### **f. Capital Work in Progress:**

Capital work in progress includes the cost of fixed assets that are not ready to use at the balance sheet date and advances paid to acquire fixed assets before the balance sheet date.

**g. Investment**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

Long-term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

Current investments are carried at the lower of cost and fair value, computed category wise.

**h. Depreciation**

i) Depreciation on fixed assets is calculated on written down value method (WDV) using the rates arrived at based on the Useful Life as specified in Schedule II of the Companies Act, 2013.

Type of Assets	Useful Life (In Years)
Mobile	5.00
Furniture and Fixtures	10.00
Computer	3.00
Compter Software	5.00
Vehicles	8.00
Office Equipement	5.00
Site & Electronic Equipement	5 & 25 Years

Intangible assets are amortised over their estimated useful life as follows:

Computer Software	5.00
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The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

ii) Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition/ disposal.

**i. Leases**

Assets acquired under lease where the Company has substantially all the risks and rewards incidental to ownership are classified as finance lease. Such assets are capitalised at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

Assets acquired on leases where a significant portion of the risks and rewards incidental to ownership is retained by the lessor are classified as Operating Lease. Lease rentals are charged to the Statement of Profitand Loss on straight line basis. The Company's significant leasing arrangements are in respect of operating leases for premises. The leasing arrangements which are not cancellable range between 11 months and five years generally, and are usually renewable by mutual consent on agreed terms. The aggregate lease rentals payable are charged as rent including lease rentals.

**j. Revenue recognition**

i) Revenue (income) is recognized when no significant uncertainty as to the measurability or collectability exists. Revenues from services are recognised immediately when the service is provided. Sale of Goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

ii) Interest income is accounted for on an accrual basis.

iii) Dividend income is accounted for when the right to receive income is established.

**k. Borrowing costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period they occur.

**l. Impairment of Assets**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Expenses in the period in which an asset is identified as impaired. The impairment loss, if any, recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

**m. Foreign exchange transactions**

i) Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the time of the transaction.

ii) Monetary items denominated in foreign currencies at the balance sheet date are restated at the rates prevailing on that date. All exchange differences arising on settlement and conversion of foreign currency transaction are included in the Statement of Profit and Loss.

iii) Non monetary foreign currency items are carried at cost.

**n. Employee Benefits**

**(i) Short Term Employee Benefits**

Short term employee benefits are recognised as an expense on accrual basis. Short term Project related employee benefits are recognized as an expenses at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

**(ii) Post Employee Benefits**

a) Defined Benefit Plan:

Gratuity being a defined benefit scheme is accrued based on actuarial valuations, carried out by an independent actuary as at the balance sheet date using the projected unit credit method.

Actuarial gain and losses in respect of post employment and other long term benefits are recognised as per actuarial assumptions in the Statement of Profit and Loss in the period in which they arise.

b) Defined Contribution Plan :

Provision is made for compensated absence based on actuarial valuation, carried out by an independent actuary as at the balance sheet date.

Company's contribution to Provident Fund, Employees' State Insurance Fund and labour welfare fund which are defined contribution plans determined under the relevant schemes and/or statute are charged to the Statement of Profit and Loss when incurred. There are no other obligations other than the contribution payable to the respective funds.

Termination benefits, if any, are recognized as an expense as and when incurred.

**o. Provisions, contingent liabilities and contingent assets**

Provisions involving substantial degree of estimation in measurements are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the Summary Statements.

**p. Segment reporting**

In accordance with Accounting Standard 17 "Segment Reporting" as prescribed under Companies (Accounting Standards) Rules, 2006 (as amended ), the Company has determined its business segment as Solar EPC/Consultancy. Since, there are no other business segments in which the Company operates; there are no other primary reportable segments. Therefore the segment revenue, segment results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as is reflected in the financial statement.

**q. Related Party transactions**

Disclosure of transactions with related parties, as required by Accounting Standard 18 of the Companies (Accounting Standards) Rules, 2006 (as amended). "Related Party Disclosures" has been set out in a separate statement annexed to this note. Related parties as defined under the said Accounting Standard (as amended) have been identified on the basis of representations made by management and information available with the Company.

**r. Earning Per Share**

The Company reports basic and diluted earnings per share (EPS) in accordance with the Accounting Standard 20 as specified in the Companies (Accounting Standards) Rules, 2006 (as amended). The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

**s. Taxes on Income**

i) Provision for income tax is made on the basis of estimated taxable income for the year at current rates. Current Tax represents the amount of Income Tax Payable in respect of the taxable income for the reporting period as determined in accordance with the provisions of the Income Tax Act, 1961.

ii) Deferred Tax

Deferred tax charge or credit is recognized using enacted or substantially enacted rates at the Balance Sheet date. In case of unabsorbed depreciation, deferred tax assets are recognized only to the extent there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization of income in future. Such assets are reviewed as at each balance sheet date to reassess realization.

**t. Government grants and subsidies**

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received.

Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

**u.** Though other Accounting Standards also apply to the company by virtue of the Companies (Accounting Standards) Rules 2006 (as amended), no disclosure for the same is being made as the company has not done any transaction to which the said Accounting Standard apply.

**3 Changes In Accounting Policies In The Periods/Years Covered in The Restated Financials**

There is no change in significant accounting policies adopted by the Company.

**4 Notes On Restatements Made In The Restated Financials**

a) The Summary Statements including Summary Statements have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the Summary Statements/information may not necessarily be same as those appearing in the respective audited Summary Statements for the relevant years.

b) The Company does not have information as to which of its supplier are Micro small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006. Consequently the liability, if any, of interest which would be payable under The Micro small and Medium Enterprise Development Act 2006, cannot F12 be ascertained. However, the Company has not received any claims in respect of such interest and as such, no provision has been made in the books of accounts.

c) Contingent liabilities and commitments (to the extent not provided for) - A disclosure for a contingent liability is also made when there is a possible obligation that may, require an outflow of the Company's resources.

d) Figures have been rearranged and regrouped wherever practicable and considered necessary.

e) The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.

f) The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good are subject to confirmations of respective parties concerned.

g) Realizations: In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.

h) Contractual liabilities: All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

i) Amounts in the Summary Statements: Amounts in the Summary Statements are rounded off to nearest lakhs. Figures in brackets indicate negative values.

**RECONCILIATION OF RESTATED PROFIT:**

(All Amount in INR, unless otherwise stated)

The summary of the material adjustments made to audited Summary Statements of the respective years and their impact on the restated summary statement of profit and loss have been given as under:

(Amt. in Lacs)

Adjustments for	For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Net profit/(Loss) after Tax as per Audited Profit & Loss Account	659.48	472.23	156.03
<b>Adjustments for:</b>			
Bad Debt Restatement	-	1.17	(0.83)
Prior Period Expenses		0.67	(0.16)
Development Fees Reversal	(32.62)	32.62	
Current Tax Impact on Bad Debt & Prior Period	-	(0.51)	0.34
Deferred Tax Liability / Asset Adjustment		(15.44)	2.97
Taxes adjusted in Current period	22.82	42.94	(39.45)
<b>Net Profit/ (Loss) After Tax as Restated</b>	<b>649.68</b>	<b>533.68</b>	<b>118.90</b>

Explanatory notes to the above restatements made in the audited consolidated Summary Statements of the Company for the respective years.

**A. Adjustments having impact on Profit**

**1. Bad debts Written off** - Bad debts written off has been transferred to the year in which sales was made to the party whose outstanding amount was written off.

**2. Prior period expenses** - Prior period expenses has been transferred to the year in which it relates.

**3. Development Fees Reversal** - Development Fees Expenses accounted in the year 2017-18 is reversed during the year 2018-19. Development Fees reversal expenses has been transferred to the year in which it was accounted.

**3. Provision For Deferred Tax** – The company had policy not to consider section 43B payments as per Income tax Act, 1961 as being not material for computing the deferred taxes. The deferred tax liabilities/(assets) were hitherto rounded to the nearest thousand rupees. The adjustments to the deferred tax liabilities/(assets) represent effect of change in the depreciation as per restated consolidated Summary Statements, change in unabsorbed losses, consideration of section 43B payments for computing deferred tax and non-rounding of deferred tax liabilities/(assets) to the nearest thousand rupees.

**4. Provision For Taxation** - Provision for Taxation has been adjusted for Items like Income Tax related to Earlier Years and Short Provision for Earlier Years and Mat Credit Availed.

**B. Adjustments having no impact on Profit****Material regroupings:**

W.e.f, April 1 2014, Schedule III notified under the Companies Act, 2013 has become applicable to the Company for preparation and presentation of its Summary Statements. Revised Schedule VI notified under the Companies Act, 1956 became applicable to the Company from April 1, 2011, for preparation and presentation of its Summary Statements. The adoption of Schedule III / Revised Schedule VI does not impact recognition and measurement principles followed for preparation of Summary Statements.

There is no significant impact on the presentation and disclosures made in the Summary Statements on adoption of Schedule III as compared to Revised Schedule VI. Appropriate adjustments have been made in the restated consolidated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited consolidated Summary Statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).



**RECONCILIATION OF RESTATED EQUITY/ NETWORTH:**

(All Amount in INR, unless otherwise stated)

**Reconciliation of Restated equity:**

The summary of the material adjustments made to audited Summary Statements of the respective years and their impact on the restated equity have been given as under:

(Amt. in Lacs)

Adjustments for	For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Equity / Net worth as per Audited Profit & Loss Account	1,303.64	644.16	171.95
<b>Adjustment For:</b>			
Differences pertaining to changes in Profit / Loss due to restated effect for the period covered in Restated Financial	(9.80)	61.45	(37.13)
Prior Period Adjustments (Refer note 1)	10.43	(51.02)	(13.89)
<b>Equity / Net worth as Restated</b>	<b>1,304.27</b>	<b>654.59</b>	<b>120.93</b>

Explanatory notes to the above restatements made in the audited consolidated Summary Statements of the Company for the respective years.

**Adjustments having impact on Profit****Note 1:**

Amounts relating to the prior period have been adjusted in the year to which the same relates to and the same amount is arrived on account of change in Opening Balance of Reserve and Surplus due to the restated effect on the profit / (loss) of prior period.

**Adjustments**

Appropriate adjustments have been made in the restated Summary Statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financial of the company for all the years and requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018.

**GENSOL ENGINEERING LIMITED**

**Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

**3 DETAILS OF SHARE CAPITAL AS RESTATED**

**ANNEXURE - V**

i) **Details of Share Capital**

(Amt. in Lacs)

Particulars	As At 31st March, 2019	As At 31st March, 2018	As At 31st March, 2017
<b>Share Capital</b>			
<b>Authorised Share capital</b>			
90,00,000 (As at 31st March, 2018 - 50,000, As at 31st March, 2017 - 50,000) Equity Share of Rs. 10/- each	900.00	5.00	5.00
Nil (As at 31st March, 2018 - 3,50,000, As at 31st March, 2017 - 3,50,000) Preference Share of Rs. 10/- each	-	35.00	35.00
	<b>900.00</b>	<b>40.00</b>	<b>40.00</b>
<b>Issued, Subscribed &amp; Fully Paid Up Share Capital</b>			
60,42,737 (As at 31st March, 2018 - 12,307, As at 31st March, 2017 - 12,307) Equity Share of Rs. 10/- each	604.27	1.23	1.23
<b>T O T A L</b>	<b>604.27</b>	<b>1.23</b>	<b>1.23</b>

ii) **Reconciliation of number of shares outstanding at the end of year**

Particulars	As At 31st March, 2019	As At 31st March, 2018	As At 31st March, 2017
Equity shares at the beginning of the year	12,307	12,307	12,307
Add: Shares Allotted during the year	60,30,430	-	-
Equity Shares at the end of the year	60,42,737	12,307	12,307

iii) **Details of shareholders holding more than 5% of the aggregate shares in the company**

Name of Shareholder	As At 31st March, 2019		As At 31st March, 2018		As At 31st March, 2017	
	No. Of Shares	Percentage	No. Of Shares	Percentage	No. Of Shares	Percentage
Anmol Singh Jaggi	19,64,000	32.50%	4,000	32.50%	-	-
Puneet Singh Jaggi	17,22,428	28.50%	4,000	32.50%	4,000	32.50%
Navneet Singh Gosal	-	-	2,000	16.25%	2,000	16.25%
India Venture Partnership Limited	-	-	2,307	18.75%	2,307	18.75%
Gensol Venture Private Limited	21,14,737	35.00%	-	-	-	-
Jasmindar Kaur Jaggi	-	-	-	-	4,000	32.50%

**Notes**

**1. Issue of Bonus Shares**

The Company issued 60,30,430 Equity Shares as fully paid up Bonus Shares by capitalization of Reserves & Surplus in January 2019.

**2. Terms / Rights attached to Equity Shares**

The company has only one class of equity shares having a par value of Rs.10 per share which does not enjoy any preferential right or bear any restriction with regard to distribution of dividend or repayment of capital. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**3.** The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

**4.** The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**GENSOL ENGINEERING LIMITED****Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

**4 DETAILS OF RESERVES AND SURPLUS AS RESTATED****ANNEXURE - VI**

(Amt. in Lacs)

<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>	<b>As At 31st March, 2017</b>
<b>Surplus (Profit &amp; Loss Account)</b>			
Opening Balance	639.26	105.60	(13.30)
Add: Profit for the year	649.68	533.66	118.90
Less : For Issue of Bonus Share	(588.94)		
Closing Balance	<b>700.00</b>	<b>639.26</b>	<b>105.60</b>
<b>Securities Premium Account</b>			
Opening Balance	14.10	14.10	14.10
Add: Profit for the year	-	-	-
Less : For Issue of Bonus Share	<b>(14.10)</b>		
Closing Balance	-	<b>14.10</b>	<b>14.10</b>
<b>TOTAL</b>	<b>700.00</b>	<b>653.36</b>	<b>119.70</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the
2. The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**GENSOL ENGINEERING LIMITED****Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

**5 DETAILS OF LONG TERM BORROWINGS AS RESTATED****ANNEXURE - VII**

(Amt. in Lacs)

Particulars	As At 31st March, 2019	As At 31st March, 2018	As At 31st March, 2017
<b>Secured</b>			
Term loan from Financial Institutions	377.53	36.35	-
<b>Unsecured</b>			
Term loan from Bank/Financial Institution	68.73	38.15	15.91
Loan from Others	190.00	-	0.05
Loan from Directors	43.51	-	-
Loan from Solarig Gensol Utilities Pvt Ltd	-	-	-
<b>T O T A L</b>	<b>679.77</b>	<b>74.50</b>	<b>15.96</b>

**Notes on Security, Rate of Interest & Repayment:****ANNEXURE - VII A****Secured Loans**

- (i) Loan from Daimler Financial Services Ltd of Rs. 34.03 Lacs (Including Current Maturity) (As at 31st March, 2018 - 40.54 Lacs, As at 31st March, 2017 - Nil) is repayable in equal monthly installment of Rs. 0.84 Lacs over a period of 36 months starting from April, 2018. Interest rate is 9.56% p.a.. Loan is secured against the vehicle of the Company.
- (ii) Loan from HDFC bank Limited of Rs. 2.31 Lacs (Including Current Maturity) (As at 31st March, 2018 - 2.86 Lacs, As at 31st March, 2017 - Nil) is repayable in equal monthly installment of Rs. 0.06 Lacs over a period of 60 months starting from October, 2017. Interest rate is 16.99%. Loan is secured against the vehicle of the Company.
- (iii) Loan from Reliance Commercial Finance Ltd of Rs. 398.15 Lacs (Including Current Maturity) (As at 31st March, 2018 - Rs. Nil, As at 31st March, 2017 - Nil) is secured by way of hypothecation of all movable assets & current assets of the Company. Moreover, the said facility is also secured (i) by way of 51% share of borrower (ii) Corporate Guarantee from Gensol Engineering Pvt Ltd. (iii) Personal Guarantee by Directors of the Company. The Loan is repayable in 56 structured Quarterly instalment starting from June, 2019. Interest rate is 5% below RCFL PLR, present effective @ 13% p.a. with spread reset option 6 month from the first date of disbursement .

**Unsecured Loans**

- (i) Loan from ICICI Bank of Rs. 4.41 Lacs (Including Current Maturity) (As at 31st March, 2018 - Rs. 9.59 Lacs, , As at 31st March, 2017 - 13.90 Lacs) is repayable in equal monthly installment of Rs. 0.54 Lacs over a period of 36 months starting from January, 2017. Interest rate is 16.99% p.a .
- (ii) Loan from HDFC Bank of Rs. 2.98 Lacs (Including Current Maturity) (As at 31st March, 2018 - Rs. 6.42 Lacs, As at 31st March, 2017 - 9.30 Lacs) is repayable in equal monthly installment of Rs. 0.04 Lacs over a period of 36 months starting from April, 2017. Interest rate is 16.40% p.a.
- (iii) Loan from Bajaj Finserve of Rs. 28.99 Lacs (Including Current Maturity) (As at 31st March, 2018 - 17.13 Lacs, As at 31st March, 2017 - Nil) is repayable in equal monthly installment of Rs. 1.01 Lacs over a period of 24 months starting from Dec, 2017. Interest rate is 19.00% p.a.

- (iv) Loan from Aditya Birla Capital of Rs. 16.26 Lacs (Including Current Maturity) (As at 31st March, 2018 - Nil, As at 31st March, 2017 - Nil) is repayable in equal monthly installment of Rs. 0.73 Lacs over a period of 36 months starting from August, 2018. Interest rate is 19% p.a.
- (v) Loan from Avanse Financial Services Limited of Rs. 6.06 Lacs (Including Current Maturity) (As at 31st March, 2018 - Nil, As at 31st March, 2017 - Nil) is repayable in equal monthly installment of Rs. 3.24 Lacs over a period of 12 months starting from June, 2018. Interest rate is 18.50% p.a.
- (vi) Loan from Edelweiss Finance of Rs. 36.47 Lacs (Including Current Maturity) (As at 31st March, 2018 - Nil, As at 31st March, 2017 - Nil) is repayable in equal monthly installment of Rs. 2.27 Lacs over a period of 25 months starting from Nov, 2018. Interest rate is 18.50% p.a.
- (vii) Loan from Kotak Mahindra Bank of Rs. 6.55 Lacs (Including Current Maturity) (As at 31st March, 2018 - Nil, As at 31st March, 2017 - Nil) is repayable in equal monthly installment of Rs. 1.71 Lacs over a period of 13 months starting from Jul, 2018. Interest rate is 19.50% p.a.
- (viii) Loan from Riviera Investors Private Limited of Rs. 2.55 Lacs (Including Current Maturity) (As at 31st March, 2018 - Nil, As at 31st March, 2017 - Nil) is repayable in equal monthly installment of Rs. 95,530 over a period of 12 months starting from Jun, 2018. Interest rate is 26.00% p.a.
- (ix) Loan from Volition Credit and Holding Pvt Ltd of Rs. 11.46 Lacs (Including Current Maturity) (as on 31.03.2018 - Rs. 23.33 Lacs, As at 31st March, 2017 - Nil) is repayable in equal monthly installment of Rs. 1.26 Lacs over a period of 2 year starting from February, 2018. Interest rate is 18.00%.
- (x) Loan from Moneywise Financial Service Pvt Limited of Rs. 23.24,Lacs (Including Current Maturity) (as on 31.03.2018 - Rs. Nil, As at 31st March, 2017 - Nil) is repayable in equal monthly installment of Rs. 91,640 over a period of 3 year starting from January, 2019. Interest rate is 19.00%.
- (xi) Loan from Northern Arc Capital of Rs. 14.07 Lacs (Including Current Maturity) (as on 31.03.2018 - Rs. Nil, As at 31st March, 2017 - Nil) is repayable in equal monthly installment of Rs. 55,746 over a period of 3 year starting from Feb, 2019. Interest rate is 19.00%.
- (xii) Loan from Shriram City Union Finance Ltd of Rs. 4.20 Lacs (Including Current Maturity) (as on 31.03.2018 - Rs. Nil, As at 31st March, 2017 - Nil) is repayable in equal monthly installment of Rs. 47,038 over a period of 1 year starting from Jan, 2019. Interest rate is 19.00%.
- (xiii) Loan from Tata Capital Finance Ltd of Rs. 31.39 Lacs (Including Current Maturity) (as on 31.03.2018 - Rs. Nil, As at 31st March, 2017 - Nil) is repayable in equal monthly installment of Rs. 2,24,992 over a period of 18 months starting from Feb, 2019. Interest rate is 19.00%.

**Loan from Others**

- (i) Interest free loan from Sunridge Green Ventures Pvt Ltd of Rs. 190.00 Lacs (Including Current Maturity) (As at 31st March, 2018 - Rs. Nil, As at 31st March, 2017 - Nil) starting from January, 2017 and the same is repayable on demand.

**Other Notes:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**GENSOL ENGINEERING LIMITED****Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

**6 DETAILS OF LONG TERM PROVISIONS AS RESTATED****ANNEXURE - VIII**

(Amt. in Lacs)

<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>	<b>As At 31st March, 2017</b>
<b>Others</b>			
Provision for Gratuity	42.21	27.86	20.96
<b>T O T A L</b>	<b>42.21</b>	<b>27.86</b>	<b>20.96</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.



**GENSOL ENGINEERING LIMITED****Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

**7 DETAILS OF SHORT TERM BORROWINGS AS RESTATED****ANNEXURE - IX**

(Amt. in Lacs)

<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>	<b>As At 31st March, 2017</b>
<b>Unsecured</b>			
Short Term Borrowing	4.55	19.59	15.48
<b>TOTAL</b>	<b>4.55</b>	<b>19.59</b>	<b>15.48</b>

**Notes**

- (i) The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- (ii) The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**GENSOL ENGINEERING LIMITED**  
**Notes to Restated Consolidated Summary Statements**  
(All Amount in INR, unless otherwise stated)

**8 TRADE PAYABLES**

**ANNEXURE - X**

(Amt. in Lacs)

<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>	<b>As At 31st March, 2017</b>
Due to Micro, Small and Medium Enterprises	21.21	-	-
Due to Related Parties	6.20	-	-
Others	891.69	952.26	230.17
<b>T O T A L</b>	<b>919.10</b>	<b>952.26</b>	<b>230.17</b>

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- (ii) The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**GENSOL ENGINEERING LIMITED****Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

**9 DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED****ANNEXURE - XI**

(Amt. in Lacs)

<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>	<b>As At 31st March, 2017</b>
<b><u>Current maturities of long term debt</u></b>			
Term loan	176.86	30.03	7.30
<b><u>Other payables</u></b>			
Advance from customers	96.14	277.79	127.24
Statutory dues	466.93	326.77	272.32
Payable to Staff - Travelling	58.55	-	-
Salary Payable	313.86	170.90	117.30
Other payables	25.92	4.82	33.88
<b>T O T A L</b>	<b>1,138.26</b>	<b>810.31</b>	<b>558.04</b>

**1 Details of other current liability to Related Party**

<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>	<b>As At 31st March, 2017</b>
To Key Management Personnel	7.53	0.00	0.00
To Other Related Party	-	0.13	68.94
<b>Total</b>	<b>7.53</b>	<b>0.13</b>	<b>68.94</b>

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**GENSOL ENGINEERING LIMITED****Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

**10 DETAILS OF SHORT TERM PROVISIONS AS RESTATED****ANNEXURE - XII**

(Amt. in Lacs)

<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>	<b>As At 31st March, 2017</b>
<b>Others</b>			
Provision for Income Tax (Net of advance tax & TDS)	190.42	102.10	35.02
Provision for Gratuity	2.71	1.99	0.24
Provision for Others	7.40	-	-
<b>T O T A L</b>	<b>200.53</b>	<b>104.09</b>	<b>35.26</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**GENSOL ENGINEERING LIMITED**

**Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

**11 FIXED ASSETS**

**ANNEXURE - XIII**

**For 2016-17**

(Amt. in Lacs)

Particulars	Gross Block				Accumulated Depreciation			Net Block		
	As at April 1, 2016	Additions during the Year	Deletion during the Year	As at March 31, 2017	As at April 1, 2016	Depreciation charge for the year	Depreciation Reversed on Sale	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
<b>Tangible Assets</b>										
Furniture & Fixtures	0.44	-	-	0.44	0.27	0.04	-	0.31	0.13	0.17
Computer	17.27	3.12	-	20.39	2.27	10.30	-	12.57	7.82	15.00
Mobile	1.27	2.18	-	3.45	0.43	0.82	-	1.25	2.20	0.84
Vehicles	-	0.49	-	0.49	-	0.02	-	0.02	0.47	-
Site & Electronic Equipement	1.12	3.37	0.01	4.48	0.22	0.60	-	0.82	3.66	0.90
<b>Sub-Total</b>	<b>20.10</b>	<b>9.16</b>	<b>0.01</b>	<b>29.25</b>	<b>3.19</b>	<b>11.78</b>	<b>-</b>	<b>14.97</b>	<b>14.28</b>	<b>16.91</b>
<b>Intangible Assets</b>										
<b>Sub-Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>20.10</b>	<b>9.16</b>	<b>0.01</b>	<b>29.25</b>	<b>3.19</b>	<b>11.78</b>	<b>-</b>	<b>14.97</b>	<b>14.28</b>	<b>16.91</b>
<b>Previous Year</b>	<b>3.15</b>	<b>16.95</b>	<b>-</b>	<b>20.10</b>	<b>2.14</b>	<b>1.05</b>	<b>-</b>	<b>3.19</b>	<b>16.91</b>	<b>1.01</b>

**For 2017-18**

Particulars	Gross Block				Accumulated Depreciation			Net Block		
	As at April 1, 2017	Additions during the Year	Deletion during the Year	As at March 31, 2018	As at April 1, 2017	Depreciation charge for the year	Depreciation Reversed on Sale	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
<b>Tangible Assets</b>										
Furniture & Fixtures	0.44	2.37	-	2.81	0.31	0.33	-	0.64	2.17	0.13
Computer	20.39	7.02	-	27.41	12.57	6.54	-	19.11	8.30	7.82
Mobile	3.45	3.01	-	6.46	1.25	0.98	-	2.23	4.23	2.20
Vehicles	0.49	48.28	-	48.77	0.02	1.11	-	1.13	47.64	0.47
Site & Electronic Equipement	4.48	14.86	-	19.34	0.82	2.52	-	3.34	16.00	3.66
<b>Sub-Total</b>	<b>29.25</b>	<b>75.54</b>	<b>-</b>	<b>104.79</b>	<b>14.97</b>	<b>11.48</b>	<b>-</b>	<b>26.45</b>	<b>78.34</b>	<b>14.28</b>
<b>Intangible Assets</b>										
Computer Software	-	9.90	-	9.90	-	0.16	-	0.16	9.74	-
<b>Sub-Total</b>	<b>-</b>	<b>9.90</b>	<b>-</b>	<b>9.90</b>	<b>-</b>	<b>0.16</b>	<b>-</b>	<b>0.16</b>	<b>9.74</b>	<b>-</b>
<b>Total</b>	<b>29.25</b>	<b>85.44</b>	<b>-</b>	<b>114.69</b>	<b>14.97</b>	<b>11.64</b>	<b>-</b>	<b>26.61</b>	<b>88.08</b>	<b>14.28</b>
<b>Previous Year</b>	<b>20.10</b>	<b>9.16</b>	<b>0.01</b>	<b>29.25</b>	<b>3.19</b>	<b>11.78</b>	<b>-</b>	<b>14.97</b>	<b>14.28</b>	<b>16.91</b>

For March, 19

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at April 1, 2018	Additions during the Year	Deletion during the Year	As at March 31, 2019	As at April 1, 2018	Depreciation charge for the year	Depreciation Reversed on Sale	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
<b>Tangible Assets</b>									-	
Furniture & Fixtures	2.81	48.28	-	51.09	0.64	4.41	-	5.05	46.04	2.17
Computer	27.41	29.04	-	56.45	19.11	16.07	-	35.18	21.27	8.30
Mobile	6.46	2.04	-	8.50	2.23	2.06	-	4.29	4.21	4.23
Vehicles	48.77	1.35	-	50.12	1.13	14.95	-	16.08	34.04	47.64
Site & Electronic Equipment & Solar Plant	19.34	713.23	-	732.57	3.34	4.63	-	7.97	724.60	16.00
<b>Sub-Total</b>	<b>104.79</b>	<b>793.94</b>	<b>-</b>	<b>898.73</b>	<b>26.45</b>	<b>42.12</b>	<b>-</b>	<b>68.57</b>	<b>830.16</b>	<b>78.34</b>
<b>Intangible Assets</b>										
Computer Software	9.90	4.15	-	14.05	0.16	2.30	-	2.46	11.59	9.74
<b>Sub-Total</b>	<b>9.90</b>	<b>4.15</b>	<b>-</b>	<b>14.05</b>	<b>0.16</b>	<b>2.30</b>	<b>-</b>	<b>2.46</b>	<b>11.59</b>	<b>9.74</b>
<b>Total</b>	<b>114.69</b>	<b>798.09</b>	<b>-</b>	<b>912.78</b>	<b>26.61</b>	<b>44.42</b>	<b>-</b>	<b>71.03</b>	<b>841.75</b>	<b>88.08</b>
<b>Previous Year</b>	<b>29.25</b>	<b>85.44</b>	<b>-</b>	<b>114.69</b>	<b>14.97</b>	<b>11.64</b>	<b>-</b>	<b>26.61</b>	<b>88.08</b>	<b>14.28</b>

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII



**GENSOL ENGINEERING LIMITED****Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

**12 DETAILS OF DEFERRED TAX ASSETS (NET) AS RESTATED****ANNEXURE - XIV**

(Amt. in Lacs)

Particulars	As At 31st March, 2019	As At 31st March, 2018	As At 31st March, 2017
<b>(a) Deferred tax liabilities</b>			
(i) Difference between book and tax depreciation	35.31	1.65	0.83
	<b>35.31</b>	<b>1.65</b>	<b>0.83</b>
<b>(b) Deferred tax assets</b>			
(i) Disallowance under Income Tax	44.62	40.00	47.42
(ii) Unabsorbed depreciation/Losses	38.66	-	-
(iii) Other	-	-	-
	<b>83.28</b>	<b>40.00</b>	<b>47.42</b>
<b>T O T A L (b)-(a)</b>	<b>47.97</b>	<b>38.35</b>	<b>46.59</b>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

**(i) Movements in Deferred Tax Liabilities (net)**

Particulars	Property, plant and equipment - Depreciation difference	Disallowance under Income Tax	Unabsorbed Dep/Losses	Other	Net Deferred Tax Liabilities
<b>At 31 March 2016</b>	<b>(2.37)</b>	<b>44.32</b>	<b>-</b>	<b>0.06</b>	<b>42.01</b>
Charged/(credited)					
- to statement of profit and loss	1.54	3.10	-	(0.06)	<b>4.58</b>
<b>At 31 March 2017</b>	<b>(0.83)</b>	<b>47.42</b>	<b>-</b>	<b>-</b>	<b>46.59</b>
Charged/(credited)					
- to statement of profit and loss	(0.82)	(7.42)	-	-	<b>(8.24)</b>
<b>At 31 March 2018</b>	<b>(1.65)</b>	<b>40.00</b>	<b>-</b>	<b>-</b>	<b>38.35</b>
Charged/(credited)					
- to statement of profit and loss	(33.66)	4.62	38.66	-	<b>9.62</b>
<b>At 31 Mar 2019</b>	<b>(35.31)</b>	<b>44.62</b>	<b>38.66</b>	<b>-</b>	<b>47.97</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**GENSOL ENGINEERING LIMITED****Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

**13 DETAILS OF LONG TERM LOANS & ADVANCES****ANNEXURE - XV**

(Amt. in Lacs)

<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>	<b>As At 31st March, 2017</b>
Other Advances	-	22.65	-
MAT CREDIT	-	-	0.12
<b>T O T A L</b>	<b>-</b>	<b>22.65</b>	<b>0.12</b>

**1 Details of Long term loan and advances to Related Party**

<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>	<b>As At 31st March, 2017</b>
To Other Related Party	-	22.65	-
<b>Total</b>	<b>-</b>	<b>22.65</b>	<b>-</b>

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**GENSOL ENGINEERING LIMITED****Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

**14 DETAILS OF OTHER NON-CURRENT ASSETS AS RESTATED****ANNEXURE - XVI**

(Amt. in Lacs)

<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>	<b>As At 31st March, 2017</b>
Rent Deposits	140.94	25.97	9.36
Earnest Money Deposits	3.59	6.16	0.24
Others	18.40	2.40	-
<b>TOTAL</b>	<b>162.93</b>	<b>34.53</b>	<b>9.60</b>

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**GENSOL ENGINEERING LIMITED****Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

**15 DETAILS OF TRADE RECEIVABLE AS RESTATED****ANNEXURE - XVII**

(Amt. in Lacs)

Particulars	As At 31st March, 2019	As At 31st March, 2018	As At 31st March, 2017
Trade Receivable			
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment			
(i) Secured, considered good	441.07	231.00	204.34
(ii) Unsecured, considered good	-	-	-
(iii) Doubtful	-	-	-
(b) Other Trade receivables			
(i) Secured, considered good	1,814.45	1,407.97	437.65
(ii) Unsecured, considered good	-	-	-
(iii) Doubtful	-	-	-
<b>TOTAL</b>	<b>2,255.52</b>	<b>1,638.97</b>	<b>641.99</b>

**1 Details of Trade Receivables from Related Party**

Particulars	As At 31st March, 2019	As At 31st March, 2018	As At 31st March, 2017
To Key Management Personnel	-	-	-
To Other Related Party	0.66	91.49	-
<b>Total</b>	<b>0.66</b>	<b>91.49</b>	<b>-</b>

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- The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**GENSOL ENGINEERING LIMITED****Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

**16 DETAILS OF CASH AND CASH EQUIVALENTS AS RESTATED****ANNEXURE - XVIII**

(Amt. in Lacs)

Particulars	As At 31st March, 2019	As At 31st March, 2018	As At 31st March, 2017
<b>(A) Cash &amp; Cash Equivalents</b>			
Cash on hand	11.74	6.98	8.17
Balances with banks			
(i) In current accounts	135.08	122.63	8.14
<b>Total Cash &amp; Cash Equivalents</b>	<b>146.82</b>	<b>129.61</b>	<b>16.31</b>
<b>(B) Other Bank Balances</b>			
(i) In deposit accounts	108.86	62.15	54.68
<b>Total Other Bank Balances</b>	<b>108.86</b>	<b>62.15</b>	<b>54.68</b>
<b>TOTAL</b>	<b>255.68</b>	<b>191.76</b>	<b>70.99</b>

- 1 The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2 The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**GENSOL ENGINEERING LIMITED****Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

**17 DETAILS OF SHORT TERM LOANS & ADVANCES****ANNEXURE - XIX**

(Amt. in Lacs)

Particulars	As At 31st March, 2019	As At 31st March, 2018	As At 31st March, 2017
(Unsecured, Considered Good)			
Advance recoverble in cash/kind	80.67	109.53	105.20
Prepaid Expenses	17.27	0.60	0.18
Advance Tax	-	-	-
Balances with Government Authorities	-	0.40	0.40
Advance to Staff	-	107.82	106.28
<b>T O T A L</b>	<b>97.94</b>	<b>218.35</b>	<b>212.06</b>

**1 Details of Short term loan and advances to Related Party**

Particulars	As At 31st March, 2019	As At 31st March, 2018	As At 31st March, 2017
To Key Management Personnel	-	150.02	93.80
To Other Related Party	-	1.13	-
<b>Total</b>	<b>-</b>	<b>151.15</b>	<b>93.80</b>

2 The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3 The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**GENSOL ENGINEERING LIMITED****Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

**18 DETAILS OF OTHER CURRENT ASSETS AS RESTATED****ANNEXURE - XX**

(Amt. in Lacs)

<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>	<b>As At 31st March, 2017</b>
Unbilled revenue	354.05	409.78	1.17
Subsidiary Receivable	272.62	-	-
Others	0.20	1.24	-
<b>T O T A L</b>	<b>626.87</b>	<b>411.02</b>	<b>1.17</b>

- 1 The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 2 The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.



**GENSOL ENGINEERING LIMITED****Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

(Amt. in Lacs)

**19 REVENUE FROM OPERATIONS****ANNEXURE XXI**

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>	<b>For the year ended 31st March, 2017</b>
Sale of Goods *	5,513.10	4,135.97	5,135.88
Sale of Services	2,825.43	2,766.25	1,081.20
<b>T O T A L</b>	<b>8,338.53</b>	<b>6,902.22</b>	<b>6,217.08</b>

\* It also includes subsidy income of Rs. 511.86 Lacs for the period ended 31st Mar., 2019.

1. The figures disclosed above are based on the restated summary statement of profit and loss of the Company.

2. The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**20 OTHER INCOME****ANNEXURE XXII**

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>	<b>For the year ended 31st March, 2017</b>
Interest Income	6.16	6.25	1.76
Rent Income	7.79	2.10	-
Claim on Liquidated Damages	-	24.74	-
Misc Income	0.27	5.93	1.59
Discount Income	19.87	16.78	-
Travel & Sojourn Income	3.16	6.22	11.34
Forex Gain	9.65	0.18	-
<b>T O T A L</b>	<b>46.90</b>	<b>62.20</b>	<b>14.69</b>

1. The figures disclosed above are based on the restated summary statement of profit and loss of the Company.

2. The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**21 Purchase of Stock in Trade****ANNEXURE XXIII**

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>	<b>For the year ended 31st March, 2017</b>
Opening Stock	-	-	-
Add : Purchases	3,458.41	3,226.88	4,179.19
Less : Closing Stock	-	-	-
<b>T O T A L</b>	<b>3,458.41</b>	<b>3,226.88</b>	<b>4,179.19</b>

1. The figures disclosed above are based on the restated summary statement of profit and loss of the Company.

2. The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**GENSOL ENGINEERING LIMITED****Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

(Amt. in Lacs)

**22 EMPLOYEE BENEFIT EXPENSES****ANNEXURE XXIV**

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>	<b>For the year ended 31st March, 2017</b>
Salary	1,474.68	1,056.58	585.39
Contribution to Provident and Other Funds	34.06	17.20	6.19
Staff Welfare Expenses	6.80	2.79	1.73
Gratuity	16.49	8.65	10.70
<b>T O T A L</b>	<b>1,532.03</b>	<b>1,085.22</b>	<b>604.01</b>

1. The figures disclosed above are based on the restated summary statement of profit and loss of the Company.

2. The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**23 FINANCE COSTS****ANNEXURE XXV**

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>	<b>For the year ended 31st March, 2017</b>
Interest on Loans to Banks & Financial Institutions	33.47	12.93	2.51
Bank Charges	7.55	7.72	0.87
interest to others( On Late Payment of Statutory dues)	36.19	7.10	0.94
<b>T O T A L</b>	<b>77.21</b>	<b>27.75</b>	<b>4.32</b>

1. The figures disclosed above are based on the restated summary statement of profit and loss of the Company.

2. The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**24 Depreciation and amortisation expense****ANNEXURE XXVI**

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>	<b>For the year ended 31st March, 2017</b>
On Tangible Assets	42.12	11.48	11.78
On Intangible Assets	2.30	0.16	-
	<b>44.42</b>	<b>11.64</b>	<b>11.78</b>

1. The figures disclosed above are based on the restated summary statement of profit and loss of the Company.

2. The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**GENSOL ENGINEERING LIMITED****Notes to Restated Consolidated Summary Statements****(All Amount in INR, unless otherwise stated)****25 OTHER EXPENSES****ANNEXURE XXVII**

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>	<b>For the year ended 31st March, 2017</b>
Solar EPC Expenses	875.84	589.22	731.54
Module Cleaning & Grass Cutting Services	205.65	74.32	5.11
Transportation Expenses	89.43	55.57	129.92
Security Expenses	89.22	41.38	30.40
Stipend Expenses	-	31.22	12.62
Travel Expenses	544.11	401.81	243.23
Site Tool Expenses	22.80	8.34	-
Site Maintenance Expenses	59.92	5.16	0.32
Legal and professional expenses	121.29	453.63	22.80
Rent Expenses	147.28	75.08	38.39
Audit Fees	2.40	0.45	0.30
Bad Debt	7.89	0.64	-
Commission Expenses	44.68	10.86	0.90
Computer Expenses	9.34	0.53	1.17
Donation	2.01	-	-
Advertisement Expenses	1.97	6.33	4.17
Electricity Expense	12.00	5.73	4.23
Forex Gain/(Loss)	1.01	-	0.76
General expenses	41.33	44.49	10.52
Insurance Expenses	10.14	5.00	5.01
Labour Charges	17.54	0.62	1.59
Office Expenses	22.66	8.01	4.56
Printing & Stationary	5.34	6.29	3.42
Processing Fees Marketing	0.12	0.27	1.16
Rates & taxes	3.30	1.81	6.54
Repairs - Vehicles	2.28	0.94	0.05
Sale Promotion Expenses	41.10	31.89	3.48
Telephone and communication exp.	6.38	4.42	3.69
Tender Fees	2.67	3.46	0.23
<b>T O T A L</b>	<b>2,389.70</b>	<b>1,867.47</b>	<b>1,266.11</b>

**GENSOL ENGINEERING LIMITED****Notes to Restated Consolidated Summary Statements****(All Amount in INR, unless otherwise stated)****(i) Payment to auditors\***

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>	<b>For the year ended 31st March, 2017</b>
For statutory audit	2.40	0.45	0.30
For other services	-	-	-
For reimbursement of expenses	-	-	-
	<b>2.40</b>	<b>0.45</b>	<b>0.30</b>

\*Excluding applicable taxes.

1. The figures disclosed above are based on the restated summary statement of profit and loss of the Company.

2. The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**26 Income tax expenses****ANNEXURE XXVIII**

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>	<b>For the year ended 31st March, 2017</b>
<b>Income tax (income) / expense recognised in the Statement of Profit and Loss</b>			
<b>Current tax expenses</b>			
Current tax on profits for the year	244.14	203.42	52.16
	<b>244.14</b>	<b>203.42</b>	<b>52.16</b>
<b>Deferred tax expenses</b>			
Decrease/(Increase) in deferred tax assets	(9.62)	8.24	(4.58)
MAT Credit entitlement	-	0.12	(0.12)
	<b>(9.62)</b>	<b>8.36</b>	<b>(4.70)</b>
<b>Income tax expenses</b>	<b>234.52</b>	<b>211.78</b>	<b>47.46</b>

1. The figures disclosed above are based on the restated summary statement of profit and loss of the Company.

2. The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**GENSOL ENGINEERING LIMITED****Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

**27 Earnings Per Share****ANNEXURE XXIX**

(Amt. in Lacs except share data)

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>	<b>For the year ended 31st March, 2017</b>
Profit for the period attributable to Equity Shareholder	<b>649.68</b>	<b>533.66</b>	<b>118.90</b>
No of weighted average equity shares outstanding during the year	<b>60,42,737</b>	<b>12,307</b>	<b>12,307</b>
Bonus Share Effect	-	60,30,430	60,30,430
No of weighted average equity shares outstanding during the year (After Bonus Share)	<b>60,42,737</b>	<b>60,42,737</b>	<b>60,42,737</b>
Nominal Value of Equity Share	<b>10</b>	<b>10</b>	<b>10</b>
Basic and Diluted Earning Per Share	<b>10.75</b>	<b>8.83</b>	<b>1.97</b>

**Note**

- 1 Earnings per share calculations are done in accordance with Accounting Standard 20 “Earnings Per Share”. As per the requirements of AS 20 “Earnings Per Share”, the weighted average number of equity shares considered for calculation of Basic and Diluted Earnings per Share.
- 2 The figures disclosed above are based on the restated summary statement of profit and loss of the Company.
- 3 The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**GENSOL ENGINEERING LIMITED****Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

**Details of Other Income as restated**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2017	Nature
Other income	46.90	62.20	14.69	
Net Profit Before Tax as Restated	883.66	745.46	166.36	
<b>Percentage</b>	<b>5.31</b>	<b>0.08</b>	<b>0.09</b>	

**Source of Income**

Interest Income	6.16	6.25	1.76	Recurring and not related to business activity.
Rent Income	7.79	2.10	-	Recurring and not related to business activity.
Liquidated Damages	-	24.74	-	Non recurring and related to business activity.
Travel & Sojourn Income	3.16	6.22	11.34	Recurring and related to business activity.
Discount Income	19.87	16.78	-	Recurring and related to business activity.
Miscellaneous Income	0.27	5.93	1.59	Non recurring and not related to business activity.
Forex Gain	9.65	0.18	-	Non recurring and related to business activity.
<b>Total Other income</b>	<b>46.90</b>	<b>62.20</b>	<b>14.69</b>	

**Note**

- 1 The figures disclosed above are based on the restated summary statement of profit and loss of the Company.
- 2 The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**GENSOL ENGINEERING LIMITED**

**Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

- 28 The subsidiary/joint venture companies considered in the Consolidated Summary Statements are: **ANNEXURE XXX**

Name of Subsidiaries/Joint Venture and Country of Incorporation	As At 31st March, 2019	As At 31st March, 2018	As At 31st March, 2017
<b>Subsidiary</b>			
Gensun Renewables Private Limited - Incorporated on 8th February, 2018	51%	51%	-
<b>Joint Venture</b>			
Solarig Gensol Utilities Private Limited (India)	49%	49%	49%

- 29 **Contingent liabilities and contingent assets** **ANNEXURE XXXI**

Particulars	As At 31st March, 2019	As At 31st March, 2018	As At 31st March, 2017
<b>Contingent liabilities</b>			
<b>A. Guarantees excluding financial guarantees</b>			
Outstanding bank guarantees	195.40	55.62	51.61
Outstanding bank guarantees - Share of Joint Venure	0.36	0.36	1.38
<b>B. Claims against Company not acknowledged as debts</b>			
	-	-	-
<b>Total Contingent Liabilities</b>	<b>195.76</b>	<b>55.98</b>	<b>52.98</b>

- 30 **Commitments** **ANNEXURE XXXII**

Particulars	As At 31st March, 2019	As At 31st March, 2018	As At 31st March, 2017
<b>A. Capital Commitments</b>			
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-
<b>B. Corporate guarantees given to financial institution / bank</b>			
Corporate guarantees given to financial institution / bank on behalf of subsidiaries for facilities availed by them	398.15	-	-

- 31 **Operating lease arrangements** **ANNEXURE XXXIII**

(A) Operating lease payment recognised in the Statement of Profit and Loss

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Office premises	147.28	75.08	38.39
<b>TOTAL</b>	<b>147.28</b>	<b>75.08</b>	<b>38.39</b>



**GENSOL ENGINEERING LIMITED****Notes to Restated Consolidated Summary Statements****(All Amount in INR, unless otherwise stated)**

Future minimum rental payables under non-cancellable operating lease

<b>Particulars</b>	<b>As At 31st March, 2019</b>	<b>As At 31st March, 2018</b>	<b>As At 31st March, 2017</b>
0 to 1 year	111.03	79.78	36.68
1 to 5 year	1,275.27	271.20	13.58
More than 5 year	1,136.90	275.48	-

(B) The company has let out portions of office premises along with furnitures & fixtures and other amenities on operating lease to its subsidiary Solarig Gensol Utilities Private Limited. Lease rental income recognised in the Statement of Profit and Loss is as follows:

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>	<b>For the year ended 31st March, 2017</b>
Lease rental income recognised in the Statement of Profit and Loss	7.79	2.10	-
<b>TOTAL</b>	<b>7.79</b>	<b>2.10</b>	<b>-</b>

**32 Details of Dues to Micro, Small and Medium Enterprises as defined under MSMED Act, 2006****ANNEXURE XXXIV**

The Company has not received any intimation from vendors regarding their status under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 for the year. Hence information relating to amounts due to micro enterprises and small enterprises as required by the Act has not been given.

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>	<b>For the year ended 31st March, 2017</b>
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	21.21	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-	-
(iv) The amount of interest due and payable for the year	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**GENSOL ENGINEERING LIMITED****Notes to Restated Consolidated Summary Statements****(All Amount in INR, unless otherwise stated)****33 Segment Reporting****ANNEXURE XXXV**

The Company is engaged primarily in the business of Engineering, Advisory and EPC of Solar Projects. Accordingly, there are no separate reportable segments as per Accounting Standard 17 – “Segment Reporting”.

**34 Earnings in foreign exchange :****ANNEXURE XXXVI**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Sale of Services	465.73	51.18	50.98
<b>TOTAL</b>	<b>465.73</b>	<b>51.18</b>	<b>50.98</b>

**35** Foreign currency exposures hedged by derivative instruments is Nil as at 31st March 2019. ( As at 31st March, 2018 - Nil, As at 31st March, 2017 - Nil )

**36 Related party disclosures****ANNEXURE XXXVII**

**Related party disclosures as required by Accounting Standard 18, "Related Party Disclosures".**

**(A) List of related parties and relationships:**

<b>Nature of Relationship</b>	<b>Name of Related Party</b>
<b>Key Managerial Personnel ("KMP")</b>	Anmol Singh Jaggi Puneet Singh Jaggi Jasminder Kaur
<b>Other related parties</b>	
Subsidiary Company	Gensun Renewables Private Limited
Joint Venture Company	Solarig Gensol Utilities Private Ltd
Enterprises over which Key Managerial Personnel are able to exercise significant influence / control	Gensol Consultants Private Limited Prescinto Technologies Private Limited Gosolar Venture Private limited Gensol Ventures Private Limited Gensol Renewables Private Limited Gensol Mobility Private Limited Gensol Fleet Private Limited Gensol Mobility Tech Private Limited Gensol Charge Private Limited Gensol Industries Private Limited

**GENSOL ENGINEERING LIMITED**  
**Notes to Restated Consolidated Summary Statements**  
(All Amount in INR, unless otherwise stated)

(Amt. in Lacs)

**(B) Transactions with related parties:**

**ANNEXURE XXXVII**

<b>Nature of transactions</b>	<b>For the year/Period</b>	<b>Remuneration</b>	<b>Consultancy fees</b>	<b>sale of goods/services</b>	<b>Purchase of goods/services</b>	<b>Rent Income</b>	<b>Loan &amp; Advance Received</b>	<b>Loan &amp; Advance Given</b>
Anmol Singh Jaggi	2018-19	20.00	-	-	-	-	71.76	-
	2017-18	-	19.00	-	-	-	-	10.92
	2016-17	-	-	-	-	-	-	38.10
Gensol Consultants Private Limited	2018-19	-	-	61.00	264.32	-	-	-
	2017-18	-	360.75	490.52	-	-	-	160.42
	2016-17	-	-	58.76	-	-	41.36	-
Jasminder Kaur	2018-19	21.00	-	-	-	-	-	-
	2017-18	17.22	-	-	-	-	-	-
	2016-17	15.96	-	-	-	-	-	-
Prescinto Technologies Private Limited	2018-19	-	4.00	0.42	27.20	0.12	-	-
	2017-18	-	-	5.37	30.04	0.05	-	-
	2016-17	-	-	-	-	-	-	-
Shalmali Kaur	2018-19	-	-	-	-	-	-	-
	2017-18	10.00	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-	-
Gosolar Ventures Private Limited	2018-19	-	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-	-
	2016-17	-	1.41	-	-	-	-	0.99
Puneet Singh Jaggi	2018-19	20.00	-	-	-	-	125.31	-
	2017-18	-	-	-	-	-	-	45.31
	2016-17	-	-	-	-	-	-	58.77
Solarig Gensol Utilities Private Ltd *	2018-19	-	-	-	-	14.40	-	-
	2017-18	-	-	81.55	-	5.66	-	1.29
	2016-17	-	6.87	-	-	-	5.16	-
Gensun Renewables Private Limited *	2018-19	-	-	654.07	-	0.03	-	-
	2017-18	-	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-	-
Gensol Industries Private Limited	2018-19	-	-	-	-	0.03	-	-
	2017-18	-	-	-	-	-	0.13	-
	2016-17	-	-	-	-	-	-	-
Gensol Venture Private Limited	2018-19	-	-	-	-	-	22.65	-
	2017-18	-	-	-	-	-	-	22.65
	2016-17	-	-	-	-	-	-	-
Gensol Mobility Private Limited	2018-19	-	-	-	-	0.15	-	-
	2017-18	-	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-	-
Gensol Renewables Private Limited	2018-19	-	-	-	-	0.03	-	-
	2017-18	-	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-	-

**(C) Closing Balance with related parties:**

Particular	As At the end of period/year	Loans & Advances Given	Loans & Advances Received	Consultancy fees / Remuneration Payable	Investment	Debtor	Creditor	Advance to Creditors
Gensol Ventures Private Limited	31-Mar-19	-	-	-	-	-	-	-
	31-Mar-18	22.65	-	-	-	-	-	-
	31-Mar-17	-	-	-	-	-	-	-
Anmol Singh Jaggi	31-Mar-19	-	23.20	-	-	-	-	-
	31-Mar-18	48.55	-	-	-	-	-	-
	31-Mar-17	37.64	-	-	-	-	-	-
Gensol Consultants Private Limited	31-Mar-19	-	-	-	-	0.66	-	-
	31-Mar-18	-	-	-	-	91.49	-	-
	31-Mar-17	-	68.94	-	-	-	-	-
Puneet Singh Jaggi	31-Mar-19	-	23.84	-	-	-	-	-
	31-Mar-18	101.46	-	-	-	-	-	-
	31-Mar-17	56.16	-	-	-	-	-	-
Gensol Industries Private Limited	31-Mar-19	-	-	-	-	-	-	-
	31-Mar-18	-	0.13	-	-	-	-	-
	31-Mar-17	-	-	-	-	-	-	-
Prescinto Technologies Private Limited	31-Mar-19	-	-	-	-	-	6.20	-
	31-Mar-18	-	-	-	-	-	-	1.13
	31-Mar-17	-	-	-	-	-	-	-
Jasminder Kaur	31-Mar-19	-	-	4.00	-	-	-	-
	31-Mar-18	-	-	-	-	-	-	-
	31-Mar-17	-	-	-	-	-	-	-
Solarig Gensol Utilities Private Ltd *	31-Mar-19	-	-	-	45.14	-	3.87	-
	31-Mar-18	-	3.87	81.55	45.14	-	-	-
	31-Mar-17	-	5.16	-	45.14	-	-	-
Gensun Renewables Private Limited *	31-Mar-19	-	-	-	0.51	-	-	148.73
	31-Mar-18	-	-	-	0.51	-	-	-
	31-Mar-17	-	-	-	-	-	-	-

The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII

\*As per ICDR Regulations and the Guidance Note, Inter Company Transactions are also disclosed.

\*As per ICDR Regulations and the Guidance Note, Inter Company Transactions are also disclosed.

**GENSOL ENGINEERING LIMITED**  
**Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

(Amt. in Lacs)

**ANNEXURE XXXVIII**

**37 Employee Benefit Plans**

**(A) Defined Benefit Plan**

(i) Actuarial gains and losses in respect of defined benefit plans are recognised in the Profit and Loss Account.

(ii) The Defined Benefit Plan comprises of Gratuity

a) Gratuity is a benefit to an employee based on 15 days last drawn basic salary including dearness allowance (if any) for each completed year of continuous service with part thereof in excess of six months. The plan is unfunded. The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The details of gratuity as required under AS-15 (revised):

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>i. Reconciliation of Opening and Closing Balances of defined benefit obligation</b>			
Liability at the beginning of the year/period	30.70	21.20	10.50
Current Service Cost	20.18	13.75	8.89
Interest Cost	2.50	1.51	0.81
Past Service Cost	(0.64)	1.59	-
Liability Transferred in	-	-	-
Liability Transferred out	-	-	-
Benefit paid	(1.41)	-	-
Net Actuarial losses (gain) Recognised	(6.40)	(7.35)	1.00
Liability at the end of the year/period	44.93	30.70	21.20
<b>ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets</b>			
Plan assets at the beginning of the year/period, at Fair value	-	-	-
Expected return on plan assets	-	-	-
Contributions	-	-	-
Benefit paid	-	-	-
Actuarial gain/(loss) on plan assets	-	-	-
Transfer to other Company	-	-	-
Plan assets at the end of the year/period, at Fair Value	-	-	-
<b>iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets</b>			
Obligations at the end of the year/period	44.93	30.70	21.20
Plan assets at the end of the year/period, at Fair value	-	-	-
Asset / (Liability) recognized in balance sheet as at the end of the year/period	(44.93)	(30.70)	(21.20)
<b>iv. Gratuity Cost for the year/period</b>			
Current service cost	20.18	13.75	8.89
Interest cost	2.50	1.51	0.81
Expected return on plan assets	-	-	-
Actuarial Gain or (Loss)	(6.40)	(7.35)	1.00
Recognised Past Service Cost-Vested	-	0.74	-
Recognised Past Service Cost-Unvested	0.21	-	-
Net Gratuity cost	16.49	8.65	10.70
<b>v. Actuarial Assumptions</b>			
Discount Rate (per annum)	7.65%	7.60%	7.15%
Expected rate of return on plan assets	NA	NA	NA
Annual Increase in Salary Cost	10.00% p.a for next 5 years & 8.00% p.a		
Withdrawal Rates	20% at younger ages reducing to 1% at older		
Mortality	Indian Assured Lives Mortality (2006-08) Table		
Retirement Age	58 Years		
Actuarial Valuation Method	Project Unit Credit Method		

**Notes**

- 1 (a) The discount rate is based on the benchmark yields available on Government Bonds as at the Balance Sheet date.
- (b) The Management's estimate of the increases in the salaries of the employees over the long term. Estimated future salary increases should take account of inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.

**2 Defined Contribution Plan**

Contribution to Defined Contribution plans, recognised as Expense, for the year/period is as under :

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>	<b>For the year ended 31st March, 2017</b>
Employer's Contribution to Provident Fund	34.06	17.20	6.19
<b>Total</b>	<b>34.06</b>	<b>17.20</b>	<b>6.19</b>

**3 Experience Adjustments**

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>	<b>For the year ended 31st March, 2017</b>
Defined Benefit Obligation	45.56	30.70	21.20
Plan Assets	-	-	-
Surplus/(Deficit)	(45.56)	(30.70)	(21.20)
Experience adjustments on plan liabilities	(6.82)	(6.18)	-
Actuarial loss/(gain) due to change in financial assumptions	0.71	(1.17)	1.00
Actuarial loss/ (gain) due to change in demographic assumption	(0.23)	-	-
Experience adjustments on plan assets	-	-	-
<b>Net actuarial loss/ (gain) for the year</b>	<b>(6.34)</b>	<b>(7.35)</b>	<b>1.00</b>

- 4 The above statement should be read with the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss, restated consolidated cash flow statement, significant accounting policies and notes to restated consolidated summary statements appearing in Annexures I, II, III, IV and from XXX to XXXVIII respectively.

**GENSOL ENGINEERING LIMITED**

**Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

**38 Summary of Accounting Ratios**

**ANNEXURE XXXIX**

(Rs. in lacs except share data)

<b>Ratios</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>	<b>For the year ended 31st March, 2017</b>
Restated PAT after Minority Interest as per P& L Account	649.68	533.66	118.90
Weighted Average Number of Equity Shares at the end of the Year	60,42,737	12,307	12,307
Bonus Share Effect	-	60,30,430	60,30,430
Weighted Average Number of Equity Shares at the end of the Year (After Bonus Issue)	60,42,737	60,42,737	60,42,737
Net Worth	1,304.27	654.59	120.93
<b>Earnings Per Share</b>			
<b>Basic &amp; Diluted</b>	<b>10.75</b>	<b>4,336.23</b>	<b>966.12</b>
<b>Basic &amp; Diluted (After Bonus Issue )</b>	<b>10.75</b>	<b>8.83</b>	<b>1.97</b>
<b>Return on Net Worth (%)</b>	<b>49.81%</b>	<b>81.53%</b>	<b>98.32%</b>
<b>Net Asset Value Per Share (Rs)</b>	<b>21.58</b>	<b>5,318.84</b>	<b>982.61</b>
<b>Net Asset Value Per Share (Rs) (After Bonus Issue )</b>	<b>21.58</b>	<b>10.83</b>	<b>2.00</b>
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>	<b>1,005.29</b>	<b>784.85</b>	<b>182.46</b>

**Note**

- 1 Earnings per share calculations are done in accordance with Accounting Standard 20 “Earnings Per Share”. As per the requirements of AS 20 “Earnings Per Share”, the weighted average number of equity shares considered for calculation of Basic and Diluted Earnings per Share.
- 2 The Ratios have been computed on the basis of the Restated Summary Summary Statements.
- 3 The Ratio have been computed as per the following formulas:

<b>Particulars</b>	<b>Formula</b>
Basic Earnings Per Share (Rs.)	$\frac{\text{Restated Profit/(Loss) After Tax For the Year Attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares Outstanding During Year/Period}}$
Diluted Earnings Per Share (Rs.)	$\frac{\text{Restated Profit/(Loss) After Tax For the Year Attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares Outstanding During Year/Period}}$
Return on Net Worth (%)	$\frac{\text{Restated Profit/(Loss) After Tax For the Year Attributable to Equity Shareholders}}{\text{Net Worth As At The End Of The Year/Period}}$
Net Assets Value Per Share (Rs.)	$\frac{\text{Net Worth As At The End Of The Year/Period}}{\text{No. of shares outstanding at the end of the year/Period}}$

- 4 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 the total number of days during the year.
- 5 Net worth for ratios mentioned represents sum of share capital and reserves and surplus (surplus in the statement of profit and loss).
- 6 The above statement should be read with the notes to restated summary Summary Statements of assets and liabilities, profits and losses and cash flows.
- 7 Bonus Shares were issued in the ratio of 490:1 on January 21, 2019. Thereby, EPS and Net Asset Value per share are provided pre bonus issue and post bonus issue.



**GENSOL ENGINEERING LIMITED****Notes to Restated Consolidated Summary Statements**

(All Amount in INR, unless otherwise stated)

**39 Capitalisation Statement as at 31st March, 2019****ANNEXURE XXXX**

(Amt. in Lacs)

<b>Particulars</b>	<b>Pre Issue</b>	<b>Post Issue</b>
<b>Borrowings</b>		
Short term debt (A)	4.55	[.]
Long Term Debt (B)	856.63	[.]
<b>Total debts (C)</b>	<b>861.18</b>	[.]
<b>Shareholders' funds</b>		
Equity share capital	604.27	[.]
Reserve and surplus - as restated	700.00	[.]
<b>Total shareholders' funds</b>	<b>1,304.27</b>	[.]
<b>Long term debt / shareholders funds</b>	0.66	[.]
<b>Total debt / shareholders funds</b>	0.66	[.]

**Note**

- The above statement should be read with the notes to restated summary Summary Statements of assets and liabilities, profits and losses and cash flows.
- The corresponding figures (As adjusted for issue) are not determinable at this stage pending the completion of the book building process and hence have not been furnished.
- A short term debt represents borrowings due within 12 months from the date of balance sheet.
- A long term debt represents borrowings due after 12 months from the date of balance sheet and includes current maturities of long term debts.
- Long Term Debts/Equity has been computed as: 
$$\frac{\text{Long Term Debts}}{\text{Total Shareholders' fund}}$$
- Total Debts/Equity has been computed as: 
$$\frac{\text{Total Debts}}{\text{Total Shareholders' fund}}$$

**In terms of our report attached**

For K C Parikh & Associates  
Chartered Accountants  
Firm Regn. No. 107550W

**For and on behalf of the Board of Directors**

GENSOL ENGINEERING LIMITED  
U74210CH2012PLC034105

**PUNEET SINGH JAGGI**    **ANMOL SINGH JAGGI**  
(Director)                      (Director)  
(DIN-02479868)                (DIN-01293305)

**(CA. Chintan M Doshi)**

Partner  
Membership No. 118298  
Place : Ahmedabad  
Date : 6 May, 2019

**RAJESH PARMAR**                      **JABIR MAHENDI**  
(Company Secretary)                (Chief Financial Officer)

### **OTHER FINANCIAL INFORMATION**

For details on other financial information please refer to “Annexure XXXIX- Restated Consolidated Statement of Other Financial Information” on page F49, under the chapter titled “Restated Financial Information” beginning on page 144 of this Draft Red Herring Prospectus.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OF OPERATIONS

*You should read the following discussion of our financial position and results of operations together with our Restated Consolidated Financial Statements which have been included in this Draft Red Herring Prospectus. The following discussion and analysis of our financial position and results of operations is based on our Restated Consolidated Financial Statements for the years ended March 31, 2019, 2018 and 2017 including the related notes and reports, included in this Draft Red Herring Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited financial statements for the respective years. Accordingly, the degree to which our Restated Consolidated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" beginning on pages 24 and 18 respectively, and elsewhere in this Draft Red Herring Prospectus.*

*Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.*

### OVERVIEW

Gensol Engineering Limited ("**Gensol**") is a Solar Design & Engineering company with team of more than 500 employees and an experience of providing technical expertise over 19,000+ MW. As part of its consulting business, Gensol provides concept to commissioning solar advisory, engineering review, detailed engineering, construction supervision, quality control and technical due diligence services for projects in India and abroad. Over the past 5 years, Gensol has built a credible reputation as a one-stop solution across the entire value chain of solar industry by advising Governments policy makers, leading project developers, Solar EPC Companies, Lending Institutions and Vendors alike.

Besides advising various stakeholders in Solar Projects, Gensol also undertakes turnkey Engineering, Procurement and Construction contracts under its EPC Business, with international footprints, with help of our team of 180+ engineers. In all, Gensol has, so far, erected solar power plants with a cumulative capacity of more than 188 MW + on roofs as well as lands. Our Company is ISO 9001:2015 certified Company for solar consultancy and EPC.

Gensol has also expanded wings in international market by providing Consulting Services in countries like Indonesia, Nepal, Afghanistan, Sierra Leone, Chad, Gabon, Philippines, Oman, Ukraine and , Kenya. We have also an ongoing EPC project in Egypt. We are also entitled to subsidy in some of our projects from SECI.

Gensol entered into a Joint Venture with Solarig N-Gage SA from Spain in March 2015, which has a global O&M experience to offer Operation & Maintenance Services (O&M Business) in India under Solarig Gensol Utilities Private Limited ("**SGUPL**"). SGUPL provides preventive, corrective & predictive maintenance, onsite & remote SCADA monitoring & reporting, modules cleaning & vegetation abatement, facility management, health analysis, vendor warranty coordination etc. through computerized maintenance management system by IBM Maximo and thermo-graphic inspection & on site IV Curve testing. SGUPL is maintaining over 2200+ MWp and has performed health diagnosis via IV-Curve, string testing and thermal imaging.

Gensun Renewable Private Limited ("**GRPL**"), subsidiary of Gensol was incorporated as a private limited company under the provisions of Companies Act, 2013 on February 08, 2018. GRPL is mainly engaged in RESCO Business i.e. Renewable Energy Services Company which is engaged in power production generation and sale activity. GRPL has already entered into Power Purchase Agreement (PPA) with 3 clients for selling electricity generated from a cumulative 1.4MW Solar PV capacity. Our robust execution, steady supplier relationships and innovative financing solutions enable us to aim to deliver the lowest total cost of ownership and end user pricing.

Our Company is promoted by Anmol Singh Jaggi and Puneet Singh Jaggi. Our Promoters manage and control the major affairs of our business operations. With their dedication and commitment alongwith support of our key management personnel and dedicated employee base, our Company has shown an increasing trend in our business operations which is evidenced by the growth in our total income as per our Restated Consolidated Financial Statements from Rs. 6,231.77 lakhs in FY 2016-17 to Rs. 8,385.43 lakhs in FY 2018-19. We believe that our

market position has been achieved by adherence to the vision of our Promoters and senior management and their experience.

From FY 2016-17 to FY 2018-19, as per our Restated Consolidated Financial Statements, i) our total revenue has shown growth from Rs. 6,231.77 lakhs to Rs. 8,385.43 lakhs, representing a CAGR of 16.00% ii) our EBITDA has shown growth from Rs. 182.46 lakhs to Rs. 1,005.29 lakhs, representing a CAGR of 134.73% iii) our profit after tax has shown growth from Rs. 118.90 lakhs to a profit of Rs. 649.68 lakhs, representing a CAGR of 133.75%.

#### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR**

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. Resignation of Mr. Ashish Swarup as an Independent Director w.e.f. August 7, 2019 and appointment of Mr. Gaurav Kharbanda as an Independent Director w.e.f. August 7, 2019.
2. Company has obtained new working capital loan amounting to Rs. 150.00 Lakhs from Centrum Financial Services Limited *vide* sanction letter dated April 1, 2019

#### **FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” beginning on page 24 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Change in laws, government policies and regulations that apply to the industry in which our Company operate;
- Our ability to retain our skilled personnel;
- Our ability to successfully execute our growth strategies;
- Seasonal and weather fluctuations;
- Competition and price cutting from existing and new entrants;
- General economic and market conditions;

#### **SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies have been applied consistently to the periods presented in the Restated Consolidated Financial Statements. For details of our significant accounting policies, please refer section titled “Financial Information” on page 144 of this Draft Red Herring Prospectus.

#### **OVERVIEW OF REVENUE AND EXPENSES**

##### **Revenue and Expenses**

Our revenue and expenses are reported in the following manner:

##### ***Total Revenue***

Our Total Revenue comprises of revenue from operations and other income.

##### ***Revenue from operations***

Our principal component of revenue from operations is generated from Solar engineering, procurement and construction (EPC) contracts whereby we mainly install solar power plant on the roof tops and rendering of solar advisory services which majorly includes commissioning solar advisory, design review & engineering, execution and operations services. We also offer comprehensive O&M services for solar power plants through our joint venture. Further we have invested in 2018 in our subsidiary for offering of RESCO services. Our revenue from operations also includes subsidy income.

##### ***Other Income***

Our other income mainly comprises of interest income from fixed deposits, discount income, rental income, travel & sojourn income, foreign exchange fluctuation gain and other miscellaneous income.

##### ***Expenses***

Our expenses comprise of purchase of stock-in-trade, employee benefit expenses, finance costs, depreciation & amortisation expenses and other expenses.

*Purchase of stock-in-trade*

Our purchase of stock-in-trade include purchase of equipments required in execution of our Solar EPC projects which mainly includes Solar PV modules, inverters, mounting structures, junction boxes, transformers, cables etc. among others.

*Employee benefit expenses*

Our employee benefit expenses mainly include salaries, contribution to provident and other funds, gratuity expense and staff welfare expenses.

*Finance costs*

Our finance costs mainly include interest to banks & NBFC, other bank & financial charges and interest on delayed payment of taxes.

*Depreciation and amortisation expenses*

Our depreciation and amortisation expenses comprise of depreciation on tangible fixed assets and amortization of intangible assets.

*Other expenses*

Our other expenses mainly include direct expenses such as solar EPC expenses, module cleaning & grass cutting services, transportation expenses, travel expenses, site tool expenses, site maintenance expenses, etc. and administrative and selling expenses such as legal and professional expenses, rent expenses, advertisement expenses, general expenses, office expenses, sales promotion expenses, etc. among others.

**Our Results of Operations**

The following table sets forth select financial data from our restated financial statement of profit and loss for the financial years ended March 31, 2019, 2018 and 2017 the components of which are also expressed as a percentage of total revenue for such periods:

Particulars	For the Year ended March 31, 2019		For the Year ended March 31, 2018		For the Year ended March 31, 2017	
	Rs. in Lakhs	(%)*	Rs. in Lakhs	(%)*	Rs. in Lakhs	(%)*
<b>Total Revenue:</b>						
Revenue from operations	8,338.53	99.44%	6,902.22	99.11%	6,217.08	99.76%
Other income	46.90	0.56%	62.20	0.89%	14.69	0.24%
<b>Total Revenue</b>	<b>8,385.43</b>	<b>100.00%</b>	<b>6,964.42</b>	<b>100.00%</b>	<b>6,231.77</b>	<b>100.00%</b>
<b>Expenses:</b>						
Purchase of Stock in Trade	3,458.41	41.24%	3,226.88	46.33%	4,179.19	67.06%
Employee benefit expenses	1,532.03	18.27%	1,085.22	15.58%	604.01	9.69%
Finance costs	77.21	0.92%	27.75	0.40%	4.32	0.07%
Depreciation and amortization expenses	44.42	0.53%	11.64	0.17%	11.78	0.19%
Other expenses	2,389.70	28.50%	1,867.47	26.81%	1,266.11	20.32%
<b>Total Expenses</b>	<b>7,501.77</b>	<b>89.46%</b>	<b>6,218.96</b>	<b>89.30%</b>	<b>6,065.41</b>	<b>97.33%</b>
<b>Profit before exceptional, extraordinary items and tax</b>	<b>883.66</b>	<b>10.54%</b>	<b>745.46</b>	<b>10.70%</b>	<b>166.36</b>	<b>2.67%</b>
Extraordinary and Exceptional items	-	-	-	-	-	-
<b>Profit before tax</b>	<b>883.66</b>	<b>10.54%</b>	<b>745.46</b>	<b>10.70%</b>	<b>166.36</b>	<b>2.67%</b>
Tax expense						

Particulars	For the Year ended March 31, 2019		For the Year ended March 31, 2018		For the Year ended March 31, 2017	
	Rs. in Lakhs	(%)*	Rs. in Lakhs	(%)*	Rs. in Lakhs	(%)*
(i) Current tax	244.14	2.91%	203.42	2.92%	52.16	0.84%
(ii) Deferred tax	(9.62)	(0.11%)	8.24	0.12%	(4.58)	(0.07%)
(iii) MAT Credit	-	-	0.12	0.00%	(0.12)	(0.00%)
<b>Total Tax Expense</b>	<b>234.52</b>	<b>2.80%</b>	<b>211.78</b>	<b>3.04%</b>	<b>47.46</b>	<b>0.76%</b>
<b>Profit before Minority Interest</b>	<b>649.14</b>	<b>7.74%</b>	<b>533.68</b>	<b>7.66%</b>	<b>118.90</b>	<b>1.91%</b>
<b>Minority Interest</b>	(0.54)	(0.01%)	0.02	0.00%	-	-
<b>Profit after Minority Interest</b>	<b>649.68</b>	<b>7.75%</b>	<b>533.66</b>	<b>7.66%</b>	<b>118.90</b>	<b>1.91%</b>

\* (%) column represents percentage of total revenue.

### FINANCIAL YEAR 2018-19 COMPARED WITH FINANCIAL YEAR 2017-18

#### *Total Revenue*

Our total revenue increased by 20.40% to Rs. 8385.43 lakhs for the financial year 2018-19 from Rs. 6964.42 lakhs for the financial year 2017-18 due to the factors described below.

#### *Revenue from operations*

Our revenue from operations increased by 20.81% to Rs. 8,338.53 lakhs for the financial year 2018-19 from Rs. 6,902.22 lakhs for the financial year 2017-18. The increase was mainly due to increase in revenue by rendering of O&M services by Rs. 59.18 lakhs and increase in sale of revenue from EPC contracts by Rs. 1,377.13 lakhs. The increase in revenue from services was mainly due to addition of new clients and enhanced business from existing clients and increase in revenue from sale of products was due to increase in our EPC contracts

#### *Other income*

Our other income decreased by 24.60% to Rs. 46.90 lakhs for the financial year 2018-19 from Rs. 62.20 lakhs for the financial year 2017-18 mainly due to decrease in receipt of claim on liquidated damages by Rs. 24.74 lakhs, decrease in miscellaneous income by Rs. 5.66 lakhs, travel & sojourn income by Rs. 3.06 lakhs and decrease in interest income by 0.09 lakhs which was partially offset by increase in foreign exchange gain by Rs. 9.47 lakhs, rent income by Rs. 5.69 lakhs and discount income by Rs. 3.09 lakhs.

#### *Total Expenses*

Our total expenses, excluding tax increased by 20.63% to Rs. 7,501.77 lakhs for the financial year 2018-19 from Rs. 6,218.96 lakhs for the financial year 2017-18 due to the factors described below:

#### *Purchase of stock-in-trade*

Our purchase of stock-in-trade increased by 7.18% to Rs. 3,458.41 lakhs for the financial year 2018-19 from Rs. 3,226.88 lakhs for the financial year 2017-18 which was due to increase in execution of our EPC contracts.

#### *Employee Benefit Expenses*

Our employee benefit expenses increased by 41.17% to Rs. 1,532.03 lakhs for the financial year 2018-19 from Rs. 1,085.22 lakhs for the financial year 2017-18. The increase was mainly due to increase in salary expense of Rs. 418.10 lakhs, contribution to provident and other funds of Rs. 16.86 lakhs, provision for gratuity of Rs. 7.84 lakhs and staff welfare expense of Rs. 4.01 lakhs.

#### *Finance Costs*

Our finance costs increased by 178.23% to Rs. 77.21lakhs for the financial year 2018-19 from Rs. 27.75 lakhs for the financial year 2017-18. The increase was mainly on account of increase in interest on loans by Rs. 20.54 lakhs and interest on late payment of statutory dues by Rs. 29.09 lakhs. However, the increase was partially offset by decrease in bank charges by Rs. 0.17 lakhs.

### *Depreciation and Amortization Expenses*

Our depreciation expense increased by 281.62% to Rs. 44.42 lakhs for the financial year 2018-19 from Rs. 11.64 lakhs for the financial year 2017-18. The increase was mainly due to increase in fixed assets during the year.

### *Other expenses*

Our other expenses increased by 27.96% to Rs. 2,389.70 lakhs for the financial year 2018-19 from Rs. 1,867.47 lakhs for the financial year 2017-18. The increase was on account of increase in solar EPC expenses by Rs. 286.62 lakhs, travelling & conveyance expenses by Rs. 142.30 lakhs, module cleaning & grass cutting services by Rs. 131.33 lakhs, rent expense by Rs. 72.20 lakhs, site maintenance expenses by Rs. 54.76 lakhs, security expense by Rs. 47.84 lakhs, transportation expense by Rs. 33.86 lakhs, commission expense by Rs. 33.82 lakhs, labour charges by Rs. 16.92 lakhs, office expense by Rs. 14.65 lakhs, site tool expenses by Rs. 14.46 lakhs etc. among others. It was partially offset by decrease in stipend expenses by Rs. 31.22 lakhs and legal & professional charges by Rs. 332.34 lakhs etc. among others. Decrease in legal & professional charges was on account of decrease in solar advisory services as a part of operational service.

### *Profit before Tax*

Our profit before tax increased by 18.54% to Rs. 883.66 lakhs for the financial year 2018-19 from Rs. 745.46 lakhs for the financial year 2017-18 which was mainly due to increase in revenue from our solar EPC contracts and O&M services.

### *Tax Expenses*

Our tax expense for the financial year 2018-19 amounted to Rs. 234.52 lakhs as against expense of Rs. 211.78 lakhs for the financial year 2017-18. The increase was on account of increase in current tax expenses by Rs. 40.72 lakhs which was partially offset by reversal of deferred tax expenses by Rs. 17.86 lakhs and decrease in MAT expenses by Rs. 0.12 lakhs.

### *Profit after Tax before Minority Interest*

Our profit after tax before minority interest increased to Rs. 649.14 lakhs for the financial year 2018-19 from Rs. 533.68 lakhs for the financial year 2017-18 due to the reasons mentioned above.

## **FINANCIAL YEAR 2017-18 COMPARED WITH FINANCIAL YEAR 2016-17**

### ***Total Revenue***

Our total revenue increased by 11.76% to Rs. 6,964.42 lakhs for the financial year 2017-18 from Rs. 6,231.77 lakhs for the financial year 2016-17 due to the factors described below:

### *Revenue from operations*

Our revenue from operations increased by 11.02% to Rs. 6,902.22 lakhs for the financial year 2017-18 from Rs. 6,217.08 lakhs for the financial year 2016-17. The increase was mainly due to increase in revenue by rendering of solar advisory services and O&M services by Rs. 1,685.05 lakhs which was partially offset by decrease in sale of revenue from EPC contracts by Rs. 999.91 lakhs. The increase in revenue from services was mainly due to addition of new clients and enhanced business from existing clients. The decrease in our revenue from sale of products was due to decline in our EPC contracts.

### *Other income*

Our other income increased by 323.42% to Rs. 62.20 lakhs for the financial year 2017-18 from Rs. 14.69 lakhs for the financial year 2016-17 mainly due to receipt of claim on liquidated damages of Rs. 24.74 lakhs and accrual of discount income of Rs. 16.78 lakhs in FY 2017-18, increase in interest income by Rs. 4.49 lakhs, rent income by Rs. 2.10 lakhs, forex gain by Rs. 0.18 lakhs and miscellaneous income by Rs. 4.34 lakhs which was partially offset by decrease in travel reimbursement income by Rs. 5.12 lakhs.

### ***Total Expenses***

Our total expenses increased by 2.53% to Rs. 6,218.96 lakhs for the financial year 2017-18 from Rs. 6,065.41 lakhs for the financial year 2016-17, due to the factors described below:

### *Purchase of stock-in-trade*



Our purchase of stock-in-trade for the financial year 2017-18 decreased by 22.79% to Rs. 3,226.88 lakhs for the financial year 2017-18 as compared to Rs. 4,179.19 lakhs for the financial year 2016-17. The decrease in purchase of equipment required for executing our EPC projects was due to decline in our EPC contracts.

#### *Employee benefits expenses*

Our employee benefit expenses increased by 79.67% to Rs. 1,085.22 lakhs for the financial year 2017-18 from Rs. 604.01 lakhs for the financial year 2016-17. The increase was mainly on account of increase in salary by Rs. 471.19 lakhs, contribution to provident & other funds by Rs. 11.01 lakhs and staff welfare expenses by Rs. 1.06 lakhs. This was partially offset by decrease in provision for gratuity by Rs. 2.05 lakhs. Increase in employee benefit expenses was mainly due to increase in our employee headcount and increase in salary levels of some existing employees.

#### *Finance costs*

Our finance costs increased by 542.36% to Rs. 27.75 lakhs for the financial year 2017-18 from Rs. 4.32 lakhs for the financial year 2016-17. The increase was mainly on account of increase in interest on loans by Rs. 10.42 lakhs, bank charges by Rs. 6.85 lakhs and interest on late payment of statutory dues by Rs. 6.16 lakhs.

#### *Depreciation and amortization expense*

Our depreciation expense slightly decreased by 1.19% to Rs. 11.64 lakhs for the financial year 2017-18 from Rs. 11.78 lakhs for the financial year 2016-17.

#### *Other expenses*

Our other expenses increased by 47.50% to Rs. 1,867.47 lakhs for the financial year 2017-18 from Rs. 1,266.11 lakhs for the financial year 2016-17. The increase was on account of increase in legal & professional charges by Rs. 430.83 lakhs, travelling & conveyance expenses by Rs. 158.58 lakhs, module cleaning & grass cutting services by Rs. 69.21 lakhs, rent expense by Rs. 36.69 lakhs, general expenses by Rs. 33.97 lakhs, sales promotion expenses by Rs. 28.41 lakhs, stipend expenses by Rs. 18.60 lakhs, security expense by Rs. 10.98 lakhs, etc. among others. It was partially offset by decrease in solar EPC expenses by Rs. 142.32 lakhs, transportation expense by Rs. 74.35 lakhs and rates & taxes by Rs. 4.73 lakhs etc. among others. Decrease in solar EPC expenses was due to decrease in revenue from installation of solar EPC contracts and increase in legal and professional fees was on account of professional fees provided for solar advisory as a part of operational service.

#### *Profit before tax*

Our profit before tax increased by 348.10% to Rs. 745.46 lakhs for the financial year 2017-18 from Rs. 166.36 lakhs for the financial year 2016-17 which was mainly due to increase in revenue from our solar advisory and O&M services.

#### *Tax expenses*

Our tax expense for the financial year 2017-18 amounted to Rs. 211.78 lakhs as against expense of Rs. 47.46 lakhs for the financial year 2016-17. The increase was on account of increase in current tax expenses by Rs. 151.26 lakhs, increase in deferred tax expenses by Rs. 12.82 lakhs and increase in MAT by Rs. 0.24 lakhs.

#### *Profit after tax before minority interest*

Our profit after tax before minority interest increased by 348.85% to Rs. 533.68 lakhs for the financial year 2017-18 from Rs. 118.90 lakhs for the financial year 2016-17 due to the reasons mentioned above.

#### **Other Key Ratios**

The table below summaries key ratios in our Restated Consolidated Financial Statements for the financial years ended March 31, 2019, 2018 and 2017:

Particulars	For the year ended March 31,		
	2019	2018	2017
Fixed Asset Turnover Ratio	9.91	78.36	435.37
Debt Equity Ratio	0.66	0.19	0.32
Current Ratio	1.43	1.30	1.10

*Fixed Asset Turnover Ratio:* This is defined as revenue from operations divided by total fixed assets based on Restated Consolidated Financial Statements. Total fixed assets include tangible and intangible assets.

*Debt Equity Ratio:* This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturities of long term debt, based on Restated Consolidated Financial Statements.

*Current Ratio:* This is defined as current assets divided by current liabilities, based on Restated Consolidated Financial Statements.

### **Cash Flow**

The table below summaries our cash flows from our Restated Financial Information for the financial years 2019, 2018 and 2017:

(Rs. in lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Net cash (used in)/ generated from operating activities	342.83	164.57	6.18
Net cash (used in)/ generated from investing activities	(838.64)	(86.66)	(55.01)
Net cash (used in)/ generated from financing activities	513.02	35.39	27.07
Net increase/ (decrease) in cash and cash equivalents	17.21	113.30	(21.76)
Cash and Cash Equivalents at the beginning of the year	129.61	16.31	38.07
Cash and Cash Equivalents at the end of the year	146.82	129.61	16.31

### **Operating Activities**

#### *Financial year 2018-19*

Our net cash generated from operating activities was Rs. 342.83 lakhs for the financial year 2018-19. Our operating profit before working capital changes was Rs. 999.13 lakhs for the financial year 2018-19 which was primarily adjusted by payment of income tax of Rs. 79.56 lakhs, increase in trade receivable by Rs. 616.55 lakhs, increase in other current liabilities and provisions by Rs. 274.16 lakhs and increase in other current assets by Rs. 344.25 lakhs, decrease in trade payables by Rs. 33.16 lakhs and decrease in loans and advances and other assets by Rs. 143.06 lakhs.

#### *Financial year 2017-18*

Our net cash generated from operating activities was Rs. 164.57 lakhs for the financial year 2017-18. Our operating profit before working capital changes was Rs. 778.60 lakhs for the financial year 2017-18 which was primarily adjusted by payment of income tax of Rs. 140.74 lakhs, increase in trade receivable by Rs. 996.98 lakhs, increase in trade payables by Rs.722.09 lakhs, increase in loans and advances and other assets by Rs. 28.94 lakhs, increase in other current liabilities and provisions by Rs. 265.32 lakhs and increase in other current assets by Rs. 434.78 lakhs.

#### *Financial year 2016-17*

Our net cash generated from operating activities was Rs. 6.18 lakhs for the financial year 2016-17. Our operating profit before working capital changes was Rs. 180.70 lakhs for the financial year 2016-17 which was primarily adjusted by payment of income tax of Rs. 52.38 lakhs, increase in trade receivables by Rs. 292.79 lakhs, increase in trade payables by Rs. 98.04 lakhs, increase in loans & advances and other assets by Rs. 186.26 lakhs, increase in other current liabilities and provisions by Rs. 198.81 lakhs and decrease in other current assets by Rs. 60.06 lakhs.

### **Investing Activities**

#### *Financial year 2018-19*

Net cash used in investing activities was Rs. 838.64 lakhs for the financial year 2018-19. This was primarily on account of purchase of fixed assets amounting to Rs. 798.09 lakhs and bank deposits matured of Rs. 46.71 lakhs which was partially offset by receipt of interest income of Rs. 6.16 lakhs.

*Financial year 2017-18*

Net cash used in investing activities was Rs. 86.66 lakhs for the financial year 2017-18. This was primarily on account of purchase of fixed assets amounting to Rs. 85.44 lakhs and bank deposits matured of Rs. 7.47 lakhs which was partially offset by receipt of interest income of Rs. 6.25 lakhs.

*Financial year 2016-17*

Net cash used in investing activities was Rs. 55.01 lakhs for the financial year 2016-17. This was primarily on account of purchase of fixed assets amounting to Rs. 9.15 lakhs and bank deposits matured of Rs. 47.62 lakhs which was partially offset by receipt of interest income of Rs. 1.76 lakhs.

**Financing Activities**

*Financial year 2018-19*

Net cash flow generated from financing activities for the financial year 2018-19 was Rs. 513.02 lakhs. This was on account of increase in long term borrowings by Rs. 605.27 lakhs which was partially offset by repayments of short term borrowings of Rs. 15.04 lakhs, payment of interest and other finance charges of Rs. 77.21 lakhs.

*Financial year 2017-18*

Net cash flow generated from financing activities for the financial year 2017-18 was Rs. 35.39 lakhs. This was primarily on account of increase in long term borrowings by Rs. 58.54 lakhs, proceeds from share capital of Rs. 0.49 lakhs and increase in short term borrowings of Rs. 4.11 lakhs which was partially adjusted by payment of interest and other finance charges of Rs. 27.75 lakhs.

*Financial year 2016-17*

Net cash generated from financing activities for the financial year 2016-17 was Rs. 27.07 lakhs. This was primarily on account of increase in long term borrowings of Rs. 15.91 lakhs and increase in short term borrowings by Rs. 15.48 lakhs which was partially offset by payment of interest and other finance charges of Rs. 4.32 lakhs.

**Financial Indebtedness**

As on March 31, 2019, the total outstanding borrowings of our Company was Rs. 861.18 lakhs which included long-term borrowings of Rs. 679.77 lakhs, short term borrowings of Rs. 4.55 lakhs and current maturities of long term borrowings of Rs. 176.86 lakhs. For further details, refer chapter titled “Financial Indebtedness” beginning on page 157 of this Red Herring Prospectus.

(Rs. in lakhs)

Particulars	As at March 31, 2019
<b>Long Term Borrowings(A)</b>	
<i>Secured Loans</i>	
- From Financial Institutions	377.53
<i>Unsecured Loans</i>	
- From Banks & Financial Institution	68.73
- From Others	190.00
- From Directors	43.51
<b>Sub Total (A)</b>	<b>679.77</b>
<b>Short Term Borrowings (B)</b>	
<i>Secured Loans from Banks</i>	
- Working capital loan	4.55
<b>Sub Total (B)</b>	<b>4.55</b>
<b>Current Maturities of Long Term Borrowings (C)</b>	<b>176.86</b>
<b>Total (A)+(B)+(C)</b>	<b>861.18</b>

In the event, any of our lenders declare an event of default, such current and any future defaults could lead to acceleration of our repayment obligations, termination of one or more of our financing agreements or force us to sell our assets, any of which could adversely affect our business, results of operations and financial condition.

#### **Related Party Transactions**

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relates to remuneration, salary, commission and Issue of Equity Shares. For further details of such related parties under AS-18, refer chapter titled “*Financial Statements*” beginning on page 144 of this Draft Red Herring Prospectus.

#### **Contingent Liabilities**

The following table sets forth our contingent liabilities as of March 31, 2019 and March 31, 2018.

*(Rs. in lakhs)*

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Outstanding Bank Guarantee	195.40	55.62
Outstanding Bank Guarantee – Share of joint venture	0.36	0.36
<b>Total</b>	<b>195.76</b>	<b>55.98</b>

As at March 31, 2019 Corporate guarantees given to financial institution / bank on behalf of subsidiaries for facilities availed by them is Rs. 398.15 lakhs.

#### **Off-Balance Sheet Items**

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

#### **Qualitative Disclosure about Market Risk**

##### **Financial Market Risks**

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

##### **Interest Rate Risk**

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

##### **Effect of Inflation**

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

##### **Credit Risk**

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

#### **Reservations, Qualifications and Adverse Remarks**

Except as disclosed in chapter titled “*Financial Statements*” beginning on page 144 of this Draft Red Herring Prospectus, there have been no reservations, qualifications and adverse remarks.

#### **Details of Default, if any, Including Therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution**

Except as disclosed in chapter titled “*Financial Statements*” beginning on page 144 of this Draft Red Herring Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

#### **Material Frauds**

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last three Fiscals.

#### **Unusual or Infrequent Events or Transactions**

As on date there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual item of income, change of accounting policy and discretionary reduction of expenses.

**Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations**

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company’s operations or are likely to affect income from continuing operations except as described in chapter titled “Risk Factors” beginning on page 24 of this Draft Red Herring Prospectus.

**Known Trends or Uncertainties that have had or are expected to have a Material Adverse Impact on Sales, Revenue or Income from Continuing Operations**

Other than as described in the section titled “Risk Factors” beginning on page 24 of this Draft Red Herring Prospectus and in this chapter, to our knowledge there are no known trends or uncertainties that are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**Future Changes in Relationship between Costs and Revenues, in Case of Events Such as Future Increase in Labour or Service Costs or Prices that will Cause a Material Change are known**

Other than as described in chapter titled “Risk Factors” beginning on page 24 of this Draft Red Herring Prospectus and in this section, to our knowledge there are no known factors that might affect the future relationship between cost and revenue.

**Extent to which Material Increases in Net Sales or Revenue are due to Increased Sales Volume, Introduction of New Products or Services or Increased Sales Prices**

Changes in revenue in the last three financial years are as explained in the part “Financial Year 2018-19 compared with financial year 2017-18 and Financial Year 2017-18 Compared With Financial Year 2016-17” above.

**Competitive Conditions**

We have competition with Indian and international service providers and our results of operations could be affected by competition in the solar industry in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled “Risk Factors” beginning on page 24 of this Draft Red Herring Prospectus.

**Increase in income**

Increases in our income are due to the factors described above in in this chapter under “Significant Factors Affecting Our Results of Operations” and chapter titled “Risk Factors” beginning on page 24 of this Draft Red Herring Prospectus.

**Status of any Publicly Announced New Products or Business Segments**

Except as disclosed elsewhere in the Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products/ services or business segments.

**Significant Dependence on a Single or Few Customers**

Significant proportion of our revenues have historically been derived from a limited number of customers. The % of Contribution of our Group’s customer *vis a vis* the total consolidated revenue from operations and the % of contribution of our Group’s supplier *vis a vis* the total cost of consolidated purchases for the year ended March 31, 2019 are as follows:

Particulars	Suppliers	Customers
	March 31, 2019	March 31, 2019
Top 5 (%)	85.64%	46.78%
Top 10 (%)	96.86%	62.29%

**Seasonality of Business**



The nature of our subsidiary's business is subject to seasonal fluctuations. For associated risk factor, refer Risk Factor 22, in the chapter titled "Risk Factors" beginning on page 24 of the DRHP.

## FINANCIAL INDEBTEDNESS

We utilize various credit facilities from banks and various NBFC's for conducting its business. Set forth is a brief summary of our secured and unsecured borrowings together with a brief description of certain significant terms of such financing arrangements.

### SECURED BORROWINGS

#### 1. Loan from Reliance Commercial Finance Limited on May 10, 2018.

PARTICULARS	
Nature of Facility	Term loan
Loan Amount	Rs. 500.00 Lakhs
Amount Outstanding as on March 31, 2019	Rs. 398.15 Lakhs
Guarantees	<b>Corporate Guarantee</b> - Gensol Engineering Private Limited <b>Personal Guarantee</b> - Anmol Singh Jaggi - Puneet Singh Jaggi - Arvind Agarwal - Manish Begrajka - Kanaiya Bhadra
Tenor	56 Quaterly Installment starting from June 2019
Security	1. First exclusive charge by way of hypothecation of all the movable assets including, but not limited to plant & machinery, machinery spares, tools & accessories of the Borrower, pertaining to Project; 2. First exclusive charge on current assets including but not limited to book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future, intangibles, goodwill, present and future of the Borrower, pertaining to Project; 3. First exclusive charge on all Project related documents, all licenses, permits, approvals, consents, contracts, rights, interests, insurance and all benefits incidental to the Project, both present and future. 4. Pledge of 51 % shares of the Borrower 5. FD of Rs.1.25 Cr with a lien marked in favour of RCFL 6. Demand Promissory Note for the entire loan amount of Rs.5 Cr executed under the common seal of the Company. 7. First exclusive charge on the Project's bank accounts including but not limited to the Escrow Account opened in a designated bank, where all the cash inflows from the Project shall be deposited and all proceeds shall be utilized in a manner and priority to be decided by the Lender. 8. First exclusive charge on all the Payment Security instruments / Fixed Deposits etc charged to Borrower by the Offtaker. 9. Exclusive charge on Contract Performance Bank Guarantee if any, received from EPC Contractor 10. Exclusive First Charge on the Debt Service Reserve Account (DSRA) to be created by the Borrower.

#### 2. Loan of Rs. 6.35 lakhs from HDFC Bank as on September 13, 2017

PARTICULARS	
Nature of Facility	Auto loan
Loan Amount	Rs. 6.35 Lakhs
Amount Outstanding as on March 31, 2019	Rs. 2.31 Lakhs



<b>Security</b>	Secured by hypothecation of Vehicle under Hire Purchase
<b>Tenor</b>	60 months

### 3. Loan of Rs. 40.54 Lakhs from Daimler Financial Services India Private Limited on March 21, 2018

PARTICULARS	
<b>Nature of Facility</b>	<b>Auto loan</b>
<b>Description of Asset</b>	Mercedes- Benz C-220CDI
<b>Loan Amount</b>	Rs. 40.54 Lakhs
<b>Amount Outstanding as on March 31, 2019</b>	Rs. 34.03 Lakhs
<b>Security</b>	Secured by hypothecation of Vehicle under Hire Purchase
<b>Tenor</b>	36 months

## UNSECURED BORROWINGS

In addition to the secured borrowings availed by us from banks, we have also availed certain Unsecured loans.

Set forth below is a brief summary of Unsecured Loans as on September 30, 2018:

### *Unsecured Borrowing from Banks*

#### 1. Loan from HDFC Bank on December 21, 2016

PARTICULARS	
<b>Nature of Facility</b>	<b>Business Loan</b>
<b>Loan Amount</b>	Rs. 10.00 Lakhs
<b>Amount Outstanding as on March 31, 2019</b>	Rs. 2.98 Lakhs
<b>Tenor</b>	36 months
<b>Instalment</b>	EMI of Rs. 0.35 lakhs

#### 2. Loan from ICICI Bank on June 17, 2017

PARTICULARS	
<b>Nature of Facility</b>	<b>Personal Loan</b>
<b>Loan Amount</b>	Rs. 15.00 Lakhs
<b>Amount Outstanding as on March 31, 2019</b>	Rs. 4.41 Lakhs
<b>Tenor</b>	36 months
<b>Instalment</b>	EMI of Rs. 0.53 lakhs

#### 3. Loan from Kotak Mahindra Bank on June 27, 2018

PARTICULARS	
<b>Nature of Facility</b>	<b>Personal Loan</b>
<b>Loan Amount</b>	Rs. 20.00 Lakhs
<b>Amount Outstanding as on March 31, 2019</b>	Rs. 6.55 Lakhs
<b>Tenor</b>	13 months
<b>Instalment</b>	EMI of Rs. 1.70

### *Unsecured Borrowing from NBFC's*

#### 4. Loan from Edelweiss Financial Services on September 29, 2018

PARTICULARS	
<b>Nature of Facility</b>	<b>Business Loan</b>
<b>Loan Amount</b>	Rs. 45.19 Lakhs
<b>Amount Outstanding as on March 31, 2019</b>	Rs. 36.47 Lakhs
<b>Rate of Interest (Floating)</b>	18.5% p.a.
<b>Tenor</b>	25 months

Instalment	EMI of Rs. 2.26 lakhs
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**5. Loan from Bajaj Finserv**

PARTICULARS		
Nature of Facility	Business Loan	Personal & Small Business Loans
Loan Amount	Rs. 20.10 Lakhs	Rs. 24.26 Lakhs
Date of Disbursement	October 31, 2017	November 30, 2018
Amount Outstanding as on March 31, 2019	Rs. 7.47 Lakhs	Rs. 21.52
Tenor	24 months	24 months
Instalment	EMI of Rs. 1.01 lakhs	EMI of Rs. 1.21 lakhs

**6. Loan from Volition Credit & Holdings Private Limited on December 30, 2017**

PARTICULARS	
Nature of Facility	Business Loan
Loan Amount	Rs. 25.18 Lakhs
Amount Outstanding as on March 31, 2019	Rs. 11.46 Lakhs
Tenor	24 months
Instalment	EMI of Rs. 1.25 lakhs

**7. Loan from Aditya Birla Capital on June 30, 2018**

PARTICULARS	
Nature of Facility	Business Loan
Loan Amount	Rs. 20.00 Lakhs
Amount Outstanding as on March 31, 2019	Rs. 16.26 Lakhs
Tenor	36 months
Instalment	EMI of Rs. 0.73 lakhs

**8. Loan from Avance Financial Services Limited on June 2, 2018**

PARTICULARS	
Nature of Facility	Business Loan
Loan Amount	Rs. 35.00 Lakhs
Amount Outstanding as on March 31, 2019	Rs. 6.06 Lakhs
Tenor	12 months
Instalment	EMI of Rs. 3.21 lakhs

**9. Loan from Moneywise Financial Service Private Limited on December 19, 2018**

PARTICULARS	
Nature of Facility	Business Loan
Loan Amount	Rs. 25.00 Lakhs
Amount Outstanding as on March 31, 2019	Rs. 23.24 Lakhs
Tenor	36 months
Instalment	EMI of Rs. 0.91 lakhs

**10. Loan from Northen Arc Capital Limited on December 27, 2018**

PARTICULARS	
Nature of Facility	Business Development Loan
Loan Amount	Rs. 20.00 Lakhs

<b>Amount Outstanding as on March 31, 2019</b>	Rs. 14.07 Lakhs
<b>Tenor</b>	36 months
<b>Instalment</b>	EMI of Rs. 0.55 lakhs

**11. Loan from Indifi Technologies Limited (formerly known as Riviera Investors Private Limited) as on June 13, 2018**

<b>PARTICULARS</b>	
<b>Nature of Facility</b>	<b>Term Loan</b>
<b>Loan Amount</b>	Rs. 10.00 Lakhs
<b>Amount Outstanding as on March 31, 2019</b>	Rs. 2.55 Lakhs
<b>Tenor</b>	12 months
<b>Instalment</b>	EMI of Rs. 0.95 lakhs

**12. Loan from Shriram City Union Finance Limited on December 28, 2018**

<b>PARTICULARS</b>	
<b>Nature of Facility</b>	<b>Business Loan</b>
<b>Loan Amount</b>	Rs. 5.00 Lakhs
<b>Amount Outstanding as on March 31, 2019</b>	Rs. 4.20 Lakhs
<b>Tenor</b>	12 months
<b>Instalment</b>	EMI of Rs. 0.47 lakhs

**13. Loan from Tata Capital Financial Service Limited on December 21, 2018**

<b>PARTICULARS</b>	
<b>Nature of Facility</b>	<b>Business Loan</b>
<b>Loan Amount</b>	Rs. 35.00 Lakhs
<b>Amount Outstanding as on March 31, 2019</b>	Rs. 31.39 Lakhs
<b>Tenor</b>	18 months
<b>Instalment</b>	EMI of Rs. 2.24 lakhs

**14. Loan from Centrum Financial Service Limited on April 1, 2019**

<b>PARTICULARS</b>	
<b>Nature of Facility</b>	<b>Business Loan</b>
<b>Loan Amount</b>	Rs. 150.00 Lakhs
<b>Amount Outstanding as on March 31, 2019</b>	NIL
<b>Tenor</b>	12 months
<b>Instalment</b>	EMI of Rs. 13.61 lakhs

*Unsecured Borrowing from Others:*

<b>Particulars</b>	<b>Amount (Rs. in lakhs)</b>
1. Sunridge Green Ventures Private Limited	190.00
<b>Total</b>	<b>190.00</b>

## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (I) criminal proceedings, (II) actions taken by statutory or regulatory authorities, (III) disciplinary action including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five Fiscals, including outstanding action, (IV) claims related to direct and indirect taxes in a consolidated manner, (V) details of any other pending material litigation which are determined to be material as per a policy adopted by our Board (“**Materiality Policy**”), in each case involving our Company, Promoters, Directors, Group Company and Subsidiary, (the “**Relevant Parties**”).

For the purpose of (V) above, our Board in its meeting held on March 12, 2019, has considered and adopted a policy of materiality for identification of material litigation involving the Relevant Parties.

In terms of the Materiality Policy, all pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters in the last five Fiscals including outstanding action, and tax matters, would be considered ‘material’ if:

- (a) the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of 1% of the profit after tax of our Company as per the restated consolidated financial statements of our Company for the last full Fiscal, being ₹ 2.00 Lakhs; or
- (b) the monetary liability is not quantifiable, however, the outcome of any such pending proceedings may have a bearing on the business, operations, performance, prospects or reputation of our Company.

Except as stated in this section, there are no Outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on March 12, 2019 determined that outstanding dues to creditors in excess of Rs. 10.00 lakhs as per the restated consolidated financials for the year ended March 31, 2019 shall be considered as material dues (“Material Dues”).

Unless otherwise stated to the contrary, the information provided is as of the date of this Draft Red Herring Prospectus.

### OUTSTANDING TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTERS, SUBSIDIARIES AND GROUP COMPANIES

Nature of Case	Number of Cases	Outstanding Amount (in lakhs)
<b><i>Company</i></b>		
Direct Tax	1	10.25
Indirect Tax	Nil	Nil
<b><i>Directors (other than Promoters)</i></b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b><i>Promoters</i></b>		
Direct Tax	12	24.33
Indirect Tax	Nil	Nil
<b><i>Subsidiaries</i></b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b><i>Group Companies</i></b>		
Direct Tax	1	0.11
Indirect Tax	Nil	Nil

*Note: The amounts indicated above are approximate amounts and have been disclosed to the extent ascertainable.*

## **OTHER MATERIAL LITIGATIONS**

### **LITIGATION INVOLVING OUR COMPANY**

#### **A. LITIGATIONS AGAINST OUR COMPANY:**

##### **1. CRIMINAL MATTERS:**

###### **SUNREN POWER PRIVATE LIMITED V. GENSOL ENGINEERING PRIVATE LIMITED AND ANMOL SINGH JAGGI**

Sunren Power Private Limited (hereinafter referred to as “**the Complainant**”) filed Criminal Complaints numbered 10191 to 10197 of 2018 dated April 26, 2018 before the Chief Metropolitan Magistrate, Bangalore under Section 200 of Code of Criminal Procedure, 1973 read with Section 138 of the Negotiable Instruments Act, 1881 against Gensol Engineering Private Limited and one Anmol Singh Jaggi, Promoter Director of the Issuer Company (collectively referred to as “**the Respondents**”). The Complainant alleged that the Respondents had drawn cheques numbered 021338 to 021340 and 021415 to 021418 amounting to a total of INR 5,00,00,000 in the favor of the Complainant towards the discharge of its liability. The said cheques were dishonored and returned with the remarks “insufficient funds”. Thereafter, demand notices were sent to the Respondents to make the payments. Subsequently, the Complainant filed the instant complaint. The matter is currently pending.

##### **2. WILFUL DEFAULTER:**

Our Company does not appear on the Wilful Defaulters’ list as per the Reserve Bank of India Circular on Wilful Defaulters’.

##### **3. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES<sup>1</sup>:**

Nil

##### **4. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

###### **SUNREN POWER PRIVATE LIMITED V. GENSOL ENGINEERING PRIVATE LIMITED AND ANOTHER**

Sunren Power Private Limited (hereinafter referred to as “**the Petitioner**”) filed an Arbitration Application No. 345 of 2017 under Section 9 of the Arbitration and Conciliation Act, 1996 against Gensol Engineering Private Limited (hereinafter referred to as “**the Respondent 1**”) and Tmeic Industrial System India Private Limited (hereinafter referred to as “**the Respondent 2**”) before the City Civil Court of Bangalore dated August 30, 2017. The Petitioner and the Respondent 1 entered into a Wrap Agreement dated August 20, 2016 wherein the dispute resolution clause of the Wrap Agreement was invoked by the Petitioner on October 17, 2017. The Application was filed for seeking directions for the Respondent 2 to provide certain services, directions for the Respondent 2 to not obstruct the Respondent 2 or any other vendors from performing their obligations and for both the Respondents to provide warranties and ensure technical services to the Petitioner. In the same matter, two Interim Applications IA 1 and IA 2 of 2017 dated August 29, 2017 were filed before the Hon’ble Court seeking the aforementioned two reliefs. The two interim orders were granted by the Court. The Petitioner was further directed to initiate the arbitral proceedings before an arbitrator within 90 days from the date of the order failing which the order against the Respondent 2 would be vacated. The matter is currently pending.

###### **LEGAL NOTICE BY INDIA VENTURES PARTNERSHIP LIMITED**

India Ventures Partnership Limited (IVPL) having global business license number C108005942 sent a Legal Notice to Gensol Engineering Limited (the Issuer), Gensol Venture Private Limited (group company of the Issuer) and Mr. Anmol Jaggi & Mr. Puneet Jaggi (Promoter-director of the Issuer) vide a letter dated August 12, 2019 seeking explanation certain queries on the Issuer’s IPO. IVPL alleged that the Issuer did not provide reasonable price to it while exiting from the shareholding of the Issuer and that the Issuer has committed

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<sup>1</sup> The Regulatory or Statutory Authorities for the purpose of this Chapter include but are not limited to SEBI, RBI etc.

breach of trust. IVPL alleged that the Issuer did not provide requisite information to it about the forthcoming IPO in any of the shareholders' meetings and failed to adhere to the provisions of Companies Act 2013 and SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018. IVPL further demanded that the Issuer shall pay and remit all damages owed to it attributable to breach of trust and its exit of from the Issuer's shareholding at a significantly lower price. The Issuer has sent a reply to the aforesaid Legal Notice denying all the allegations by IVPL vide its letter dated August 30, 2019.

#### **LEGAL NOTICE BY ONE MR. NAVNEET GOSAL**

One Mr. Navneet Gosal, who was a shareholder of Gensol Engineering Limited (the Issuer) till May 30, 2018 sent a Legal Notice to the Issuer, Gensol Venture Private Limited (group company of the Issuer) and Mr. Anmol Jaggi & Mr. Puneet Jaggi (Promoter-director of the Issuer) vide a letter dated August 12, 2019 seeking explanation on certain queries on the Issuer's IPO. Mr. Naveet alleged that while exiting from the Issuer's shareholding, the exit price paid to him was unreasonable and that the Issuer has committed breach of his trust. Mr. Navneet alleged that the Issuer did not provide requisite information to him about the forthcoming IPO in any of the shareholders' meetings and failed to adhere to the provisions of Companies Act, 2013 and SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018. Mr. Navneet further demanded that the Issuer shall pay and remit all damages owed to him attributable to breach of trust and his exit of from the Issuer's shareholding at a significantly lower price. The Issuer has sent a reply to the aforesaid Legal Notice denying all the allegations by Mr. Navneet Gosal vide its letter dated August 30, 2019.

### **B. LITIGATIONS FILED BY OUR COMPANY:**

#### **1. CRIMINAL MATTERS:**

##### **GENSOL ENGINEERING PRIVATE LIMITED AND ANOTHER V. SUNREN POWER PRIVATE LIMITED**

Gensol Engineering Private Limited (hereinafter referred to as "**the Petitioner**") and one Anmol Singh Jaggi (Promoter of the Issuer Company) filed a Criminal Petitions numbered 7716 to 7722 of 2018 dated October 9, 2018 under Section 482 of the Code of Criminal Procedure, 1973 against Sunren Private Limited (hereinafter referred to as "**the Respondent**") before the High Court of Karnataka. The said petitions were filed for quashing the Criminal Complaints filed by the Respondent, as mentioned in detail in the section "Criminal Matters" under the head "Litigations against our Company". The ground for quashing of the said petitions is that the cheques in question were admittedly issued not towards discharge of the debt but towards the security towards the performance of the contract. An order dated April 08, 2019 was passed by the High Court to issue emergent notice to the Respondent to appear in the Court. The matters are currently pending.

#### **2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

##### **GENSOL ENGINEERING PRIVATE LIMITED V. BALAJI ENGINEERING CO.**

Gensol Engineering Private Limited (hereinafter referred to as "**the Plaintiff**") filed a Special Civil Suit numbered 520 of 2017 dated December 13, 2017 against Balaji Engineering Co. (hereinafter referred to as "**the Defendant**") before the Court of Principal Senior Civil Judge, Ahmedabad for recovery of damages. The Plaintiff alleged that the work prescribed for the Defendant vide the work orders were not responsibly done by the Defendant as a result of which the Plaintiff had to incur additional expenses. The Plaintiff allegedly incurred a total cost of INR 99,00,000 towards payment to other agencies due to the Defendant's abandoning of site of work halfway and additional amount towards the liquidated damages. Therefore, the Plaintiff has prayed before the Hon'ble Court to grant the recovery of the said damages from the Defendant. The matter is currently pending.

### **LITIGATION INVOLVING DIRECTORS OF OUR COMPANY**

#### **A. LITIGATIONS AGAINST DIRECTOR/S OF OUR COMPANY:**

#### **1. CRIMINAL MATTERS:**

##### **SUNREN POWER PRIVATE LIMITED V. GENSOL ENGINEERING PRIVATE LIMITED AND ANMOL SINGH JAGGI**

*For details of this matter, kindly refer “Criminal Matters” under the heading “Litigations against our Company”.*

**VIKRAM SOLAR PRIVATE LIMITED V. GENSOL CONSULTANTS PRIVATE LIMITED, ANMOL SINGH JAGGI AND PUNIT SINGH JAGGI**

*For details of this matter, kindly refer “Criminal Matters” under the heading “Litigations against our Group Company”.*

**HBL POWER SYSTEMS LIMITED V. GENSOL CONSULTANTS PRIVATE LIMITED, ANMOL SINGH JAGGI AND PUNIT SINGH JAGGI**

*For details of this matter, kindly refer “Criminal Matters” under the heading “Litigations against our Group Company”.*

**2. WILFUL DEFAULTERS:**

None of our Directors’ appear on the Wilful Defaulters’ list as per the Reserve Bank of India Circular on Wilful Defaulters’.

**3. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES:**

Nil

**4. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

**VIKRAM SOLAR PRIVATE LIMITED V. GENSOL CONSULTANTS PRIVATE LIMITED, ANMOL SINGH JAGGI AND PUNIT SINGH JAGGI**

*For details of this matter, kindly refer “Other Matters based on the Materiality Policy of our Company” under the heading “Litigations against our Group Company”.*

**B. LITIGATIONS FILED BY DIRECTOR/S OF OUR COMPANY:**

**1. CRIMINAL MATTERS:**

**ANMOL SINGH JAGGI AND ORS. V. STATE OF GUJARAT AND ORS.**

Anmol Singh Jaggi and others (hereinafter referred to as “**the Petitioners**”) filed a Criminal Miscellaneous Application numbered 209 of 2018 under Section 482 of the Code of Criminal Procedure, 1974 dated January 3, 2018 before the High Court of Gujarat at Ahmedabad against State of Gujarat ((hereinafter referred to as the “**Respondent 1**”) and one Rajubhai Datla (hereinafter referred to as “**the Respondent 2**”) for quashing of the FIR CR-I/167/2017. Respondent 2 registered FIR with the police station of Anandnagar, Ahmedabad alleging that the Petitioners had committed offence under Section 406, 420, 465, 467, 468, 471, 120B and 114 of the Indian Penal Code, 1860. The Respondent 2 claimed that the Petitioners had fraudulently denied payments to the Respondent 2. In this regard, police investigation also commenced. The Petitioner prayed before the Hon’ble Court to quash the said FIR filed by the Respondent 2 on the ground that no amount was outstanding for payment to the Respondent 2 since the Respondent 2 had breached the terms of their work order by not providing services. The Petitioner also prayed to stay the investigation proceedings during the pendency of this petition. The matter is currently pending.

**GENSOL ENGINEERING PRIVATE LIMITED AND ANMOL SINGH JAGGI V. SUNREN POWER PRIVATE LIMITED**

*For details of this matter, kindly refer “Criminal Matters” under the heading “Litigations filed by our Company”.*

**2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

Nil

**LITIGATION INVOLVING OUR PROMOTERS (OTHER THAN DIRECTORS)**



**A. LITIGATIONS AGAINST OUR PROMOTER/S:**

**1. CRIMINAL MATTERS:**

Nil

**2. DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST OUR PROMOTERS IN THE LAST FIVE FINANCIAL YEARS INCLUDING OUTSTANDING ACTION:**

Nil

**3. WILFUL DEFAULTERS:**

None of our Promoters' appear on the Wilful Defaulters' list as per the Reserve Bank of India Circular on Wilful Defaulters'.

**4. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES:**

Nil

**5. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

**B. LITIGATIONS FILED BY OUR PROMOTER/S:**

**1. CRIMINAL MATTERS:**

Nil

**2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

Nil

**LITIGATION INVOLVING OUR GROUP COMPANY**

**A. LITIGATIONS AGAINST OUR GROUP COMPANY:**

**1. CRIMINAL MATTERS:**

**VIKRAM SOLAR PRIVATE LIMITED V. GENSOL CONSULTANTS PRIVATE LIMITED AND OTHERS**

Vikram Solar Private Limited (hereinafter referred to as “**the Complainant**”) filed a Criminal Complaint numbered 4329 of 2016 dated December 5, 2016 under Section 138 read with Section 141 of the Negotiable Instruments Act 1881 against Gensol Consultants Private Limited, Anmol Singh Jaggi & Punit Singh Jaggi, Promoters Directors of the Issuer Company (hereinafter collectively referred to as “**the Respondents**”) before the Court of 8<sup>th</sup> Judicial Magistrate Alipore. The Complainant had sub-contracted certain work to the Respondents amounting to INR 6,28,06,121. The Complainant alleged that a mobilization advance of INR 42 lakhs was paid to the Respondents, in lieu of which the Respondent had to provide a Bank Guarantee. The Respondents failed to provide the Bank Guarantee and insisted on handing over two cheques to the Complainant, one towards the mobilization advance and the second towards the balance value of the contract. It was also agreed by both the parties that in an event of non-performance of the contractual obligations, the Complainant was entitled to encash the said cheques. The Complainant alleged the Respondents did not fulfil the contractual obligations and thereafter, deposited the cheques with the bank. The said cheques were dishonoured. The Complainant then sent demand notice to the Respondents for making the said payments, however, the Respondents denied the admitted liabilities and rendered the Complainant's demands frivolous. Subsequently, the Complainant filed this criminal complaint. The matter is currently pending.

**HBL POWER SYSTEMS LIMITED V. GENSOL CONSULTANTS PRIVATE LIMITED, ANMOL SINGH JAGGI AND PUNIT SINGH JAGGI**

HBL Power System Limited (hereinafter referred to as “**the Appellant**”) filed an Application numbered CRM-A 1927-MA/17 dated May 16, 2017 under section 378(4) of Code of Criminal Procedure, 1973 against Gensol Consultants Private Limited ((hereinafter referred to as “**the Respondent**”) before the High Court of Punjab and Haryana. The Appellant filed this Application since its Criminal Complaint numbered NACT/329/2015 under Section 138 of the Negotiable Instruments Act, 1881 before the Judicial Magistrate, First Class, Panchkula was dismissed for want of prosecution. The Criminal Complaint was filed for cognizance of offence of dishonour of cheque of INR 4 lakhs. The Appellant filed this instant Application for grant of leave to appeal. The matter is currently pending.

**2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

**VIKRAM SOALR PRIVATE LIMITED V. GENSOL CONSULTANTS PRIVATE LIMITED AND ORS.**

Vikram Solar Private Limited (hereinafter referred to as “**the Plaintiff**”) filed a recovery suit numbered 163 of 2017 dated May 4, 2016 against Gensol Consultants Private Limited and others (hereinafter referred to as “**the Defendant**”) before the Court of Senior Judge Civil Division, Alipore. The Plaintiff had appointed the Defendant to carry out certain works as stipulated in their letter of intent. The Plaintiff gave a mobilization advance to the Defendant to the tune of INR 42 lakhs and agreed on receiving two cheques amounting to a total of INR 6,28,06,121 in leu of Bank Guarantee from the Defendant. The Plaintiff alleged that the Defendant did not fulfil its obligations in terms of the work order given to the Defendant. The Plaintiff also alleged that it had to engage another vendor to complete the work in time which also cost high sums of money to the Plaintiff. The cheques drawn by the Defendant were returned dishonoured to the Plaintiff. Subsequently, the Plaintiff initiate proceeding under section 138 of the Negotiable Instruments Act, details of which are mentioned under “Criminal Matters” in the head “Litigation against our Group Company”. Simultaneously, the Plaintiff filed the instant suit for recovery of money including liquidated damages valued at INR 6,57,36,427. The matter is currently pending.

**DIVY ROLLFORM LIMITED V. GENSOL CONSULTANTS PRIVATE LIMITED**

M/s Divy Rollform Limited (hereinafter referred to as “**the Plaintiff**”) filed a Summary Suit numbered 127 of 2018 under Order 37 of the Civil Procedure Code, 1908 against Gensol Consultants Private Limited and others (hereinafter referred to as “**the Defendant**”) before the Court of Principal Senior Civil Judge, Ahmedabad. The Plaintiff as a part of the business relationship between the Plaintiff and the Defendant, supplied certain materials to the Defendant on credit basis. The Plaintiff alleged that the Defendant failed to make payments against the invoices amounting to a total outstanding amount of INR 6, 94,754 raised by the Plaintiff, despite multiple requests and demand notice. Therefore, the present suit was filed by the Plaintiff seeking a recovery of the outstanding amount. The matter is currently pending.

**B. LITIGATIONS FILED BY OUR GROUP COMPANY:**

**1. CRIMINAL MATTERS:**

Nil

**2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

Nil

**LITIGATION INVOLING OUR SUBSIDIARY COMPANY**

**A. LITIGATIONS AGAINST OUR SUBSIDIARY COMPANY:**

**1. CRIMINAL MATTERS:**

Nil

**2. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES:**

Nil

**3. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

Nil

**B. LITIGATIONS BY OUR SUBSIDIARY COMPANY:**

**1. CRIMINAL MATTERS:**

Nil

**2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

Nil

**MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET**

Except as mentioned under the chapter “Management Discussion and Analysis of Financial Condition and Result of Operation” on page 146 of this Draft Red Herring Prospectus, there have been no material developments, since the date of the last audited balance sheet.

**OUTSTANDING DUES TO CREDITORS**

As of March 31, 2019, we had 316 creditors on a consolidated basis. The aggregate amount outstanding to such creditors as on March 31, 2019 was ₹ 919.09 Lakhs, on a consolidated basis.

As per the Materiality Policy, such creditors to whom, outstanding dues to any creditor of our Company having monetary value which exceed ₹ 10.00 Lakhs as per the Restated Consolidated Financial Statements of our Company for the year ended March 31, 2019 included in this Draft Red Herring Prospectus, shall be considered as ‘material’. Accordingly, in this regard, the creditors to whom an amount exceeding ₹ 10.00 Lakhs was owed as on March 31, 2019, were considered ‘material’ creditors. Based on the above, there are 23 material creditor(s) of our Company as on March 31, 2019, to whom an aggregate amount of ₹ 604.96 Lakhs was outstanding on such date.

Details of outstanding dues owed as at March 31, 2019 to creditors are set out below.

<b>Creditors</b>	<b>Number of Cases</b>	<b>Amount due (in Rs. Lakhs)</b>
Other Creditors	23	604.96

The details pertaining to amounts due towards the material creditors are available on the website of our Company at [www.gensolsolar.com](http://www.gensolsolar.com).

Information provided on the website of our Company is not a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company’s website, [www.gensolsolar.com](http://www.gensolsolar.com), would be doing so at their own risk.

## GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Draft Red Herring Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. In order to operate our business of architectural engineering, consultancy services and other technical activities in the solar energy sector, we require various approvals and/ or licenses under various laws, rules and regulations. For further details in connection with the applicable regulatory and legal framework, please refer the chapter titled “Key Industry Regulations and Policies” on page 106 of this Draft Red Herring Prospectus.

The Company has its business located at:

**Registered Office:** SCO: 156-157 Sector 9C Madhya Marg, Chandigarh, 160031 India

**Corporate Office:** A/2 12th Floor, Palladium Building, Opp. Vodafone House Corporate Road, Prahladnagar, Ahmedabad – 380015, Gujarat, India

### **Branch Offices:**

#### **1. New Delhi:**

3, WZ - 106/57, Rajouri Garden Extension, New Delhi, West Delhi, Delhi - 110027, India

#### **2. Karnataka:**

Madhava Nagar, Near Reliance Petrol Pump, BH Road, Gouribidanaur, Chikballapur, Karnataka - 561213, India

#### **3. Maharashtra:**

611-617, Sixth Floor, Global Square, Yerwada, Haweli, Pune - 411021, Maharashtra, India

#### **4. Rajasthan:**

Uttam Nagar, Shop No. 03, Plot 59, Kalwar Road, Jhotwara Road, Jaipur – 302012, Rajasthan, India

#### **5. Uttar Pradesh:**

Shashi Sharma, Late Sita Ram Patel Nagar Market, Main Market Orai, Jalaun - 285001, Uttar Pradesh, India

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

### **APPROVALS FOR THE ISSUE**

#### **Corporate Approvals:**

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on August 7, 2019, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra-Ordinary General Meeting/Annual General Meeting held on August 29, 2019 authorized the Issue.

#### **In- principle approval from the Stock Exchange**

We have received in-principle approvals from the stock exchange for the listing of our Equity Shares pursuant to letter dated [●] bearing reference no. [●].

#### **Agreements with NSDL and CDSL**

1. The Company has entered into an agreement dated March 13, 2019 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is, Link Intime India Private Limited for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated March 19, 2019 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Link Intime India Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number (“ISIN”) is INE06H201014.

#### **INCORPORATION AND OTHER DETAILS**

1. The Certificate of Incorporation dated September 25, 2012 issued by the Registrar of Companies, [Punjab and Chandigarh], in the name of “GENSOL ENGINEERING PRIVATE LIMITED”.
2. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public company issued on February 26, 2019 by the Registrar of Companies, Chandigarh in the name of “GENSOL ENGINEERING LIMITED”.
3. The Corporate Identification Number (CIN) of the Company is U74210CH2012PLC034105.

#### **APPROVALS/LICENSES RELATED TO OUR BUSINESS ACTIVITIES**

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

Sr. No.	Description	Authority	Registration No./ Reference No./ License No.	Date of Issue	Date of Expiry
1.	Certificate of Importer-Exporter Code (IEC)	Foreign Trade Development Officer, Ministry of Commerce and Industry, Government of India	0813010659	August 1, 2013	In case of change in name/address or constitution of IEC holder, the IEC holder shall cease to be eligible to Import or Export against the IEC after the expiry of 90 days from the date of such a change unless in the meantime, the consequential changes are effected in the IEC by the concerned licensing authority.
2.	Registration Certificate of Shop and Establishment (under section 6 and 8 of the Bombay Shops and Establishments Act, 1948)	Ahmedabad Municipal Corporation	PII/MKR/2900021/0220553	August 11, 2015	December 31, 2020
3	Udyog Aadhar Memorandum/ Entrepreneurs Memorandum for setting	Ministry of Micro, Small and Medium Enterprises,	GJ01D0022435	September 25, 2012	NA

	micro, small and medium Enterprises Unit	Government of India			
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**TAX RELATED APPROVALS/LICENSES/REGISTRATIONS**

Sr. No.	Authorisation granted	Issuing Authority	Registration No. / Reference No./ License No.	Date of Issue	Validity
1	Permanent Account Number (PAN)	Income Tax Department, Government of India	AAECG9092M	September 25, 2012	Perpetual
2	Tax Deduction Account Number (TAN)	Income Tax Department through National Securities Depository Limited (NSDL), Ministry of Finance, Government of India	PTLG16698D	November 9, 2012	Perpetual
3	Goods and Service Tax Identification Number (GSTIN) (New Delhi)	Government of New Delhi and Government of India	07AAECG9092M 1ZZ	April 26, 2018	NA
4	Goods and Service Tax Identification Number (GSTIN) (Gujarat)	Government of Gujarat and Government of India	24AAECG9092M 1Z3	Date of issue: September 19, 2017 Date of Liability: July 1, 2017	NA
5	Goods and Service Tax Identification Number (GSTIN) (Karnataka)	Government of Karnataka and Government of India	29AAECG9092M 1ZT	February 26, 2018	NA
6	Goods and Service Tax Identification Number (GSTIN) (Maharashtra)	Government of Maharashtra and Government of India	27AAECG9092M 1ZX	December 15, 2017	NA
7	Goods and Service Tax Identification Number (GSTIN) (Rajasthan)	Government of Rajasthan and Government of India	08AAECG9092M 1ZX	July 1, 2017	NA
8	Goods and Service Tax Identification Number (GSTIN) (UP)	Government of Uttar Pradesh and Government of India	09AAECG9092M 1ZV	July 4, 2018	NA
9	Certificate of Registration (under Gujarat Value Added Tax Act, 2003 read with Rule 6 of the Gujarat Value Added Tax Rules, 2006 )	Assistant Commercial Tax Officer, Commercial Tax Department, Government of Gujarat.	24074302886	April 27, 2013	NA

Sr. No.	Authorisation granted	Issuing Authority	Registration No. / Reference No./ License No.	Date of Issue	Validity
10	Certificate of Registration (under Rajasthan Value Added Tax Act, 2003 read with Rule 14 (1) (a) and 15 (2) of the Rajasthan Value Added Tax Rules, 2006 )	Commercial Tax Officer, Commercial Tax Department, Government of Rajasthan.	08495950942	June 1, 2016	The certificate is valid until cancelled.
11	Certificate of Registration of Service Tax (under Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994)	Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	AAECG9092MS D003	February 26, 2013	NA
12	Certificate of Registration Central Sales Tax (under Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957)	Commercial Tax Officer, Commercial Tax Department, Government of Gujarat.	24574302886	April 27, 2013	The certificate is valid until cancelled.
13	Certificate of Registration Central Sales Tax Act 1956 (under Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957)	Commercial Tax Officer, Commercial Tax Department, Government of Rajasthan.	08495950942	June 1, 2016	The certificate is valid until cancelled.
14	Professional Tax Enrolment Certificate (PTEC) (under section 5 (2) of the Gujarat Professional Tax Act 1976)	Profession Tax Officer, Department of Sales Tax Government of Gujarat	PEC01068100260 3	July 30, 2018	NA
15	Professional Tax Registration Certificate (PTRC) (under section 5 (1) of the Gujarat Professional Tax Act 1976))	Profession Tax Officer, Department of Sales Tax Government of Gujarat	PRC01068100041 9	July 30, 2018	NA

**LABOUR RELATED APPROVALS/REGISTRATIONS**





Sr. No.	Description	Authority	Registration No./ Reference No./ License No.	Date of Issue
1.	Employees Provident Fund Registration (under Employees' Provident Funds and Miscellaneous Provisions Act, 1952)	Employees Provident Fund Organisation, Ministry of Labour, Government of India	GJAHD1444679	March 7, 2016
2	Registration for Employees State Insurance (under Employees State Insurance Act, 1948)	Employees State Insurance Corporation	37001085680000699	September 26, 2016

**OTHER BUSINESS RELATED APPROVALS**

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1.	Certificate of Compliance	ISO 9001:2015	IN109638A	June 10, 2017	June 9, 2020

**INTELLECTUAL PROPERTY RELATED APPROVALS/REGISTRATIONS**

**TRADEMARKS**

Sr. No.	Trademark	Trademark Type	Class	Applicant	Application No.	Validity/ Renewal	Registration Status
1.		Device	9	Gensol Ventures Private Limited	3961060	October 1, 2028	Registered
2.		Device	37	Gensol Ventures Private Limited	3961061	October 1, 2028	Registered

Company has confirmed that it has been using the trademarks of Gensol Venture Private Limited, vide an assignment deed dated March 14, 2019.

Company has also confirmed that no other applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.

**PENDING APPROVALS:**

1. Application for change of name of all the above mentioned approvals is not made by the Company.

**MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY:**

Nil

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on August 7, 2019 and by the shareholders of our Company vide a special resolution pursuant to Section 62(1)(c) of the Companies Act, 2013 passed at the Extra Ordinary General Meeting of our Company held on August 29, 2019 at the Registered Office of our Company.

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

We confirm that our Company, Directors, Promoters, Promoter group and person in control of our Company are not prohibited from accessing or operating in the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority / court as on the date of this Draft Red Herring Prospectus.

We confirm that our Company, Promoters and Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.

In view of the General Circular No. 07/2018 dated September 6, 2018 and General Circular No. 8/ 2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India, our Company and our Promoter Group will ensure compliance with the Companies (Significant Beneficial Ownerships) Rules, 2018, upon notification of the relevant forms, as may be applicable to them.

Neither our Promoters, nor any of our Directors or persons in control of our Company were or is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities as on the date of this Draft Red Herring Prospectus.

Further, except as mentioned in the chapter titled “*Outstanding Litigations and Material Developments*” there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

None of our Directors are associated with the securities market in any manner, including securities market related business and there is no outstanding action initiated against them by SEBI in the past 5 years.

Further, none of our Promoters or Directors are declared as fugitive economic offenders under Fugitive Economic Offenders Act, 2018.

### PROHIBITION BY RBI

Neither our Company nor any of our Promoters or Directors have been declared as wilful defaulter(s) by the RBI or any other governmental authority.

### ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with regulation 229(1) and other provisions of chapter IX of the SEBI (ICDR) Regulations, 2018 as the post issue face value capital is less than Rs. 1,000 lakhs. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE Limited for listing of our Equity Shares.

#### We confirm that:

1. In accordance with regulation 260 of the SEBI (ICDR) Regulations, this Issue will be 100% underwritten and shall not restrict to the minimum subscription level. The BRLM shall underwrite at least 15% of the total Issue size. For further details pertaining to underwriting please refer to chapter titled “General Information” beginning on page 47 of this Draft Red Herring Prospectus.
2. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
3. In accordance with Regulation 246 of the SEBI (ICDR) Regulations, we have filed draft offer document with SEBI as well as stock exchange (s). However, Board shall not issue any observation pursuant to Regulation 246(2) of the SEBI (ICDR) Regulations.

4. In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Book Running Lead Manager and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the market making arrangement see chapter titled “General Information” beginning on page 47 of this Draft Red Herring Prospectus.
5. The Post-Issue paid up capital of the Company shall not be more than Rs. 25 Crores. The post Issue capital of our Company will be Rs. [●] Crores.
6. The Company has positive cash accruals (Earnings before depreciation and tax) from operations for at least 2 (two) financial years preceding the date of filing of this Draft Red Herring Prospectus.
7. The Company has a track record of three years as on date of filing of this Draft Red Herring Prospectus.
8. The Networth of the Company is positive as per the latest audited financial statements.
9. The Networth and Cash accruals (Earnings before depreciation and tax) from operation of the Company as per the Restated Financial statements for the financial year ended March 31, 2019, 2018 and 2017 is as set forth below:

*Amount (Rs. In Lakhs)*

Particulars	For the financial year ended 31 <sup>st</sup> March		
	2019	2018	2017
Net Worth*	1,304.27	654.59	120.93
Cash Accruals**	928.08	757.10	178.14
Net Tangible Assets#	4,229.10	2,595.62	950.21

\*"Net Worth has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any.

\*\*Cash accruals has been defined as the Earnings before depreciation and tax from operations

# "Net Tangible Asset" has been defined as all assets excluding deferred tax assets and intangible assets.

10. The track record of the Company as per the Restated financial statements for the financial year ended March 31, 2019, 2018 and 2017 is as set forth below :

*Amount (Rs. In Lakhs)*

Particulars	For the financial year ended 31 <sup>st</sup> March		
	2019	2018	2017
Profit/(Loss) Before minority Interest	649.14	533.68	118.90

11. The Company has mandatorily facilitated trading in demat securities and has entered into agreement with both the depositories.
12. The Company has not been referred to Board for Industrial and Financial Reconstruction.
13. No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
14. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
15. The Company has a website: [www.gensolsolar.com](http://www.gensolsolar.com)

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT OFFER DOCUMENT / OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR**

**THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT / OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT / OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. 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 THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT OFFER DOCUMENT/OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO SEBI IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT OFFER DOCUMENT/OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT OFFER DOCUMENT/OFFER DOCUMENT.**

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Red Herring Prospectus with the Registrar of Companies, Chandigarh, in terms of Section 26 and 32 of the Companies Act, 2013.

#### **DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER**

Our Company, our Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in the draft offer document/offer document or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website, [www.gensolsolar.com](http://www.gensolsolar.com) would be doing so at his or her own risk.

#### **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER**

For details regarding the price information and track record of the past issues handled by Pantomath Capital Advisors Private Limited, please refer “Annexure A” to this Draft Red Herring Prospectus and the website of Book Running Lead Manager at [www.pantomathgroup.com](http://www.pantomathgroup.com).

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an issue or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus has been filed with BSE Limited for its observations and BSE Limited had give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED**

BSE Limited (“BSE”) has given vide its letter dated [●] permission to this Company to use its name in this offer document as one of the stock exchange on which this company’s securities are proposed to be listed on the SME Platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE Limited does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company’s securities will be listed or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company;
- iv. Warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The Company has chosen the SME platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE / other regulatory authority. Any use of the SME platform and the related services are subject to Indian Jaws and Courts exclusively situated in Mumbai.

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

#### **LISTING**



Application will be made to the BSE Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The SME Platform of BSE Limited has given its in-principle approval for using its name in our Offer documents vide its letter no. [●] dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE Limited, our Company will forthwith repay, without interest, all moneys received from the bidders in pursuance of the Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE Limited mentioned above are taken within six Working Days from the Issue Closing Date.

#### **CONSENTS**

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Banker to the Company and (b) Book Running Lead Manager, Syndicate Member, Underwriter, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Sponsor Bank, Legal Advisor to the Issue, to act in their respective capacities have been obtained and shall be filed along with a copy of the Red Herring Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC. Our Statutory Auditor have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Red Herring Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Red Herring Prospectus and Prospectus for filing with the RoC.

#### **EXPERT TO THE ISSUE**

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

- Report of the Statutory Auditor on Statement of Tax Benefits.
- Report of the Statutory Auditor on Restated Financial Statements for the financial years ended March 31, 2019, 2018 and 2017 of our company.

#### **PREVIOUS RIGHTS AND PUBLIC ISSUES**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 57 of this Draft Red Herring Prospectus, we have not made any previous rights and/or public issues during last 5 years, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

#### **COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the last 5 years.

#### **CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY ISSUER COMPANY AND LISTED GROUP COMPANIES / SUBSIDIARIES / ASSOCIATES**

Neither our Company nor any of our Group Companies/Subsidiaries/ Associates have undertaken any capital issue or any public or rights issue in the last three years preceding the date of this Draft Red Herring Prospectus.

#### **PROMISE VERSUS PERFORMANCE FOR OUR COMPANY AND/OR LISTED SUBSIDIARY COMPANY AND/OR LISTED PROMOTER COMPANY**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us. Further, none of our Subsidiaries or Promoter Companies are listed on any stock exchange, so, data regarding promise versus performance is not applicable.

#### **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

#### **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Agreement between the Registrar and our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the bidder, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant / Bidder, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants / bidders.

Further, as on date of this Draft Red Herring Prospectus our Company has no any subsidiary company and none of our Group Companies is listed on any stock exchange, so disclosure regarding mechanism for redressal of investor grievances for our subsidiary companies and group companies are not applicable.

#### **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders shall redress routine investor grievances within 15 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.

We have constituted the Stakeholders Relationship Committee/ Investor Grievance Committee of the Board *vide* resolution passed at the Board Meeting held on August 7, 2019. For further details, please refer to the chapter titled “*Our Management*” beginning on page 119 of this Draft Red Herring Prospectus.

Our Company has appointed Rajesh Parmar as Company Secretary and Compliance Officer and he may be contacted at the following address:

**RAJESH PARMAR**

A/2 12th Floor, Palladium Building,  
Opp. Vodafone House Corporate Road, Prahladnagar,  
Ahmedabad – 380015, Gujarat, India

**Tel:** 079 - 40068236

**Fax:** 079 - 40068235

**Email:** [cs@gensol.in](mailto:cs@gensol.in)

**Website:** [www.gensolsolar.com](http://www.gensolsolar.com)

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, *etc.*

#### **PURCHASE OF PROPERTY**

Except as disclosed in this Draft Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Draft Red Herring Prospectus.

Except as stated elsewhere in this Draft Red Herring Prospectus, Our Company has not purchased any property in which the Promoters and / or Directors have any direct or indirect interest in any payment made there under.

#### **SERVICING BEHAVIOR**

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.



## SECTION VIII – ISSUE INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being issued and transferred pursuant to this Issue shall be subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the SEBI Listing Regulations, the terms of the Red Herring Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/ the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the FIPB, the Stock Exchange, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the FIPB, the Stock Exchange, the RoC and any other authorities while granting their approval for the Issue.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue shall use UPI as a payment mechanism with Application Supported by Blocked Amount for making application since this IPO will not be under Phase I.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

### RANKING OF EQUITY SHARES

The Equity Shares being issued and transferred pursuant to the issue shall be subject to the provisions of the Companies Act, 2013 our Memorandum and Articles of Association, SEBI Listing Regulations, SEBI ICDR Regulations, SCRA and shall rank pari-passu in all respects including dividend with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page 206 of this Draft Red Herring Prospectus.

### MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013, SEBI Listing Regulations, the Memorandum and Articles of Association, and recommended by the Board of Directors at their discretion and approved by the Shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements, overall financial condition of our Company and other applicable laws and regulations. All dividends, declared by our Company after the date of Allotment (pursuant to the Allotment of Issued Shares), will be payable to the Bidders who have been Allotted Issued Shares, for the entire year, in accordance with applicable law. For further details, please refer to the chapter titled “*Dividend Policy*” beginning on page 143 of this Draft Red Herring Prospectus.

### FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is ₹ 10 each and the Issue Price at the lower end of Price Band is ₹ [●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and the Regional newspaper [●] where the Registered Office of the Company is situated, each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be prefilled in the Bid cum Application Forms available on the websites of the Stock Exchange.

At any given point of time there shall be only one denomination of Equity Shares.

## COMPLIANCE WITH SEBI ICDR REGULATIONS

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive rights shares and bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013 Act, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page number 206 of this Draft Red herring Prospectus.

## ALLOTMENT OF EQUITY SHARES ONLY IN DEMATERIALISED FORM

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, 2018 the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated March 19, 2019 amongst NSDL, our Company and the Registrar to the Issue; and
- Agreement dated March 13, 2019 amongst CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is [●] Equity Share. Allotment in this Issue will be only in electronic form in multiples of [●] Equity Share subject to a minimum Allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

## MINIMUM NUMBER OF ALLOTTEES

Further in accordance with the Regulation 268 of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs and sponsor bank, shall be unblocked within 4 working days of closure of Issue.

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Mumbai, Maharashtra, India.

**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 may not be issued or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other**

**jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

#### **JOINT HOLDERS**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

#### **NOMINATION FACILITY TO BIDDERS**

In accordance with Section 72 of the Companies Act, 2013 the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a. To register himself or herself as the holder of the Equity Shares; or
- b. To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

#### **WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the issue. The Book Running Lead Manager through, the Registrar to the issue, shall notify the SCSBs and sponsor bank to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed. If the 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 Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is registered with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus.

#### **BID/ ISSUE OPENING DATE**

<b>Event</b>	<b>Indicative Date</b>
Bid/Issue Opening Date	[•]
Bid/Issue Closing Date	[•]

Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Refunds	[●]
Credit of Equity Shares to Demat Accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

**The above timetable is indicative and does not constitute any obligation on our Company and the BRLM. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.**

Bids and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Bid/Issue Period. On the Bid/Issue Closing Date, the Bids and any revision to the same shall be accepted between **10.00 a.m. and 5.00 p.m. (IST)** or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchange. In case of Bids by Non-Institutional Bidders, the Bids and the revisions in Bids are accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 4.00 p.m. (IST). It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding public holiday).

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which full Bid Amount is not blocked by SCSBs and the Sponsor Bank will be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Bid/Issue Closing Date. All times mentioned in this Draft Red Herring Prospectus are Indian Standard Times.

Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Business Days. Neither our Company nor the Book Running Lead Manager are liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Draft Red Herring Prospectus is Indian Standard Time.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

**In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional working days after revision of Price Band subject to the Bid/ Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the changes on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Member.**

**In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the bidding (issue) period disclosed in the red herring prospectus (in case of a book built issue) or the issue period disclosed in the prospectus (in case of a fixed price issue), for a minimum period of three working days, subject to the Bid/ Issue Period not exceeding 10 working days.**

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask for rectified data

#### **MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level and is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the issue including devolvement of Underwriters, if any, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond fifteen days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260(1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Draft Red Herring Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹1,00,000/- (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **MIGRATION TO MAIN BOARD**

Our company may migrate to the Main board of BSE Limited on a later date subject to the following:

- a. *If the Paid up Capital of our Company is likely to increase above ₹ 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to BSE Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- b. *If the Paid up Capital of our company is more than ₹ 1,000 lakhs but below ₹ 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

*Any company desiring to migrate to the Main board from the SME Board within two years of listing on SME platform of BSE has to fulfil following conditions:*

- a) *The increase in post issue face value capital beyond ₹ 25 crore should arise only because of merger/acquisition or for expansion purposes.*
- b) *The company should have a minimum turnover of ₹ 100 crore as per last audited financials and market capitalization of ₹ 100 crore.*
- c) *The company should have a minimum profit before tax of ₹ 10 crore for two years out of three preceding years.*
- d) *There should not be any action against the company by any regulatory agency at the time of application for migration.*

### **MARKET MAKING**

The shares issued and transferred through this Issue are proposed to be listed on the BSE SME with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the SME Platform of BSE Limited. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 47 of this Draft Red herring Prospectus.



#### **ARRANGEMENT FOR DISPOSAL OF ODD LOT**

The trading of the equity shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on [●].

#### **AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian Companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

#### **ALLOTMENT OF SECURITIES IN DEMATERIALIZED FORM**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

#### **NEW FINANCIAL INSTRUMENTS**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

#### **APPLICATION BY ELIGIBLE NRIs, FPI'S REGISTERED WITH SEBI, VCF'S, AIF'S REGISTERED WITH SEBI AND QFI'S**

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

#### **RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES**

Except for (i) the lock-in of the pre-Issue Equity Shares, (ii) the minimum Promoters' contribution, (iii) Anchor Investor lock-in, pursuant to the Issue, and (iv) as provided in "Main Provisions of our Articles of Association" on page 206 of this Draft Red Herring Prospectus, there are no restrictions on transfers of Equity Shares. Further, there are no restrictions on transmission of shares/ debentures and on their consolidation/ splitting except as provided in our Articles of Association. For details, please see "Main Provisions of our Articles of Association" on page 206 of this Draft Red Herring Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Red herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of SEBI ICDR Regulations as the post issue face value capital is less than Rs. 1,000 lakhs. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE Limited). For further details regarding the salient features and terms of such Issue, please refer to the chapter titled "Terms of the Issue" and "Issue Procedure" beginning on page 179 and 187 of this Draft Red Herring Prospectus.

### Following is the Issue structure:

Initial Public Issue of up to 21,60,000 Equity Shares of face value of ₹ 10 each ("Equity Shares") fully paid for cash at a price of ₹ [•] (including a premium of ₹ [•]) aggregating to ₹ [•] Lakhs. The Issue comprises a net Issue to the public of up to [•] Equity shares (the "Net Issue"). The Issue and Net Issue will constitute [•] % and [•] % of the post-Issue paid-up Equity Share capital of our Company.

The Issue comprises a reservation of up to [•] Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion").

Particulars	Market Maker Reservation Portion	Non –Institutional Bidders	Retail Individual Bidders
<b>Number of Equity Shares</b>	Up to [•] Equity Shares	Up to [•] Equity Shares	Up to [•] Equity Shares
<b>Percentage of Issue size available for allocation</b>	[•]% of Issue Size	[•] % of the net Issue shall be available for allocation	[•]% of the net Issue Size available for allocation
<b>Basis of Allotment / Allocation if respective category is oversubscribed</b>	Firm Allotment	Proportionate	Proportionate subject to minimum Lot as explained in the section titled "Issue Procedure on page 187 of this Draft Red Herring Prospectus.
<b>Mode of Bid cum Application</b>	Through the ASBA Process only	Through the ASBA Process only	Through ASBA Process through banks or by using UPI ID for payment
<b>Minimum Bid Size</b>	Up to [•] Equity Shares in multiple of [•] Equity shares	Such number of Equity shares in multiple of [•] Equity shares that Application size exceeds ₹ 2,00,000	Up to [•] Equity Shares in multiple of [•] Equity shares so that the Bid Amount does not exceed ₹ 2,00,000
<b>Maximum Bid Size</b>	Up to [•] Equity Shares in multiple of [•] Equity shares	Such number of Equity Shares in multiples of [•] Equity Shares not exceeding the size of the Issue, subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [•] Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000
<b>Mode of Allotment</b>	Compulsorily in Dematerialized mode		
<b>Trading Lot</b>	[•] Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[•] Equity Shares and in multiples thereof	[•] Equity Shares and in multiples thereof
<b>Terms of payment</b>	In case of ASBA, the entire Bid Amount shall be blocked at the time of submission of Bid cum Application Form to the members of the Syndicate and in case of UPI as an alternate mechanism, Bid amount shall be blocked at the time of confirmation of mandate collection request by applicant		

1) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any



*category would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.*

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

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. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

## ISSUE PROCEDURE

All Bidders should review the “General Information Document for Investing in Public Issues” prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI, modified and updated pursuant to, among others, the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 notified by SEBI, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016, SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 (“General Information Document”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document shall be made available on the websites of the Stock Exchange, the Company and the Book Running Lead Manager before opening of the Issue Period. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 (“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. Pursuant to the UPI Circular, from January 1, 2019, the UPI mechanism for RIIs applying through intermediaries (i.e., Syndicate members, Registered Stock Brokers, Registrar and Transfer Agents and Depository Participants) will be made effective along with the existing process and existing timeline of T+6 days. The same will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase I”). However, pursuant to circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 03, 2019, SEBI had extended the timeline for implementation of Phase I of the aforesaid Circular by 3 months i.e. till June 30, 2019. Thereafter, for application by RIIs applying through intermediaries (i.e., Syndicate members, Registered Stock Brokers, Registrar and Transfer Agents and Depository Participants), the existing process of physical movement of forms from such intermediaries to SCSBs for blocking of funds will be discontinued, including forms directly submitted to SCSBs, and only the UPI mechanism with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, the final reduced timeline will be made effective using the UPI mechanism for applications by RIIs (“UPI Phase III”), as may be prescribed by SEBI. This Issue will be made under UPI Phase II and the UPI mechanism for making Applications by Retail Individual Investors will be made available in accordance with the UPI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019. SEBI has implemented phase II of Unified Payments Interface with Application Supported by Block Amount effective from July 01, 2019 with respect to Bids by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIIs (“UPI Phase III”), as may be prescribed by SEBI.

RIIs bidding through the UPI mechanism shall ensure that the bank, with which it has its bank account, where the funds equivalent to the Bid amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>

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 Bidders applying through the ASBA process and Retail Individual Bidders applying through the UPI mechanism under the ASBA process; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xi) mode of making refunds (xii) interest in case of delay in Allotment or refund; and (xiii) Grounds for Refund

Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendments, modifications 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..*

#### **BOOK BUILDING PROCEDURE**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue has been made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue has been made under Regulation 229(1) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein no reservation was made for Qualified Institutional Buyers. Further, 50% of the Net Issue was available for allocation on a proportionate basis to Non-Institutional Investors and 50% of the Net Issue was 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.

Subject to the valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Bidders shall not be less than the minimum Bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Stock Exchange.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Bidders will only be in the dematerialised form. The Bid cum Application Forms which do not have the details of the Bidder’s depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the bid is liable to be rejected. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchange.

#### **PHASED IMPLEMENTATION OF UPI FOR BIDS BY RETAIL INDIVIDUAL BIDDERS AS PER THE UPI CIRCULAR**

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 (collectively 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) 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:

- **Phase I:** This phase was applicable from January 1, 2019 and till June 30, 2019. Under this phase, a Retail Individual Bidder 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.
- **Phase II:** This phase has become applicable from July 1, 2019 and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, physical submission of the Bid cum Application Form by a Retail Individual Bidder through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will compulsorily 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.
- **Phase III:** Subsequently, under this phase, the time duration from public issue closure to listing would be reduced to be three Working Days.

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 Retail Individual Bidders into the UPI Mechanism.

For further details, refer to the General Information Document to be available on the website of the Stock Exchange and the BRLM.

### **BID CUM APPLICATION FORM**

Copies of the Bid cum Application Form and the abridged prospectus were available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the Stock Exchange, the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Bid/Issue Opening Date.

*All the investors (except Retail Individual Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for application or also can use UPI payment mechanism for application.*

Bidders (other than RIIs 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. The Sponsor Bank shall provide details of the UPI linked bank account of the Bidders to the Registrar to the Issue for purpose of reconciliation.

The bid cum application form submitted by Retail Individual Investors (without using UPI), NIIs and QIBs must provide bidder's bank account details and authorization to block funds in the relevant space provided in the Bid cum Application Form. Further, Retail Individual Investors submitting bid cum application form using UPI shall mention the UPI of the his/her own Bank account in the bid cum application form in the relevant space and the Bid cum Application Forms that do not contain such details are liable to be rejected.

Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of the syndicate member/ SCSBs/ RTA/ DPs/ stock brokers, submitted at the Collection Centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

<b>Category</b>	<b>Color of Bid cum application Form*</b>
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

*\*excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs) after accepting application form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid cum Application Forms to respective SCSBs where the Bidder has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant bid details, including UPI ID, in the electronic bidding system of stock exchange(s).

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Red Herring Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Bid.

Applicants are required to submit their applications only through any of the following Application Collecting

**Intermediaries:**

- (i) an SCSB, with whom the bank account to be blocked, is maintained
- (ii) a syndicate member (or sub-syndicate member)
- (iii) a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
- (iv) a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- (v) a registrar to an issue and share transfer agent (RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as 'Intermediaries'), and intending to use UPI, shall also enter their UPI ID in the bid-cum-application form.

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange was done by:

For applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment	After accepting the application form, respective intermediary shall capture and upload the relevant bid details, including UPI ID, in the electronic bidding system of stock exchange(s). Stock Exchange shall share bid details including the UPI ID with Sponsor Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds. Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.

Stock exchange(s) shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange(s) shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Applicants.

**WHO CAN BID?**

In addition to the category of Bidders, set forth in the GID, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- Scientific research organizations authorized in India to invest in the Equity Shares; and



- Any other persons eligible to Bid in the Issue under the laws, rules, regulations, guidelines and policies applicable to them.

As per the existing RBI regulations, OCBs cannot participate in this Issue

#### **PARTICIPATION BY ASSOCIATED/ AFFILIATES OF BOOK RUNNING LEAD MANAGER AND SYNDICATE MEMBERS, PROMOTER GROUP AND PERSONS RELATED TO PROMOTER/PROMOTER GROUP**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of BRLM and syndicate members, shall be treated equally for the purpose of allocation to be made on a proportionate basis. Promoter and Promoter Group and any persons related to our Promoters and Promoter Group cannot participate in the Issue.

#### **BID 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 Amount payable by the Eligible Employee does not exceed Rs. 200,000. The Allotment in the Employee Reservation Portion will be on a proportionate basis.

- (a) Bids under Employee Reservation Portion by Eligible Employees shall be made only in the prescribed Bid cum Application Form or Bid cum Revision Form.
- (b) The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Amount payable by the Eligible Employee does not exceed Rs. 2,00,000. The maximum Amount in this category by an Eligible Employee cannot exceed Rs. 200,000.
- (c) Eligible Employees should mention their employee number at the relevant place in the Bid Form.
- (d) The Bidder should be an Eligible Employee as defined above. In case of joint Bids, the first Bidder shall be an Eligible Employee.
- (e) Only Eligible Employees would be eligible to apply in this issue under the Employee Reservation Portion.
- (f) Eligible Employees will have to apply like any other Bidder.
- (g) Bid by Eligible Employees can be made also in the Net Issue and such Bids shall not be treated as multiple Bids.
- (h) Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue.
- (i) If the aggregate demand in this category is greater than [●] Equity Shares, the allocation shall be made on a proportionate basis.

#### **BIDS BY MUTUAL FUNDS**

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

### **BIDS BY ELIGIBLE NRI'S**

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External (NRE) accounts, or Foreign Currency Non-Resident (FCNR) ASBA Accounts. Eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non Resident Ordinary (NRO) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Bids by Eligible NRIs and Category III FPIs for a Bid Amount of less than Rs. 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding Rs. 200,000 would be considered under the Non-Institutional Category for allocation in the Issue.

In case of Eligible NRIs bidding under the Retail Category through the UPI mechanism, depending on the nature of the investment whether repatriable or non-repatriable, the Eligible NRI may mention the appropriate UPI ID in respect of the NRE account or the NRO account, in the Bid cum Application Form

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non- Residents (blue in colour). For details of restrictions on investment by NRIs, please refer to the chapter titled “*Restrictions on Foreign Ownership of Indian Securities*” beginning on page 203 of this Draft Red Herring Prospectus

### **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 individuals

### **BIDS BY FPI INCLUDING FIIs**

On January 7, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely ‘foreign institutional investors’ and ‘qualified foreign investors’ are subsumed under a new category namely ‘foreign portfolio investors’ or ‘FPIs’. RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI.

Further, pursuant to the Master Directions on Foreign Investment in India issued by the RBI date January 4, 2018 (updated as on March 8, 2019) the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid up value of each series of debentures or preference shares or warrants

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, 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 that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such



offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

An FPI is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to the following conditions:

- (a) offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI

#### **BIDS BY SEBI REGISTERED VCFs, AIFs and FVCIs**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

**Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.**

**All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

#### **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 offered under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

#### **BIDS BY BANKING COMPANY**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum application Form, failing which our Company reserve the right to reject any Bid by a banking company without assigning any reason.

Bid cum Application Form, failing which our Company reserve the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("Banking Regulation Act"), and the Reserve Bank of India ("Financial Services provided by Banks") Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid

up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

#### **BIDS BY SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **BIDS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Bids made by Systemically Important Non-Banking Financial Companies 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 Systemically Important Non-Banking Financial Companies, are required to be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof. Systematically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

#### **BIDS BY NBFC-SI**

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof. NBFC-SIs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

#### **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- (a) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under 1, 2 and 3 above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable

regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid Cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

#### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, Government of India, Systemically Important Non-Banking Financial Company or the National Investment Fund and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

**The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.**

#### **SIGNING OF UNDERWRITING AGREEMENT AND REGISTERING OF RED HERRING PROSPECTUS/ PROSPECTUS WITH ROC**

- (a) Our Company has entered into an Underwriting agreement dated [●].
- (b) A copy of the Red Herring Prospectus will be registered with the RoC and copy of Prospectus will be registered with ROC in terms of Section 32 of the Companies Act, 2013 and section 26 of the Companies Act, 2013.

#### **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, our Company will, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National daily Newspaper; (ii) Hindi National daily Newspaper; and (iii) Regional Newspaper, each with wide circulation at the place where the Registered Office of the Company is situated. In the pre-Issue advertisement, we will state the Bid Opening Date and the Bid Closing Date and the floor price or price band along with the necessary details subject to Regulation 250 of the SEBI ICDR Regulations. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, will be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

#### **ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS**

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

#### **GENERAL INSTRUCTIONS**

Please note that NIIs are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or 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 Anchor Investors Bidding date.

In addition to the general instructions provided in the General Information Document, Bidders are requested to note the additional instructions provided below

#### **A. Do's and Don'ts**

##### **Do's:**

1. Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID, UPI 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 a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of joint bids, ensure 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;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that 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;

16. Ensure that the category and the investor status is indicated;
17. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc, relevant documents are submitted;
18. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
19. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
20. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Draft Red Herring Prospectus;
21. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
22. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
23. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
24. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
25. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
26. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceeding ₹ 2,00,000 (for Bids by Retail Individual Bidders);
10. 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 the Draft Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the



relevant ASBA Account;

13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

### **Other instructions for the Bidders**

#### **Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidder whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such First 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.

All communications may be addressed to such Bidders and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

#### **Multiple Bids**

A Bidder should submit only one Bid cum Application Form. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, the sub-Syndicate, SCSB, Registered Broker, RTA and CDP and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

### **Investor Grievance**

In case of any pre-Issue or post-Issue related problems regarding demat credit/refund orders/unblocking etc., the Investors can contact the Compliance Officer of our Company.

### **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

### **SUBMISSION OF BIDS**

- a) During the Bid/ Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- b) In case of Bidders (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- c) For Details of the timing on acceptance and upload of Bids in the Stock Exchange Platform Bidders are requested to refer to the DRHP.

### **GROUNDINGS OF TECHNICAL REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;

- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bids by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price.
- GIR number furnished instead of PAN;
- Bids for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-Off Price by NIIs and QIBs.
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the DRHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bids accompanied by stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms are not delivered by the Bidders within the time prescribed as per the Bid cum Application Forms, Bid/ Issue Opening Date advertisement and the DRHP and as per the instructions in the Draft Red Herring Prospectus and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bids by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchange; and
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form /Application Form. Bids not duly signed by the sole/First Bidder.
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;



- ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Bid cum Application Form/Application Form;
- Submission of Bid cum Application Forms/Application Form using third party ASBA Bank Account;
- Submission of more than one Bid cum Application Form per UPI ID by RIIs bidding through Designated Intermediaries;
- In case of Bids by RIIs (applying through the UPI mechanism), the UPI ID mentioned in the Bid cum Application Form is linked to a third party bank account;
- The UPI Mandate is not approved by Retail Individual Investor; and
- The original Bid/Application is made using the UPI mechanism and revision(s) to the Bid/Application is made using ASBA either physically or online through the SCSB, and *vice-versa*.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in the process of signing the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- (a) Agreement dated March 19, 2019 among NSDL, the Company and the Registrar to the Issue; and
- (b) Agreement dated March 13, 2019 among CDSL, the Company and the Registrar to the Issue.

The Company's shares bear ISIN INE06H201014

#### **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—*

- (c) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (d) 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
- (e) 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.”*

#### **PROCEDURE AND TIME OF SCHEDULE FOR ALLOTMENT AND DEMAT CREDIT**

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. **Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders who have been Allotted Equity Shares in the Issue.

- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Bidders Depository Account which will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed

within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

## **BASIS OF ALLOTMENT**

### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

### **b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

## **UNDERTAKINGS BY THE COMPANY**

Our Company undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That our Promoter's contribution in full has already been brought in;
6. That no further Issue of Equity Shares shall be made till the Equity Shares Offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.;
7. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
8. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;

9. If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
10. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period

#### **UTILIZATION OF THE ISSUE PROCEEDS**

The Board of Directors of our Company certifies that:

1. all monies received out of the Issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchange where listing is sought has been received.
6. The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“**FEMA**”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“**RBI**”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2017 (“**FDI Policy 2017**”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India (“**RBI**”) also issues Master Directions Foreign Investment in India and updates at the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions. The Indian company making such issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present our company is in the business of architectural engineering, consultancy services and other technical activities in the solar energy sector. As these sectors/activities are not specifically listed in the Permitted Sectors, 100 % foreign direct investment through automatic route is permitted subject to applicable laws/regulations, security and other conditionalities.

In case of investment in sectors through Government Route approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the company.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include: (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained, and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence to the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time.; (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank and iv) where the investee company is in the financial sector provided that: a) Any ‘fit and proper/due diligence’ requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the

Equity Shares of our Company investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

#### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. Any equity holding by a person resident outside India resulting from the conversion of any debt instrument under any arrangement shall be reckoned as a foreign investment under the composite cap.

Portfolio Investment to aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in the transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance with sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity, will not exceed the sectoral/statutory cap.

Subject to the provisions of the FDI policy, foreign investment in 'manufacturing' sector is under the automatic route. Further, a manufacturer is permitted to sell its products manufactured in India through wholesale and/or retail, including through e-commerce, without Government approval.

#### **i. Investment by FPIs under Portfolio Investment Scheme (PIS):**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

#### **ii. Investment by NRI or OCI on repatriation basis:**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 that is:

The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

#### **iii. Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be

domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.**

**Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.**

**Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Prospectus.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.



**SECTION IX – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION**

**(COMPANY LIMITED BY SHARES)**

**ARTICLES OF ASSOCIATION**

**OF**

**GENSOL ENGINEERING LIMITED**

<b>Sr. No</b>	<b>Particulars</b>	
<b>1.</b>	No regulation contained in Table “F” in the First Schedule to 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 be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	<b>Table F Applicable.</b>
	<b>Interpretation Clause</b>	
<b>2.</b>	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	<b>Act</b>
	(b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	<b>Articles</b>
	(c) "Auditors" means and includes those persons appointed as such for the time being of the Company.	<b>Auditors</b>
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	<b>Capital</b>
	(e) "The Company" shall mean <b>GENSOL ENGINEERING LIMITED</b>	
	(f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under Section 31 of the Administrator General Act, 1963.	<b>Executor or Administrator</b>
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	<b>Legal Representative</b>
	(h) Words importing the masculine gender also include the feminine gender.	<b>Gender</b>
	(i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	<b>In Writing and Written</b>
	(j) The marginal notes hereto shall not affect the construction thereof.	<b>Marginal notes</b>
	(k) "Meeting" or "General Meeting" means a meeting of members.	<b>Meeting or General Meeting</b>
	(l) "Month" means a calendar month.	<b>Month</b>
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of Section 96 of the Act.	<b>Annual General Meeting</b>



Sr. No	Particulars	
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	<b>Extra-Ordinary Meeting</b> <b>General</b>
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	<b>National Holiday</b>
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	<b>Non-retiring Directors</b>
	(q) "Office" means the registered Office for the time being of the Company.	<b>Office</b>
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	<b>Ordinary and Special Resolution</b>
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	<b>Person</b>
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	<b>Proxy</b>
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	<b>Register of Members</b>
	(v) "Seal" means the common seal for the time being of the Company.	<b>Seal</b>
	(w) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	<b>Singular number</b>
	(x) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	<b>Statutes</b>
	(y) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	<b>These presents</b>
	(z) "Variation" shall include abrogation; and "vary" shall include abrogate.	<b>Variation</b>
	(aa) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	<b>Year and Financial Year</b>
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	<b>Expressions in the Act to bear the same meaning in Articles</b>
	<b>CAPITAL</b>	
3.	The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	<b>Authorized Capital.</b>
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.	<b>Increase of capital by the Company how carried into effect</b>
5.	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 herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	<b>New Capital same as existing capital</b>

Sr. No	Particulars	
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	<b>Non-Voting Shares</b>
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	<b>Redeemable Preference Shares</b>
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	<b>Voting rights of preference shares</b>
9.	<p>On the issue of redeemable preference shares under the provisions of Article 7 hereof , the following provisions-shall take effect:</p> <p>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a issue of shares made for the purpose of the redemption;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(c) Subject to Section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the 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 55of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p>	<b>Provisions to apply on issue of Redeemable Preference Shares</b>
10.	<p>The Company may (subject to the provisions of Sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular 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.</p>	<b>Reduction of capital</b>
11.	Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to	<b>Debentures</b>

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	conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.	
12.	The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that Sections and rules framed thereunder.	<b>Issue of Sweat Equity Shares</b>
13.	The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.	<b>ESOP</b>
14.	Notwithstanding anything contained in these articles but subject to the provisions of Sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	<b>Buy Back of shares</b>
15.	Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-Section (1) of Section 61; 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.	<b>Consolidation, Sub-Division And Cancellation</b>
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	<b>Issue of Depository Receipts</b>
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	<b>Issue of Securities</b>
	<b>MODIFICATION OF CLASS RIGHTS</b>	
18.	(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this Section shall apply to such variation.	<b>Modification of rights</b>
	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking <i>pari passu</i> therewith.	<b>New Issue of Shares not to affect rights attached to existing shares of that class.</b>
19.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be	<b>Shares at the disposal of the Directors.</b>

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	under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium 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.	
<b>20.</b>	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-Section (1) of Section 62 subject to compliance with Section 42 and 62 of the Act and rules framed thereunder.	<b>Power to issue shares on preferential basis.</b>
<b>21.</b>	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	<b>Shares should be Numbered progressively and no share to be subdivided.</b>
<b>22.</b>	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	<b>Acceptance of Shares.</b>
<b>23.</b>	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	<b>Directors may allot shares as full paid-up</b>
<b>24.</b>	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 become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	<b>Deposit and call etc.to be a debt payable immediately.</b>
<b>25.</b>	Every Member, or his heirs, executors, administrators, or legal representatives, 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 Company's regulations, require on date fixed for the payment thereof.	<b>Liability of Members.</b>
<b>26.</b>	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	<b>Registration of Shares.</b>
	<b>RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT</b>	
<b>27.</b>	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	<b>CERTIFICATES</b>	
<b>28.</b>	(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each	<b>Share Certificates.</b>

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	<p>class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that 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 one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone 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 Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p>	
29.	<p>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, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided</p>	<p><b>Issue of new certificates in place of those defaced, lost or destroyed.</b></p>



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	<p>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.</p> <p>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.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>	
30.	(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.	<b>The first named joint holder deemed Sole holder.</b>
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	<b>Maximum number of joint holders.</b>
31.	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 Articles 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 its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	<b>Company not bound to recognise any interest in share other than that of registered holders.</b>
32.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	<b>Installment on shares to be duly paid.</b>
<b>UNDERWRITING AND BROKERAGE</b>		
33.	Subject to the provisions of Section 40 (6) of the Act, 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 or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	<b>Commission</b>
34.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	<b>Brokerage</b>
<b>CALLS</b>		
35.	<p>(1) 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 at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the 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 persons and at the time and places appointed by the Board.</p> <p>(2) A call may be revoked or postponed at the discretion of the Board.</p> <p>(3) A call may be made payable by installments.</p>	<b>Directors may make calls</b>

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36.	Fifteen 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 shall be paid.	<b>Notice of Calls</b>
37.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	<b>Calls to date from resolution.</b>
38.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	<b>Calls on uniform basis.</b>
39.	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 who on account of the residence at a distance or other cause, which 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.	<b>Directors may extend time.</b>
40.	If any Member 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 not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	<b>Calls to carry interest.</b>
41.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	<b>Sums deemed to be calls.</b>
42.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears 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 share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	<b>Proof on trial of suit for money due on shares.</b>
43.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of 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 forfeiture of such shares as hereinafter provided.	<b>Judgment, decree, partial payment motto proceed for forfeiture.</b>
44.	(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his	<b>Payments in Anticipation of calls may carry interest</b>



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	<p>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 agree upon. 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 three months' notice in writing; provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) 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 calls on debentures issued by the Company.</p>	
	<b>LIEN</b>	
45.	<p>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 share 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 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.</p>	<b>Company to have Lien on shares.</b>
46.	<p>For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.</p>	<b>As to enforcing lien by sale.</b>
47.	<p>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 lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.</p>	<b>Application of proceeds of sale.</b>
	<b>FORFEITURE AND SURRENDER OF SHARES</b>	
48.	<p>If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such</p>	<b>If call or installment not paid, notice may be given.</b>

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	<p>time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.</p>	
49.	<p>The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid.</p> <p>The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.</p>	<b>Terms of notice.</b>
50.	<p>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 but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.</p>	<b>On default of payment, shares to be forfeited.</b>
51.	<p>When any shares have been 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.</p>	<b>Notice of forfeiture to a Member</b>
52.	<p>Any shares 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 in their absolute discretion shall think fit.</p>	<b>Forfeited shares to be property of the Company and may be sold etc.</b>
53.	<p>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 thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.</p>	<b>Members still liable to pay money owing at time of forfeiture and interest.</b>
54.	<p>The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.</p>	<b>Effect of forfeiture.</b>
55.	<p>A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company has been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.</p>	<b>Evidence of Forfeiture.</b>

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56.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	<b>Title of purchaser and allottee of Forfeited shares.</b>
57.	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 has 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.	<b>Cancellation of share certificate in respect of forfeited shares.</b>
58.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	<b>Forfeiture may be remitted.</b>
59.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	<b>Validity of sale</b>
60.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	<b>Surrender of shares.</b>
<b>TRANSFER AND TRANSMISSION OF SHARES</b>		
61.	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	<b>Execution of the instrument of shares.</b>
62.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange;	<b>Transfer Form.</b>
63.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee,	<b>Transfer not to be registered except on production of instrument of transfer.</b>

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	has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	
64.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien. That registration of transfer shall however 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;	<b>Directors may refuse to register transfer.</b>
65.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	<b>Notice of refusal to be given to transferor and transferee.</b>
66.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	<b>No fee on transfer.</b>
67.	The Board of Directors shall have power on giving not less than seven days previous notice in accordance with Section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	<b>Closure of Register of Members or debenture holder or other security holders.</b>
68.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	<b>Custody of transfer Deeds.</b>
69.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	<b>Application for transfer of partly paid shares.</b>
70.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	<b>Notice to transferee.</b>
71.	(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the	<b>Recognition of legal representative.</b>

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	<p>only person recognized by the Company as having any title to his interest in the shares.</p> <p>(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	
72.	<p>The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative 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 any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.</p>	<b>Titles of Shares of deceased Member</b>
73.	<p>Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.</p>	<b>Notice of application when to be given</b>
74.	<p>Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.</p>	<b>Registration of persons entitled to share otherwise than by transfer. (transmission clause).</b>
75.	<p>Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.</p>	<b>Refusal to register nominee.</b>
76.	<p>Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an</p>	<b>Board may require evidence of transmission.</b>



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	indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	
77.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	<b>Company not liable for disregard of a notice prohibiting registration of transfer.</b>
78.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	<b>Form of transfer Outside India.</b>
79.	No transfer shall be made to any minor, insolvent or person of unsound mind.	<b>No transfer to insolvent etc.</b>
<b>NOMINATION</b>		
80.	<p>i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p>	<b>Nomination</b>
81.	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, 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 security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before</p>	<b>Transmission of Securities by nominee</b>

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	<p>being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further 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 or debenture, 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 or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>	
	<b>DEMATERIALIZATION OF SHARES</b>	
<b>82.</b>	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	<b>Dematerialisation of Securities</b>
	<b>JOINT HOLDER</b>	
<b>83.</b>	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	<b>Joint Holders</b>
<b>84.</b>	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	<b>Joint and several liabilities for all payments in respect of shares.</b>
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	<b>Title of survivors.</b>
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	<b>Receipts of one sufficient.</b>
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	<b>Delivery of certificate and giving of notices to first named holders.</b>
	<b>SHARE WARRANTS</b>	
<b>85.</b>	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	<b>Power to issue share warrants</b>
<b>86.</b>	<p>(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.</p> <p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p>	<b>Deposit of share warrants</b>



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	(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.	
87.	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall 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. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.	<b>Privileges and disabilities of the holders of share warrant</b>
88.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	<b>Issue of new share warrant coupons</b>
<b>CONVERSION OF SHARES INTO STOCK</b>		
89.	The Company may, by ordinary resolution in General Meeting. a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination.	<b>Conversion of shares into stock or reconversion.</b>
90.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.	<b>Transfer of stock.</b>
91.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	<b>Rights of stock holders.</b>
92.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.	<b>Regulations.</b>
<b>BORROWING POWERS</b>		
93.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	<b>Power to borrow.</b>
94.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares,	<b>Issue of discount etc. or with special privileges.</b>

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	appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	
<b>95.</b>	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charge, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	<b>Securing payment or repayment of Moneys borrowed.</b>
<b>96.</b>	Any bonds, debentures, debenture-stock or their 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 they shall consider to be for the benefit of the Company.	<b>Bonds, Debentures etc. to be under the control of the Directors.</b>
<b>97.</b>	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	<b>Mortgage of uncalled Capital.</b>
<b>98.</b>	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	<b>Indemnity may be given.</b>
<b>MEETINGS OF MEMBERS</b>		
<b>99.</b>	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	<b>Distinction between AGM &amp; EGM.</b>
<b>100.</b>	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	<b>Extra-Ordinary General Meeting by Board and by requisition</b>
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	<b>When a Director or any two Members may call an Extra Ordinary General Meeting</b>
<b>101.</b>	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	<b>Meeting not to transact business not mentioned in notice.</b>

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102.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	<b>Chairman of General Meeting</b>
103.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	<b>Business confined to election of Chairman whilst chair is vacant.</b>
104.	a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. d) Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	<b>Chairman with consent may adjourn meeting.</b>
105.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	<b>Chairman's casting vote.</b>
106.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	<b>In what case poll taken without adjournment.</b>
107.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	<b>Demand for poll not to prevent transaction of other business.</b>
<b>VOTES OF MEMBERS</b>		
108.	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, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	<b>Members in arrears not to vote.</b>
109.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as 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, and to speak and to 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 is present at any meeting of the Company, save as provided in sub-Section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	<b>Number of votes each member entitled.</b>
110.	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.	<b>Casting of votes by a member entitled to more than one vote.</b>

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111.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor 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.	<b>Vote of member of unsound mind and of minor</b>
112.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	<b>Postal Ballot</b>
113.	A member may exercise his vote at a meeting by electronic means in accordance with Section 108 and shall vote only once.	<b>E-Voting</b>
114.	<p>a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.</p> <p>b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>	<b>Votes of joint members.</b>
115.	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	<b>Votes may be given by proxy or by representative</b>
116.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	<b>Representation of a body corporate.</b>
117.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	<b>Members paying money in advance.</b>
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	<b>Members not prohibited if share not held for any specified period.</b>
118.	Any person entitled under Article 73 (transmission clause) 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 at least forty-eight hours 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 indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	<b>Votes in respect of shares of deceased or insolvent members.</b>
119.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate	<b>No votes by proxy on show of hands.</b>

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	present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	
120.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	<b>Appointment of a Proxy.</b>
121.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105.	<b>Form of proxy.</b>
122.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy 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 or adjourned meeting at which the proxy is used.	<b>Validity of votes given by proxy notwithstanding death of a member.</b>
123.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	<b>Time for objections to votes.</b>
124.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	<b>Chairperson of the Meeting to be the judge of validity of any vote.</b>
<b>DIRECTORS</b>		
125.	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution	<b>Number of Directors</b>
126.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	<b>Qualification shares.</b>
127.	<p>(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the</p>	<b>Nominee Directors.</b>



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	<p>meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>	
<b>128.</b>	<p>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 three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.</p>	<b>Appointment of alternate Director.</b>
129.	<p>Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.</p>	<b>Additional Director</b>
<b>130.</b>	<p>Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who 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.</p>	<b>Director’s power to fill casual vacancies.</b>
<b>131.</b>	<p>Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.</p>	<b>Sitting Fees.</b>
<b>132.</b>	<p>The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.</p>	<b>Travelling expenses Incurred by Director on Company’s business.</b>
<b>PROCEEDING OF THE BOARD OF DIRECTORS</b>		
<b>133.</b>	<p>(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.</p> <p>(b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.</p>	<b>Meetings of Directors.</b>
<b>134.</b>	<p>a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting.</p> <p>b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.</p>	<b>Chairperson</b>
<b>135.</b>	<p>Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.</p>	<b>Questions at Board meeting how decided.</b>
<b>136.</b>	<p>The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing</p>	<b>Continuing directors may act notwithstanding any vacancy in the Board</b>

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	directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.	
137.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee 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 in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	<b>Directors may appoint committee.</b>
138.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	<b>Committee Meetings how to be governed.</b>
139.	a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	<b>Chairperson of Committee Meetings</b>
140.	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	<b>Meetings of the Committee</b>
141.	Subject to the provisions of the Act, 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 disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	<b>Acts of Board or Committee shall be valid notwithstanding defect in appointment.</b>
<b>RETIREMENT AND ROTATION OF DIRECTORS</b>		
142.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	<b>Power to fill casual vacancy</b>
<b>POWERS OF THE BOARD</b>		
143.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	<b>Powers of the Board</b>
144.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject	<b>Certain powers of the Board</b>



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	to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	<b>To acquire any property , rights etc.</b>
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	<b>To take on Lease.</b>
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	<b>To erect &amp; construct.</b>
	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	<b>To pay for property.</b>
	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	<b>To insure properties of the Company.</b>
	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	<b>To open Bank accounts.</b>
	(7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	<b>To secure contracts by way of mortgage.</b>
	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	<b>To accept surrender of shares.</b>
	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	<b>To appoint trustees for the Company.</b>

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	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	<b>To conduct legal proceedings.</b>
	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	<b>Bankruptcy &amp; Insolvency</b>
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	<b>To issue receipts &amp; give discharge.</b>
	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the 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 187 of the Act, all investments shall be made and held in the Company's own name.	<b>To invest and deal with money of the Company.</b>
	(14) 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 as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	<b>To give Security by way of indemnity.</b>
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	<b>To determine signing powers.</b>
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	<b>Commission or share in profits.</b>
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	<b>Bonus etc. to employees.</b>
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of	<b>Transfer to Reserve Funds.</b>

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	<p>the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power 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.</p>	
(19)	<p>To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.</p>	<p><b>To appoint and remove officers and other employees.</b></p>
(20)	<p>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 power 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 such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager 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 powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.</p>	<p><b>To appoint Attorneys.</b></p>
(21)	<p>Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.</p>	<p><b>To enter into contracts.</b></p>
(22)	<p>From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.</p>	<p><b>To make rules.</b></p>

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	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	<b>To effect contracts etc.</b>
	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	<b>To apply &amp; obtain concessions licenses etc.</b>
	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	<b>To pay commissions or interest.</b>
	(26) To redeem preference shares.	<b>To redeem preference shares.</b>
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	<b>To assist charitable or benevolent institutions.</b>
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	
	(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how. (32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products. (33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to	

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	<p>expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>	
	<b>MANAGING AND WHOLE-TIME DIRECTORS</b>	
145.	<p>a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>	<b>Powers to appoint Managing/ Wholetime Directors.</b>
146.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	<b>Remuneration of Managing or Wholetime Director.</b>
147.	(1) Subject to control, direction and supervision of the Board of Directors, the day-today management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-	<b>Powers and duties of Managing Director or Whole-time Director.</b>



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	<p>to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p>	
	<p><b>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</b></p>	
<p><b>148.</b></p>	<p>a) Subject to the provisions of the Act,—</p> <p>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.</p>	<p><b>Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer</b></p>
	<p><b>THE SEAL</b></p>	
<p><b>149.</b></p>	<p>(a) 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 the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>	<p><b>The seal, its custody and use.</b></p>



<b>Sr. No</b>	<b>Particulars</b>	
<b>150.</b>	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	<b>Deeds how executed.</b>
	<b>Dividend and Reserves</b>	
<b>151.</b>	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>	<b>Division of profits.</b>
<b>152.</b>	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	<b>The company in General Meeting may declare Dividends.</b>
<b>153.</b>	<p>a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	<b>Transfer to reserves</b>
<b>154.</b>	Subject to the provisions of Section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	<b>Interim Dividend.</b>
<b>155.</b>	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	<b>Debts may be deducted.</b>
<b>156.</b>	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	<b>Capital paid up in advance not to earn dividend.</b>
<b>157.</b>	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	<b>Dividends in proportion to amount paid-up.</b>

Sr. No	Particulars	
158.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	<b>Retention of dividends until completion of transfer under Articles .</b>
159.	No member shall be entitled to receive payment of any interest or dividend or bonus 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 however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	<b>No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.</b>
160.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	<b>Effect of transfer of shares.</b>
161.	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 in respect of such share.	<b>Dividend to joint holders.</b>
162.	<p>a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>	<b>Dividends how remitted.</b>
163.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	<b>Notice of dividend.</b>
164.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	<b>No interest on Dividends.</b>
<b>CAPITALIZATION</b>		
165.	<p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p>	<b>Capitalization.</b>

Sr. No	Particulars	
166.	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p>	<b>Fractional Certificates.</b>
167.	<p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</p>	<b>Inspection of Minutes Books of General Meetings.</b>
168.	<p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</p>	<b>Inspection of Accounts</b>
<b>FOREIGN REGISTER</b>		
169.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	<b>Foreign Register.</b>
<b>DOCUMENTS AND SERVICE OF NOTICES</b>		
170.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for	<b>Signing of documents &amp; notices to be served or given.</b>

Sr. No	Particulars	
	such purpose and the signature may be written or printed or lithographed.	
171.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	<b>Authentication of documents and proceedings.</b>
	<b>WINDING UP</b>	
172.	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p>	
	<b>INDEMNITY</b>	
173.	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.	<b>Directors' and others right to indemnity.</b>
174.	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	<b>Not responsible for acts of others</b>
	<b>SECRECY</b>	

<b>Sr. No</b>	<b>Particulars</b>	
175.	(a) 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 pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	<b>Secrecy</b>
	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.	<b>Access to property information etc.</b>

## SECTION X – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Corporate Office of our Company located at A-2, 12th Floor, Palladium Building, Opp. Vodafone House Corporate Road, Prahladnagar, Ahmedabad – 380015, Gujarat, India from date of filing the Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

#### Material Contracts

1. Issue Agreement dated September 4, 2019 between our Company and the Book Running Lead Manager.
2. Registrar Agreement dated September 4, 2019, between our Company and Link Intime India Private Limited, Registrar to the Issue.
3. Underwriting Agreement dated [●], between our Company and Underwriter viz. Book Running Lead Manager.
4. Market Making Agreement dated [●], between our Company, Market Maker and the Book Running Lead Manager.
5. Syndicate Agreement dated [●], between our Company, Syndicate Member and the Book Running Lead Manager
6. Bankers to the Issue Agreement dated [●], amongst our Company, the Book Running Lead Manager, Banker to the issue, Sponsor Bank and the Registrar to the Issue.
7. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated March 19, 2019.
8. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated March 13, 2019.

#### Material Documents

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Resolution of the Board of Director dated August 7, 2019 in relation to the issue and other related matters.
3. Shareholders' resolution dated August 29, 2019 in relation to the Issue and other related matters.
4. Shareholder's Agreement dated December 16, 2014 between Solarig N-Gage, S.A. and Our Company
5. Statement of Tax Benefits dated May 6, 2019 issued by our Peer Reviewed Auditor M/s. K.C. Parikh & Associates, Chartered Accountants.
6. Report of the Peer Reviewed Auditor M/s K.C. Parikh & Associates, Chartered Accountants, dated May 6, 2019 on the Restated Financial Statements for the financial years ended as on March 31, 2019, 2018 and 2017 of our Company.
7. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Reviewed Auditor, Legal Advisor to the Issue, the Book Running Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Bankers to the Company, Public Issue Bank/Bankers to the Issue and Refund Bankers to the Issue, Sponsor Bank to act in their respective capacities.
8. Copy of In-approval from BSE Limited vide letter dated [●], to use the name of BSE in this issue document for listing of Equity Shares on BSE SME (SME Platform) of BSE Limited
9. Due Diligence certificate dated [●] from Book Running Lead Manager to BSE Limited.

None of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



**SECTION XI – DECLARATION**
**DECLARATION BY THE COMPANY**

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**Signed by all the Directors of our Company**

<b>Name and Designation</b>	<b>Signature</b>
<b>Anmol Singh Jaggi</b> <i>Chairman and Managing Director</i> DIN: 01293305	sd/-
<b>Puneet Singh Jaggi</b> <i>Whole Time Director</i> DIN: 02479868	sd/-
<b>Jasminder Kaur</b> <i>Non-Executive Director</i> DIN: 01441131	sd/-
<b>Gaurav Kharbanda</b> <i>Independent Director</i> DIN: 08440746	sd/-
<b>Harish Kaushik</b> <i>Independent Director</i> DIN: 08191765	sd/-

Signed by Chief Financial Officer and Company Secretary and Compliance officer of the Company.

Sd/-  
**Jabir Mahendi M Aga**  
*Chief Financial Officer*

Sd/-  
**Rajesh Parmar**  
*Company Secretary & Compliance Officer*

**Place:** Ahmedabad

**Date:** September 13, 2019

**Annexure A**

**DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED**

Sr · N o	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Openin g 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.	Manorama Industries Limited	64.00	188.00	October 04, 2018	190.20	-2.26% (-0.45%)	5.69% (3.09%)	6.38% (10.53%)
2.	Innovative Ideals and Services (India) Limited	12.26	40.00	October 05, 2018	43.00	215.00% (1.85%)	320.25% (4.41%)	299.75% (13.61%)
3.	Vinny Overseas Limited	10.37	40.00	October 11, 2018	40.50	11.25% (3.43%)	12.25% (5.54%)	5.00% (13.38%)
4.	Shubhlaxmi Jewel Art Limited	6.51	26.00	December 04, 2018	27.10	33.85% (-0.71%)	111.54% (-0.06%)	360.38% (9.69%)
5.	Deccan Health Care Limited	42.12	100.00	December 31, 2018	108.00	28.40% (-1.32%)	7.05% (7.22%)	-10.55% (9.22%)
6.	Surani Steel Tubes Limited	12.92	52.00	February 06, 2019	53.10	-4.81% (-0.04%)	-7.69% (4.84%)	-19.33% (-0.59%)
7.	Ritco Logistics Limited	48.18	73.00	February 07, 2019	77.40	-5.00% (-0.81%)	-3.49% (4.75%)	-8.70% (-0.73%)
8.	Artedz Fabs Limited	8.32	36.00	March 29, 2019	40.00	5.56% (1.12%)	-9.44% (1.92%)	Not Applicable
9.	Par Drugs and Chemicals Limited	8.53	51.00	May 16, 2019	52.90	-6.47% (5.03%)	-7.84% (-2.94%)	Not Applicable
10.	Suich Industries Limited	30.86	75.00	June 13, 2019	68.50	-42.00% (-2.53%)	-61.93% (-6.53%)	Not Applicable

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

**Note:-**

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index.
2. Prices on BSE/NSE are considered for all of the above calculations.
3. In case the 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> day is a holiday, closing price on BSE/NSE of the previous trading day has been considered.
4. In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> days, scrips are not traded then closing price on BSE/NSE of the previous trading day has been considered.

### SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on 30th Calendar day from listing date			Nos of IPOs trading at premium on 30th Calendar day from listing date			Nos of IPOs trading at discount on 180th Calendar day from listing date			Nos of IPOs trading at premium on 180th Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
17-18	*30	610.90	-	-	4	10	7	9	-	2	6	12	3	7
18-19	**25\$#	477.04	-	-	7	2	4	11	1	2	10	3	1	7
19-20	***2\$\$	39.39	-	1	1	-	-	-	-	-	-	-	-	-

\*The scripts Bohra Industries Limited, Creative Peripherals and Distribution Limited, Panache Digilife Limited, Zota Health Care Limited, Gautam Exim Limited, Bansal Multiflex Limited, Shrenik Limited, Jigar Cables Limited, Vaishali Pharma Limited, Lexus Granito (India) Limited, Worth Peripherals Limited, R M Drip and Sprinklers Systems Limited, Shree Tirupati Balajee FIBC Limited, Innovative Tyres and Tubes Limited, Poojawestern Metaliks Limited, Airo Lam Limited, Goldstar Power Limited, IRIS Business Services Limited, Tirupati Forge Limited, Beta Drugs Limited, One Point One Solutions Limited, Astron Paper & Board Mill Limited, Shree Ram Proteins Limited and Gujarat Hy – Spin Limited, Focus Suites Solutions & Services Limited, A and M Jumbo Bags Limited, Sintercom India Limited, Mohini Health & Hygiene Limited, South West Pinnacle Exploration Limited and Macpower CNC Machines Limited were listed on April 05, 2017, April 12, 2017, April 25, 2017, May 10, 2017 July 11, 2017, July 12, 2017, July 18, 2017, July 28, 2017, August 22, 2017, August 23, 2017, September 27, 2017, October 04, 2017, October 05, 2017, October 05, 2017, October 05, 2017, October 06, 2017, October 10, 2017, October 11, 2017, October 12, 2017, October 12, 2017, December 26, 2017, December 29, 2017, February 05, 2018, February 08, 2018, February 09, 2018, February 12, 2018, February 15, 2018, February 16, 2018, February 19, 2018 and March 22, 2018 respectively.

\*\*The scripts of Benara Bearings and Pistons Limited, Soni Soya Products Limited, Vera Synthetic Limited, S.S. Infrastructure Development Consultants Limited, Mahickra Chemicals Limited, Akshar Spintex Limited, Sofitech Engineers Limited, Innovators Façade Systems Limited, Shree Vasu Logistics Limited, Affordable Robotic & Automation Limited, Latteys Industries Limited, Nakoda Group of Industries Limited, ShreeOswal Seeds and Chemicals Limited, Priti International Limited, Accuracy Shipping Limited, Ganga Forging Limited, Ushanti Colour Chem Limited, Manorama Industries Limited, Innovative Ideals and Services (India) Limited, Vinny Overseas Limited, Shubhlaxmi Jewel Art Limited, Deccan Health Care Limited, Surani Steel Tubes Limited, Ritco Logistics Limited and Artedz Fabs Limited were listed on April 3, 2018, April 12, 2018, April 12, 2018, April 12, 2018, April 26, 2018, May 11, 2018, May 11, 2018, May 24, 2018, June 4, 2018, June 4, 2018, June 5, 2018, June 6, 2018, June 20, 2018, June 21, 2018, June 22, 2018, July 11, 2018, August 02, 2018, October 04, 2018, October 05, 2018, October 11, 2018, December 04, 2018, December 31, 2018, February 06, 2019 February 07, 2019 and March 29, 2019 respectively.

\*\*\*The script of Par Drugs and Chemicals Limited and Suich Industries Limited were listed on May 16, 2019 and June 13, 2019 respectively.

\$ The scripts of Artedz Fabs Limited has not completed 180 Days from the date of its listing.

\$\$ The script of Par Drugs and Chemicals Limited and Suich Industries Limited have not completed 180 Days and 180 Days respectively from the date of listing.

# As on 30<sup>th</sup> trading day the closing price of the script Ganga Forging Limited was at par with the issue price. Hence it is not considered for counting the numbers of IPOs trading at discount and premium.



***Note:** Ambition Mica Limited is a Further Public Offering lead managed by Pantomath Capital Advisors Private Limited in the Financial Year 2017-18 and the same has not been included in the above mentioned Summary Statement of Disclosure as the disclosure is limited to IPOs only.*