(Please scan this QR Code to view the DRHP)

DRAFT RED HERRING PROSPECTUS
February 6, 2025
Draft Red Herring Prospectus will be updated upon filing with the RoC)
Please read Section 32 of the Companies Act, 2013
100% Book Built Offer

ADVANCED SYS-TEK LIMITED

Corporate Identification Number: U33112GJ1988PLC010464

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	E-MAIL AND TELEPHONE	WEBSITE
299/300, G I D C Makarpura, B/H Novino Battery, Vadodara - 390010, Gujarat, India	Sheth Hima Kaushik, Company Secretary and Compliance Officer	**Email:** compliance@advancedsystek.com **Tel:** +91 265 6190375/00	www.advancedsystek.com

OUR PROMOTERS: MUKESH R KAPADIA, UMED AMARCHAND FIFADRA, SHOBHA MUKESH KAPADIA AND USHA UMED FIFADRA

DETAILS OF THE OFFER

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIIs AND RIIs
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 1,150.00 million.	Up to 1,527,500 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million.	Up to [●] Equity Shares of face value of ₹ 10 each, aggregating up to ₹ [●] million.	The Offer is being made pursuant to Regulation 6(1) of the SEBI ICDR Regulations. For further details, see *'Other Regulatory and Statutory Disclosures - Eligibility for the Offer'* on page 374. For details in relation to share reservation among QIBs, NIIs and RIIs, see *'Offer Structure'* on page 392.

DETAILS OF THE OFFER FOR SALE BY THE PROMOTER SELLING SHAREHOLDERS

NAME OF THE PROMOTER SELLING SHAREHOLDERS	TYPE	NO. OF EQUITY SHARES BEING OFFERED / AMOUNT (IN ₹ MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARES* (IN ₹)
Mukesh R Kapadia	Promoter Selling Shareholder	Up to 763,750 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million	2.22
Umed Amarchand Fifadra	Promoter Selling Shareholder	Up to 763,750 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million	2.22

** As certified by CNK & Associates LLP, Statutory Auditors, pursuant to a certificate dated February 6, 2025.*

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Share is ₹ 10 each. The Floor Price, the Cap Price and the Offer Price as determined and justified by our Company, in consultation with the BRLMs, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, in accordance with the SEBI ICDR Regulations, and as stated under '*Basis for the Offer Price*' on page 129 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to '*Risk Factors*' on page 29.

ISSUER'S AND SELLING SHAREHOLDERS ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each Promoter Selling Shareholder, severally and not jointly, accepts responsibility only for and confirms the statements made or undertaken expressly by it in this Draft Red Herring Prospectus only to the extent of information specifically pertaining to it and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Each Promoter Selling Shareholder, severally and not jointly, assumes no responsibility for any other statement in this Draft Red Herring Prospectus, including, inter alia, any other statements made by or relating to our Company or its business or any other Promoter Selling Shareholder.

LISTING

The Equity Shares to be offered through the Red Herring Prospectus are proposed to be listed on the BSE Limited (**BSE**) and the National Stock Exchange of India Limited (**NSE**, and together with the BSE, the **Stock Exchanges**). For the purposes of the Offer, [●] is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS

LOGO	NAME OF THE BOOK RUNNING LEAD MANAGER	CONTACT PERSON	E-MAIL AND TELEPHONE
INGA	Inga Ventures Private Limited	Kavita Shah	**E-mail:** ast.ipo@ingaventures.com **Tel:** +91 22 6854 0808
SOWILO	Sowilo Capital Advisors LLP#	Ambareesh Iyer/ Bhavin Shah	**E-mail:** ecm@sowilocapital.co.in **Tel:** +91 22 6060 0100

REGISTRAR TO THE OFFER

LOGO	NAME OF THE REGISTRAR	CONTACT PERSON	E-MAIL AND TELEPHONE
MUFG	**MUFG Intime India Private Limited** *(formerly Link intime India Private Limited)*	Shanti Gopalkrishnan	**E-mail:** advancedsys.ipo@linkintime.co.in **Tel:** +91 810 811 4949

BID/OFFER PERIOD

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

#Sowilo Capital Advisors LLP will be involved only in marketing of the Offer pursuant to an indirect shareholding in our Company.
**Our Company, in consultation with the BRLMs, may consider participation by the Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding / Offer Period shall be 1 Working Day prior to the Bid/Offer Opening Date.*
*** Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs 1 Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*
^UPI mandate end time and date shall be at 5pm, on Bid/Offer Closing Date.

DRAFT RED HERRING PROSPECTUS
February 6, 2025
Draft Red Herring Prospectus will be updated upon filing with the RoC)
Please read Section 32 of the Companies Act, 2013
100% Book Built Offer

ADVANCED SYS-TEK LIMITED

Our Company was originally incorporated as 'Advanced Spectra-Tek Private Limited, at Ahmedabad as a private limited company under the provisions of Companies Act, 1956 and received a certificate of incorporation issued by the RoC on March 16, 1988. Thereafter, pursuant to a special resolution passed by the shareholders of our Company in their meeting on July 25, 2001, the name of our Company was changed to 'Daniel Measurement and Control (India) Private Limited', and a fresh certificate of incorporation dated August 03, 2001, was issued to our Company by the RoC. Subsequently, pursuant to a special resolution passed by the shareholders of our Company in their meeting on October 5, 2007, the name of our Company was changed from 'Daniel Measurement and Control (India) Private Limited', to 'Advanced Sys-Tek Private Limited' and a fresh certificate of incorporation dated October 31, 2007, was issued to our Company by the RoC. Thereafter, pursuant to a special resolution passed by the shareholders of our Company in their meeting on July 5, 2024, the name of our Company was changed from 'Advanced Sys-Tek Private Limited' to its present name i.e. 'Advanced Sys-Tek Limited' and a fresh certificate of incorporation dated September 6, 2024, was issued to our Company by the RoC. For details of changes in the name and registered office of our Company, see '*History and Certain Corporate Matters*' on page 222.

Registered and Corporate Office: 299/300, G I D C, Makarpura, B/H Novino Battery, Vadodara - 390010, Gujarat, India;
Contact Person: Sheth Hima Kaushik, Company Secretary and Compliance Officer; **Tel**: +91 265 6190375/00; **E-mail**: compliance@advancedsystek.com; **Website**: www.advancedsystek.com; **Corporate Identification Number**: U33112GJ1988PLC010464

OUR PROMOTERS: MUKESH R KAPADIA, UMED AMARCHAND FIFADRA, SHOBHA MUKESH KAPADIA AND USHA UMED FIFADRA

INITIAL PUBLIC OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (EQUITY SHARES) OF ADVANCED SYS-TEK LIMITED (COMPANY) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) (OFFER PRICE) AGGREGATING UP TO ₹ [●] MILLION (OFFER) COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 1,150.00 MILLION BY OUR COMPANY (FRESH ISSUE) AND AN OFFER FOR SALE OF UP TO 1,527,500 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY THE PROMOTER SELLING SHAREHOLDERS (OFFER FOR SALE) COMPRISING UP TO 763,750 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY MUKESH R KAPADIA AND UP TO 763,750 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY UMED AMARCHAND FIFADRA (EACH, A PROMOTER SELLING SHAREHOLDER, AND TOGETHER THE PROMOTER SELLING SHAREHOLDERS, AND SUCH EQUITY SHARES, THE OFFERED SHARES). THE OFFER SHALL CONSTITUTE [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

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

In case of any revision in the Price Band, the Bid/Offer Period will be extended by at least 3 additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of *force majeure*, banking strike or similar circumstances, our Company in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of 1 Working Day, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the website of the BRLMs and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable.

The Offer is being made through Book Building Process, in terms of Rule 19(2)(b) of the Securities Contacts (Regulation) Rules, 1957 (**SCRR**), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made in accordance with Regulation 6(1) of the SEBI ICDR Regulations, through the Book Building Process wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (**QIBs**) (such portion referred to as **QIB Portion**), provided that our Company, in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (**Anchor Investor Portion**), out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors (**Anchor Investor Allocation Price**), in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors out of which (a) one-third of such portion shall be reserved for applicants with application size of more than ₹ 0.2 million and up to ₹ 1.00 million; and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential Bidders (except Anchor Investors) are required to mandatorily use the Application Supported by Blocked Amount (**ASBA**) process providing details of their respective ASBA accounts, and UPI ID in case of UPI Bidders, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank(s) under the UPI Mechanism, as applicable, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For further details, see '*Offer Procedure*' on page 396.

RISK IN RELATION TO THE FIRST OFFER

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Floor Price, the Cap Price and the Offer Price as determined and justified by our Company, in consultation with the BRLMs, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, in accordance with the SEBI ICDR Regulations, and as stated under '*Basis for the Offer Price*' on page 129 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to '*Risk Factors*' on page 29.

ISSUER'S AND PROMOTER SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each Promoter Selling Shareholder, severally and not jointly, accepts responsibility only for and confirms the statements made or undertaken expressly by it in this Draft Red Herring Prospectus only to the extent of information specifically pertaining to it and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Each Promoter Selling Shareholder, severally and not jointly, assumes no responsibility for any other statement in this Draft Red Herring Prospectus, including, inter alia, any other statements made by or relating to our Company or its business or any other Promoter Selling Shareholder.

LISTING

The Equity Shares to be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of the Offer, [●] is the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For further details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/Offer Closing Date, see *'Material Contracts and Documents for Inspection'* on page 444.

<table>
<tr><th colspan="2">BOOK RUNNING LEAD MANAGERS</th><th>REGISTRAR TO THE OFFER</th></tr>
<tr><td></td><td></td><td></td></tr>
<tr><td>Inga Ventures Private Limited
1229 Hubtown Solaris, N.S. Phadke Marg,
Opp. Telli Galli, Andheri (East),
Mumbai 400 069,
Maharashtra, India
Tel: +91 22 6854 0808
E-mail: ast.ipo@ingaventures.com
Website: www.ingaventures.com
Investor grievance e-mail: investors@ingaventures.com
Contact person: Kavita Shah
SEBI Registration Number: INM000012698</td><td>Sowilo Capital Advisors LLP[#]
Unit no. 514, Corporate Annexe, Sonawala Road, Near Udyog Bhavan, Goregaon (East), Mumbai 400 063, Maharashtra, India.
Tel: +91 22 6060 0100
Email: ecm@sowilocapital.co.in
Website: www.sowilocapital.co.in
Investor grievance e-mail:
mbcomplaints@sowilocapital.co.in
Contact person: Ambareesh Iyer/ Bhavin Shah
SEBI Registration Number: INM000013235</td><td>MUFG Intime India Private Limited (formerly Link intime India Private Limited)
C-101, 247 Park L B S Marg,
Vikhroli (West), Mumbai 400 083,
Maharashtra, India.
Tel: +91 810 811 4949
E-mail: advancedsys.ipo@linkintime.co.in
Website: www.linkintime.co.in
Investor grievance e-mail:
advancedsys.ipo@linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration Number: INR000004058</td></tr>
</table>

BID/OFFER PERIOD					
ANCHOR INVESTOR BIDDING DATE*	[●]	**BID/OFFER OPENS ON***		**BID/OFFER CLOSES ON**^**	[●]

[#]Sowilo Capital Advisors LLP will be involved only in marketing of the Offer pursuant to an indirect shareholding in our Company.
** Our Company, in consultation with the BRLMs, may consider participation by the Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be 1 Working Day prior to the Bid/Offer Opening Date.*
*** Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs 1 Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*
^ UPI mandate end time and date shall be at 5 pm, on Bid/Offer Closing Date.

(***Remainder of the page has been intentionally left blank***)

CONTENTS

SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any statutes, regulations, rules, guidelines, circulars, notifications, clarifications or policies shall be to such statute, regulation, rule, guideline or policy as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the same meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms used in 'Description of Equity Shares and Main Provisions of the Articles of Association', 'Basis for the Offer Price', 'Statement of Special Tax benefits', 'Industry Overview', 'Key Regulations and Policies', 'History and Certain corporate Matters', 'Financial Information', 'Outstanding Litigation and Other Material Developments', 'Offer Procedure', and 'Restriction on Foreign Ownership of Indian Securities' on pages 419, 129, 139, 146, 147, 222, 258, 363, 392 and 417 respectively, shall have the meaning ascribed to such terms in the relevant section.

General terms

Term	Description
'our Company' or 'the Issuer', 'Company'	Advanced Sys-Tek Limited, with registered office situated at 299/300 G I D C Makarpura B/H Novino Battery, Vadodara - 390010 Gujarat, India
'we' or 'us', or 'our' or 'group'	Unless the context otherwise indicates or implies or refers to our Company together with our Subsidiary and Associate Company on a consolidated basis as on the date of this Draft Red Herring Prospectus.

Company related terms

Term	Description
AoA/ Articles of Association/ Articles	Articles of association of our Company, as amended.
Associate Company	Terranomous Systems Private Limited
Audit Committee	The audit committee of our Company, constituted in accordance with the applicable provisions of the Companies Act and the SEBI Listing Regulations and as described in '*Our Management – Committees of Our Board*' on page 238.
Auditors/ Statutory Auditors	The statutory auditors of our Company, namely, M/s. CNK & Associates LLP, Chartered Accountants, Firm Registration No 101961W/W-100036 and Peer Review certificate number: 017169 dated June 25, 2024
Board or Board of Directors	The board of directors of our Company or a duly constituted committee thereof. For further details, see '*Our Management*' on page 230.
Chief Financial Officer or CFO	The chief financial officer of our Company, namely, Munjal Navnit Jani. For further details, see '*Our Management - Key Managerial Personnel and Senior Management*' on page 248.
Committee(s)	Duly constituted committees of our Board
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, namely, Sheth Hima Kaushik. For further details, see '*Our Management - Key Managerial Personnel and Senior Management*' on page 248.
Corporate Social Responsibility Committee / CSR Committee	The corporate social responsibility committee of our Company, constituted in accordance with the applicable provisions of the Companies Act and as described in '*Our Management - Committees of Our Board*' on page 238.
Director(s)	The director(s) on our Board, as appointed from time to time. For further details, see '*Our Management*' on page 230.
Equity Shares	Equity shares of our Company of face value of ₹ 10 each.
ESOP Scheme	Advanced Sys-Tek Employee Stock Option Plan 2024

Term	Description
Executive Director(s)	Executive Directors of our Company namely Shirish Madhukar Adi, Mukesh R Kapadia and Umed Amarchand Fifadra. For further details, see '*Our Management*' on page 230.
Group Companies	In terms of the SEBI ICDR Regulations, the term 'group companies', includes: (i) such companies (other than promoter(s) and subsidiary(ies)) with which our Company had related party transactions during the periods for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by our Board. For details of our group companies, see '*Our Group Company*' on page 371.
Independent Architect	The independent architect appointed by our Company, namely, M/s 3 Korners (Firm Registration No CA/2011/53097).
Independent Chartered Engineer	The independent chartered engineer appointed by our Company, namely, Rameshchandra V Vaghela, (Registration No. M127211-4).
Independent Director(s)	Independent directors on our Board, and who are eligible to be appointed as independent directors under the provisions of the Companies Act and the SEBI Listing Regulations, namely, Sharma Deepti, Hemant Vithaldas Udeshi, and Sunil C Vakil. For details of the Independent Directors, see '*Our Management*' on page 230.
Key Managerial Personnel	Key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act and as disclosed in '*Our Management – Key Managerial Personnel and Senior Management*' on page 248.
Key Performance Indicators/ KPIs	Key financial and operational performance indicators of our Company, as included in '*Basis for the Offer Price – Key Performance Indicators*', and '*Our Business – Key Performance Indicators*' on pages 131 and 202, respectively.
Managing Director	The managing director of our Company, namely, Shirish Madhukar Adi. For further details, see '*Our Management'* on page 230.
Materiality Policy	The policy adopted by our Board pursuant to the resolution dated February 6, 2025 for identification of: (a) material outstanding litigation; (b) Group Companies; and (c) material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations and for the purpose of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.
Memorandum of Association/ MoA	The memorandum of association of our Company, as amended.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company, constituted in accordance with the applicable provisions of the Companies Act and the SEBI Listing Regulations and as described in '*Our Management – Committees of Our Board*' on page 238.
Non-Executive Director(s)	Non-executive Director(s) of our Company, namely Sharma Deepti, Hemant Vithaldas Udeshi, Sunil C Vakil. For further details, see '*Our Management*' on page 230.
Practicing Company Secretary	The practicing company secretary appointed by our Company namely, Vijay Bhatt & Co having unique identification number S1995GJ014000 and a certificate of practice bearing number 2265 and fellow company secretary bearing number 4900.
Promoters	Mukesh R Kapadia, Umed Amarchand Fifadra, Shobha Mukesh Kapadia and Usha Umed Fifadra are the promoters of our Company.
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in '*Our Promoter and Promoter Group*' on page 255.
Promoter Selling shareholders or Selling Shareholders	Collectively, Mukesh R Kapadia and Umed Amarchand Fifadra.
Registrar of Companies or RoC	Registrar of Companies, Gujarat at Ahmedabad.
Registered Office	The registered office of our Company is situated at 299/300 GIDC Makarpura B/H Novino Battery, Vadodara - 390010 Gujarat, India.

Term	Description
Restated Consolidated Financial Information	The restated consolidated financial statements of our Company included in this Draft Red Herring Prospectus comprising the restated statement of assets and liabilities of our Company as at 6 months ended September 30, 2024 and financial year ended March 31, 2024, March 31, 2023 and March 31, 2022, the restated summary statements of profit and loss of our Company, the restated summary statement of cash flows and the restated statement of changes in equity for the as at 6 months ended September 30, 2024 and financial year ended March 31, 2024, March 31, 2023, and March 31, 2022, together with the notes to the restated consolidated financial statements prepared in accordance with Ind AS and restated in accordance with section 26 of the Companies Act and the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
Scheme 2022	The erstwhile Phantom Stock Scheme, 2022 of our Company
Senior Management or Senior Management Personnel	Senior management of our Company in accordance with Regulation 2(1) (bbbb) of the SEBI ICDR Regulations and as disclosed in '*Our Management-Key Managerial Personnel and Senior Management*' on page 248.
Shareholder(s)	Shareholder(s) holding Equity Shares of our Company, from time to time.
Stakeholders' Relationship Committee	Stakeholders' relationship committee of our Board, constituted in accordance with the applicable provisions of the Companies Act and the SEBI Listing Regulations, and as described in '*Our Management – Committees of Our Board*' on page 238.
Subsidiary	The subsidiary of our Company, namely, AST Environment Solutions Private Limited.
Whole-Time Directors	The whole-time directors of our Company, namely, Mukesh R Kapadia and Umed Amarchand Fifadra. For further details, see '*Our Management*' on page 230.

Offer Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form.
Allot, Allotment or Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue, and transfer of the Offered Shares by the Promoter Selling Shareholders pursuant to the Offer for Sale, to the successful Bidders.
Allotment Advice	A note or advice or intimation of Allotment sent to all the Bidders who have Bid in the Offer after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom the Equity Shares are Allotted.
Anchor Investor(s)	A QIB, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus who has bid for an amount of at least ₹ 100 million.
Anchor Investor Allocation Price	The price at which the Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and Prospectus, which will be decided by our Company, in consultation with the BRLMs, on the Anchor Investor Bidding Date.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bidding Date and Anchor Investor Bid / Offer Period	1 Working Day prior to the Bid/ Offer Opening Date, on which Bids by the Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.

Term	Description
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company, in consultation with the BRLMs.
Anchor Investor Pay-In Date	With respect to the Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, a date not later than 1 Working Days after the Bid/ Offer Closing Date.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company in consultation with the BRLMs, to the Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form, which may be blocked by such SCSB or the account of the UPI Bidders blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder using the UPI Mechanism, to the extent of the Bid Amount of the ASBA Bidder.
ASBA Bid	A Bid made by an ASBA bidder.
ASBA Bidders	All Bidders except Anchor Investor(s)
ASBA Form(s)	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), the Refund Bank(s), the Sponsor Bank(s) and the Public Offer Account Bank(s), as the case may be.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, and which is described in '*Offer Structure*' on page 392.
Bid(s)	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application form. The term 'Bidding' shall be construed accordingly.
Bid Amount	In relation to each Bid, the highest value of optional Bids indicated in the Bid cum Application Form and, in the case of Retain Individual Bidders, Bidding at the 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 Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case may be, upon submission of the Bid.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.

Term	Description
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in all editions of the [●], an English language national daily with wide circulation and all editions of [●], a Hindi language national daily with wide circulation and [●] edition of [●], a Gujarati language daily newspaper (Gujarati being the regional language of Gujarat where our Registered Office is located). In case of any revisions, the extended Offer Closing Date shall also be notified on the websites and terminals of the members of the Syndicate, as required under the SEBI ICDR Regulations and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations.
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●] which shall be published in all editions of the [●], an English language national daily with wide circulation and all editions of [●], a Hindi language national daily with wide circulation and [●] edition of [●] a Gujarat language daily newspaper (Gujarati being the regional language of Gujarat where our Registered Office is located). In case of any revisions, the extended Offer Closing Date shall also be notified on the websites and terminals of the members of the Syndicate, as required under the SEBI ICDR Regulations and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations.
Bid/Offer Period	Except in relation to the Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations. Our Company and the Promoter Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs 1 Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.
Bidder / Applicant / Investor	Any prospective investor who makes a Bid pursuant to the terms of this Draft Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
Bidding Centres	The centres at which at the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.
Book Running Lead Managers/BRLMs	The book running lead managers to the Offer namely, Inga Ventures Private Limited and Sowilo Capital Advisors LLP.
Broker Centres	Broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker and in case of RIBs only ASBA Forms with UPI. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
CAN or Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to the Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bidding Date.

Term	Description
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. Cap Price shall be at least 105% of the Floor Price and shall not exceed 120% of the Floor Price.
Cash Escrow and Sponsor Bank Agreement	The agreement dated [●] entered amongst our Company, the Promoter Selling Shareholders, the Registrar to the Offer, the BRLMs, the Syndicate Members and the Banker(s) to the Offer for the appointment of the Sponsor Bank in accordance with the Circular on Streamlining of Public Issues, the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof.
Client ID	Client identification number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant(s)/CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of the SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), as per the list available on the websites of BSE and NSE, as updated from time to time.
Collecting Registrar and Share Transfer Agents/CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of the UPI Circulars.
CARE	CARE Analytics and Advisory Private Limited
CARE Report	The report titled 'Industry Report on Industrial Automation and Terminal Automation' prepared by CARE Analytics and Advisory Private Limited dated February, 2025 which has been exclusively commissioned and paid for by our Company specifically in connection with the Offer.
Cut-off Price	Offer Price, finalised by our Company, in consultation with the BRLMs which shall be any price within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details and UPI ID, where applicable.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Accounts(s) to the Public Offer Account(s) or the Refund Account(s), as the case may be, and instructions are given to the SCSBs (in case of UPI Bidders using UPI Mechanism, instructions through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account(s) or the Refund Account(s), as appropriate, in terms of the Red Herring Prospectus and the Prospectus after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares will be Allotted in the Offer to the successful Bidders.

Term	Description
Designated Intermediaries	In relation to ASBA Forms submitted by (i) RIBs and (ii) Non-Institutional Bidders with an application size of up to ₹ 0.50 million (not using the UPI mechanism), Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, Sub Syndicate/agents, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, Sub Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTA.
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
Designated SCSB Branches	Such branches of the SCSBs, which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	[●]
Draft Red Herring Prospectus/DRHP	This draft red herring prospectus dated February 6, 2025 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer including any addenda or corrigenda thereto.
Eligible FPIs	FPIs that are eligible to participate in this Offer in terms of applicable laws.
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the ASBA Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares.
Escrow Account(s)	Non-lien and non-interest-bearing accounts to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid.
Escrow Collection Bank(s)	Bank(s) which is a clearing member and registered with SEBI as banker to an offer, under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, and with whom the Escrow Account in relation to the Offer for Bids by Anchor Investors, will be opened, in this case being [●].
First Bidder/Sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids 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 as amended.
Fresh Issue	The fresh issue component of the Offer comprising an issuance of up to [●] Equity Shares aggregating up to ₹1,150.00 million by our Company.
General Information Document or GID	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and modified and updated pursuant to the circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs.

Term	Description
Gross Proceeds	The gross proceeds of the Fresh Issue that will be available to our Company.
Maximum RIB Allottees	Maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot, subject to valid Bids being received at or above the Offer Price.
Monitoring Agency	[●].
Monitoring Agency Agreement	The agreement dated [●] to be entered into between our Company and the Monitoring Agency prior to filing of the Red Herring Prospectus.
Mutual Fund Portion	5% of the Net QIB Portion (excluding the Anchor Investor Portion), or [●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Proceeds	The Offer Proceeds less our Company's share of the Offer related expenses applicable to the Fresh Issue. For further details regarding the use of the Net Proceeds and the Offer expenses, see '*Objects of the Offer*' on page 114.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Non-Institutional Bidders/NIBs	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount of more than ₹ 0.20 million (but not including NRIs other than Eligible NRIs).
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer consisting of [●] Equity Shares which shall be available for allocation to Non-Institutional Bidders in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price, out of which (i) one third shall be reserved for Non-Institutional Bidders with application size exceeding ₹ 0.20 million up to ₹ 1.00 million; and (ii) two-thirds shall be reserved for Non-Institutional Bidders with application size exceeding ₹ 1.00 million. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Bidders.
Non-Resident	Person resident outside India, as defined under FEMA and includes NRIs, FVCIs, VCFs, and FPIs.
Offer	The initial public offer of up to [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] each, aggregating up to ₹ [●] million, comprising of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 1,150.00 million; and Offer for Sale of up to 1,527,500 Equity Shares aggregating up to ₹ [●] million by the Promoter Selling Shareholders.
Offer Agreement	The offer agreement dated February 6, 2025 amongst our Company, the Promoter Selling Shareholders and the BRLMs pursuant to which certain arrangements have been agreed to in relation to the Offer.
Offer for Sale	The offer for sale of up to 1,527,500 Equity Shares aggregating up to ₹ [●] million by the Promoter Selling Shareholders, namely Mukesh R Kapadia and Umed Amarchand Fifadra.
Offer Price	The final price at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors in terms of the Red Herring Prospectus and Prospectus. The Offer Price will be decided by our Company, in consultation with the BRLMs on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price which will be decided by our Company in consultation with the BRLMs in terms of the Red Herring Prospectus and the Prospectus.
Offer Proceeds	The Net proceeds, and the proceeds of the Offer for Sale which shall be available to the Promoter Selling Shareholders. For further details regarding use of the Offer Proceeds, see '*Objects of the Offer*' on page 114.

Term	Description
Offered Shares	Up to 1,527,500 Equity Shares aggregating up to ₹ [●] million offered for sale by the Promoter Selling Shareholders. For further details, see '*The Offer*' on page 70.
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (i.e., the Floor Price) and the maximum price of ₹ [●] per Equity Share (i.e., the Cap Price) including any revisions thereof. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company, in consultation with the BRLMs, and will be advertised in all editions of the [●], an English language national daily with wide circulation, and all editions of [●], a Hindi language national daily with wide circulation and [●] edition of [●], a Gujarati language daily newspaper (Gujarati being the regional language of Gujarat where our Registered Office is located). at least 2 Working Days prior to the Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. Provided that the Cap Price shall be the minimum 105% of the Floor Price and shall not exceed than 120% of the Floor Price.
Pricing Date	The date on which our Company in consultation with the BRLMs, will finalise the Offer Price.
Prospectus	The prospectus to be filed with the RoC for this Offer in accordance with the provisions of Section 26 of the Companies Act and the SEBI ICDR Regulations containing, inter alia, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
Public Offer Account(s)	Bank account(s) to be opened with the Public Offer Account Bank(s) under Section 40(3) of the Companies Act to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date.
Public Offer Account Bank(s)	The bank(s) which are clearing members and registered with the SEBI as a banker to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, with which the Public Offer Account(s) shall be opened, being [●].
QIB Category/QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Offer consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors).
Qualified Institutional Buyers or QIBs or QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus or RHP	Red Herring Prospectus issued in accordance with Section 32 of the Companies Act and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the Offer Price and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least 3 Working Days before the Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made.
Refund Bank(s)	The Banker(s) to the Offer with whom the Refund Account(s) will be opened, in this case being [●].
Registered Brokers	Stockbrokers registered under SEBI (Stockbrokers) Regulations, 1992, as amended with the Stock Exchanges having nationwide terminals, other than the BRLMs and the Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/ CFD/ 14/ 2012 dated October 4, 2012, issued by SEBI.
Registrar Agreement	The agreement dated February 3, 2025 amongst our Company, the Promoter Selling Shareholders, and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.

Term	Description
Registrar and Share Transfer Agents/ RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of the UPI circular, as per the lists available on the websites of BSE and NSE.
Registrar to the Offer/Registrar	MUFG Intime India Private Limited (formerly Link Intime India Private Limited).
Retail Individual Bidder(s)/ Retail Individual Investors/ RIB(s)/ RII(s)	Individual Bidders who have Bid for the Equity Shares for an amount not more than ₹0.20 million in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Resident Indian	A person resident in India, as defined under the Foreign Exchange Management Act, 1999, as amended.
Retail Portion	The portion of the Offer being not less than 35% of the Offer comprising of [●] Equity Shares, which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date.
SCORES	SEBI Complaints Redress System
Self-Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time
Share Escrow Agent	Share escrow agent appointed pursuant to the Share Escrow Agreement, in this case being, [●].
Share Escrow Agreement	The agreement dated [●] entered into amongst the Promoter Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer by each Promoter Selling Shareholder and credit of such Equity Shares to the demat account of the Allottees.
Specified Locations	Bidding Centres where the Syndicate shall accept Bid cum Application Forms from the Bidders and in case of RIBs, only ASBA Forms with UPI.
Sponsor Bank(s)	The Banker to the Offer registered with SEBI, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41 and update from time to time, 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 UPI Bidders into the UPI, the Sponsor Bank in this Offer being [●].
Stock Exchanges	Collectively, BSE Limited and National Stock Exchange of India Limited.
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate/ members of the Syndicate	Together, the BRLMs and the Syndicate Members.
Syndicate Agreement	The agreement to be entered into among our Company, the Registrar to the Offer, the Promoter Selling Shareholders, the BRLMs, the Syndicate Members and the Registrar to the Offer in relation to collection of Bid cum Application Forms by the Syndicate.

Term	Description
Syndicate Members	Intermediaries registered with SEBI who are permitted to accept bids, applications and place order with respect to the Offer and carry out activities as an underwriter, namely, [●].
Underwriters	[●].
Underwriting Agreement	The agreement to be entered into among our Company, the Promoter Selling Shareholders, and the Underwriters on or after the Pricing Date but prior to filing of the Prospectus.
UPI	Unified Payment Interface, which is an instant payment mechanism, developed by NPCI.
UPI Bidder(s)	Collectively, individual investors applying as (i) Retail Individual Bidders in the Retail Portion, and (ii) Non-Institutional Bidders with an application size of more than ₹ 0.20 million and up to ₹ 0.50 million in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 0.50 million shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an Offer and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
UPI Circular	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL-2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI Circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, (to the extent these circulars are not rescinded by the SEBI RTA Master Circular and SEBI ICDR Master Circular), SEBI master circular with circular number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154datedNovember 11, 2024, the SEBI RTA Master Circular (to the extent it pertains to the UPI Mechanism), and any subsequent circulars or notifications issued by SEBI in this regard, along with the circulars issued by the Stock Exchanges in this regard, including the circular issued by the NSE having reference no. 25/2022 dated August 3, 2022, and the circular issued by BSE having reference no. 20220803-40 dated August 3, 2022, and any subsequent circulars or notifications issued by the Stock Exchanges in this regard
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI linked mobile application and by way of a SMS directing the UPI Bidder to such UPI linked mobile application) to the UPI Bidder 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 mechanism that may be used by UPI Bidders to make a Bid in the Offer in accordance with the UPI Circular.

Term	Description
Wilful Defaulter or Fraudulent Borrower	A wilful defaulter or a fraudulent borrower as defined in Regulation 2(1)(lll) of the SEBI ICDR Regulations.
Working Day	All days on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, 'Working Day' shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, 'Working Day' shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

Technical / industry related terms

Term	Description
ATEX	Atmosphere Explosibles Certification for Equipment use in Hazardous Area
IECEx	International Electrotechnical Commission Certification for Equipment use in Hazardous Area
IA Solutions	Industrial Automation Solutions
DIA	Diameter
DEF	Diesel Exhaust Fluid
DGAQA	Directorate General Aeronautical Quality Assurance
LPG	Liquified Petroleum Gas
PESO	Petroleum and Safety Organisation, Government of India
POL	Petroleum, Oil and Lubricants.
Port Automation	Fuel farm and other Automation at Ports
SCADA	Supervisory Control and Data Acquisition
SGD	Smart ground detector
TAS	Terminal automation systems
UGV	Unmanned Ground Vehicle
VDA	German Association of Automotive Industry / Verband der Automobilindustrie, Germany
HCI / Hyper Converged Infrastructure	Hyper Converged Infrastructure, that is, a technological product which integrates servers, storage, and network components, backup and disaster recovery software, and virtualisation that is., creation of software based virtual machines for server, storage, network, desktop and applications.
IoT	Internet of Things.
IaaS	Infrastructure as Service which involves virtualized computing resources over the internet allowing users to rent virtual machines, storage, and networking components.
IT	Information Technology.
IT Infrastructure	Our products and services in IT Infrastructure comprises data centre solutions and end user computing.
ITeS	Our IT enabled services comprise (i) managed services which involves monitoring, maintenance and support of IT systems; (ii) multi-vendor support services; (iii) IT facility management services; (iv) network operations centre services and security services; (v) backup and disaster recovery services; and (vi) renewals.
LOI	Letter of intent
MaaS	Monitoring as a Service which involves providing monitoring solutions for infrastructure and applications.
NaaS	Network as a Service which involves providing networking capabilities like virtual private networks, bandwidth on demand, and other networking features.
NOC	Network Operations Center.
OTR	On the record
PO	Purchase order
WO	Work order

Conventional and general terms and abbreviations

Term	Description
₹/ Rs. / Rupees/ INR	Indian Rupees
AIFs	Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations
AGM	Annual General Meeting
AS or Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India.
Banking Regulation Act	The Banking Regulation Act, 1949
Bn/bn	Billion
BSE	BSE Limited
CAGR	Compounded annual growth rate.
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPI(s)	FPIs who are registered as ‘Category I foreign portfolio investors’ under the SEBI FPI Regulations.
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II FPI(s)	FPIs who are registered as ‘Category II foreign portfolio investors’ under the SEBI FPI Regulations.
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CDSL	Central Depository Services (India) Limited.
CIN	Corporate Identification Number
Companies Act, 1956	Erstwhile Companies Act, 1956 along with the relevant rules made thereunder.
Companies Act/ Companies Act, 2013	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder.
Consolidated FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT under DPIIT File Number 5(2)/2020-FDI Policy dated the October 15, 2020, effective from October 15, 2020
CSR	Corporate Social Responsibility
CY	Calendar Year
Depositories	Together, NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant’s Identification
‘DP’ or ‘Depository Participant’	A depository participant as defined under the Depositories Act
DPIIT	Department for Promotion of Industry and Internal Trade
EGM	Extraordinary General Meeting
EMDE(s)	Emerging Markets and Developing Economies
EPS	Earnings per Share
Euros / € / EUR	Euros
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
‘Financial Year’, ‘Fiscal’, ‘fiscal’, ‘Fiscal Year’ or ‘FY’	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FPI(s)	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
GAAP	Generally Accepted Accounting Principles
GDP	Gross domestic product
‘GoI’ or ‘Government’	Government of India
GST	Goods and services tax
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards

Term	Description
Income Tax Act or IT Act	Income Tax Act, 1961
Ind AS / Indian Accounting Standards	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified by the Ind AS Rules
Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015, as amended
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IST	Indian Standard Time
KYC	Know Your Customer
MCA	Ministry of Corporate Affairs, Government of India
MSME	Micro, Small & Medium Enterprises
'N.A.' or 'NA'	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NBFC-SI	A systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
No.	Number
NPCI	National Payments Corporation of India
'NR' or 'Non-Resident'	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
NRE Account	Non-Resident External Accounts
NRI	A person resident outside India, who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or an 'Overseas Citizen of India Cardholder' within the meaning of Section 7(A) of the Citizenship Act, 1955
NRO	Non-Resident Ordinary
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
'OCB' or 'Overseas Corporate Body'	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to participate in the Offer
PBT	Profit Before Tax
p.a.	Per annum
PAN	Permanent Account Number
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Master Circular	SEBI master circular bearing no SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

Term	Description
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI RTA Master Circular	SEBI master circular bearing no SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024
SEBI SBEB Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as repealed by the SEBI AIF Regulations
Stock Exchanges	Together, BSE and NSE
STT	Securities transaction tax
Systemically Important NBFC – or NBFC-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
'U.S.' or 'USA' or 'United States'	United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
'USD' or 'US$'	United States Dollars
U.S. Securities Act	United States Securities Act of 1933, as amended
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations

SUMMARY OF THE OFFER DOCUMENT

Unless otherwise indicated, industry and market data used in this section has been derived from CARE Report prepared and issued by CARE appointed by us pursuant to engagement letter dated April 01, 2024, and exclusively commissioned and paid for *by us in connection with the Offer. Unless otherwise indicated, all industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year. CARE was appointed by our Company and is not connected to our Company, our Directors, and our Promoters. A copy of the CARE Report is available on the website of our Company at https://www.advancedsystek.com/industry_reports.php.*

This section is a general summary of the terms of the Offer and of certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including '*Risk Factors*', '*Industry Overview*', '*Our Business*', '*Capital Structure*' '*The Offer*', '*Our Management*', '*Our Promoter and Promoter Group*', '*Objects of the Offer*', '*Financial Information*', and '*Outstanding Litigation and Material Developments*' on pages 29, 146, 196, 89, 230, 255, 114, 258 and 363, respectively.

Summary of business

We have been providing large and complex, measurement, control and industrial automation solutions, including but not limited to terminal automation for oil & gas industry (solutions for inter alia metering, loading, unloading, storage and distribution, for all industrial applications including for ports, airports, etc.). We specialize in providing comprehensive automation solutions for (i) large and complex petroleum, oil and lubricants storage and distribution terminals, and (ii) other industrial automation solutions. Further, we have also provided automation solutions for a liquified petroleum gas bottling plant and are also in the process of executing fuel farm automation projects at airports in India. We also provide anti-icing additive injection systems for aircraft jet fuel.

Summary of industry

Industrial automation is the use of robotics, machines and control systems to perform tasks that were traditionally carried out by human workers. Automation can improve productivity, quality and safety in manufacturing and other industrial applications. Automation technology includes a wide range of tools and technologies. Automation systems can be integrated into existing production lines or stand-alone and can be used to collect data for preventative maintenance of the equipment. Industrial automation offers a number of benefits over traditional manual labour. Automated facilities can work faster and more accurately than human workers, and they can operate around the clock without tiring and can collect data for monitoring the health status of the equipment and reduce waste. (*Source: CARE Report*)

Name of Promoters

Mukesh R Kapadia, Umed Amarchand Fifadra, Shobha Mukesh Kapadia and Usha Umed Fifadra are the Promoters of our Company. For details, see '*Our Promoter and Promoter Group*' on page 255.

Offer size

Offer(1)	Up to [●] Equity Shares, aggregating up to ₹ [●] million
which includes:	
(i) Fresh Issue(1)	Up to [●] Equity Shares, aggregating up to ₹ 1,150.00 million
(ii) Offer for Sale(2)	Up to 1,527,500 Equity Shares aggregating up to ₹ [●] million

(1) *The Offer has been authorised by our Board pursuant to the resolution passed at its meeting dated November 14, 2024, and the Fresh Issue has been authorised by our Shareholders pursuant to a special resolution passed at their meeting dated November 26, 2024. Further, our Board has taken on record the approval for the Offer for Sale by the Promoter Selling Shareholders pursuant to the resolution passed at its meeting dated November 14, 2024.*

(2) *Each Promoter Selling Shareholder severally and not jointly confirm that the Equity Shares being offered by them have been held by it for a period of at least one year immediately preceding the date of this Draft Red Herring Prospectus with the SEBI. Further, each of the Promoter Selling Shareholder has confirmed compliance with the conditions specified in Regulation 8 of the SEBI ICDR Regulations, to the extent applicable Each Promoter Selling Shareholder has, severally and not jointly, consented for the sale of their respective portion of the Offered Shares in the Offer for Sale. For further details of the authorizations received for the Offer, see 'Other Regulatory and Statutory Disclosures' on page* 373.

The Offer shall constitute [●]% of the post Offer paid up Equity Share capital of our Company. For further details of the offer, see '*The Offer*' and '*Offer Structure*' on pages 70 and 392, respectively.

Objects of the Offer

The Net Proceeds are proposed to be used in accordance with the details provided in the below table:

(in ₹ million)

Particulars	Total Estimated Cost
Funding our capital expenditure requirement	93.09
Funding our long term working capital requirement	700.00
General corporate purposes(1)	**[●]**
Net Proceeds(1)(2)	**[●]**

(1) To be finalised upon determination of Offer Price and updated in the Prospectus. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds from the Fresh Issue.
(2) In the event that the estimated utilisation of the Net Proceeds in a scheduled Fiscal year is not completely met, the same shall be utilised in the next Fiscal year, as may be determined by our Board, in accordance with applicable laws.

Aggregate pre-Offer shareholding of our Promoters, Promoter Group and Promoter Selling Shareholders as a percentage of the paid-up Equity Share capital of our Company

Sr. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of total pre-Offer paid up equity share capital (%)
Promoters			
1.	Mukesh R Kapadia*	3,928,266	20.43
2.	Umed Amarchand Fifadra*	3,928,266	20.43
3.	Shobha Mukesh Kapadia	0.00(1)	0.00
4.	Usha Umed Fifadra	0.00(2)	0.00
	Sub-Total (A)	**7,856,532**	**40.86**
Promoter Group			
1.	Bharat Narsidas Ghelani jointly with Aruna Bharat Ghelani	7,200	0.04
2.	Dilip Kumar Narsidas Ghelani	6,000	0.03
3.	Chandrika Haren Gandhi jointly with Haren Purshottamdas Gandhi	7,200	0.04
4.	Mukesh R Kapadia and Shobha Mukesh Kapadia in their capacity as the trustees of Kapadia Family Trust	4,000,000	20.80
5.	Umed Amarchand Fifadra and Usha Umed Fifadra in their capacity as the trustees of Fifadra Family Trust	4,000,000	20.80
	Sub-Total (**B**)	**8,020,400**	**41.71**
Total (A+B)		**15,876,932**	**82.57**

* *Also, Selling Shareholders*
(1) Mukesh R Kapadia and Shobha Mukesh Kapadia, in their capacity as trustees of Kapadia Family Trust hold 4,000,000 Equity Shares in Kapadia Family Trust. However, Shobha Mukesh Kapadia does not hold any Equity Shares in her individual capacity.
(2) Umed Amarchand Fifadra and Usha Umed Fifadra, in their capacity as trustees of Fifadra Family Trust hold 4,000,000 Equity Shares in Fifadra Family Trust. However, Usha Umed Fifadra does not hold any Equity Shares in her individual capacity.

For further details, see *'Capital Structure'* on page 89.

Summary of the Restated Consolidated Financial Information

A summary of the select financial information of our Company, as per the Restated Consolidated Financial Information as at and for the 6 month September 30, 2024 and for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022 as follows:

(in ₹ million, except otherwise stated)

Particulars	As at and for the 6 months period ended September 30, 2024	As at and for the financial year ended March 31, 2024	As at and for the financial year ended March 31, 2023	As at and for the financial year ended March 31, 2022
Equity Share capital	192.28	32.05	28.03	28.03
Net worth*	1,982.01	1,871.01	1,271.21	1,141.07
Revenue from operations	1,058.43	1,882.32	1,404.23	1,356.01
Profit/ (loss) after tax for the period/ year	121.54	192.17	131.71	69.89
Earnings / (Loss) per Equity Share#				
- Basic (in ₹)	6.32	10.20	7.00	3.71
- Diluted (in ₹)	6.32^	10.20	7.00	3.71
Net asset value per Equity Share**	103.08^	99.30	67.52	60.61
Total Borrowings	0	0	0	0

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial period, adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any, that have changed the number of equity shares outstanding, without a corresponding change in resources. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

^ *Not annualised*

* *Net Worth represents the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*

** *Net Asset Value per share = Net Worth at the end of the period /year as restated divided by outstanding number of Equity Shares.*

For further details, please refer to the section titled '*Restated Consolidated Financial Information*' beginning on page 258.

Qualifications of the Statutory Auditors which have not been given effect to in the Restated Consolidated Financial Information

There are no qualifications included by our Statutory Auditors in the financial statements which have not been given effect to in the Restated Consolidated Financial Information.

Summary of Outstanding Litigation and Material Developments

Sr. No.	Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/ Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoter	Material civil litigation*	Aggregate amount involved (in ₹ million)*
1.	**Company**						
	By our Company	Nil	-	-	-	2	20.26
	Against our Company	Nil	19	Nil	Nil	1	36.38
2.	**Promoters**						
	By our Promoter	Nil	-	-	-	Nil	Nil
	Against our Promoter	Nil	3	Nil	Nil	Nil	0.89

Sr. No.	Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/ Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoter	Material civil litigation*	Aggregate amount involved (in ₹ million)*
3.	**Directors (other than Promoters)**						
	By our Directors	Nil	-	-	-	Nil	Nil
	Against our Directors	Nil	Nil	Nil	Nil	Nil	Nil
4.	**Subsidiary**						
	By our Subsidiary	Nil	-	-	-	Nil	Nil
	Against our Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil

* *To the extent quantifiable.*

Further, as on the date of this Draft Red Herring Prospectus, there are no outstanding litigation proceedings involving our Group Companies, the outcome of which could have a material impact on our Company.

For further details of the outstanding litigation proceedings, see '*Outstanding Litigation and Material Developments'* beginning on page 363.

Risk factors

Specific attention of Investors is invited to '*Risk Factors*' on page 29. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer.

Summary of contingent liabilities and commitments of our Company

The details of the contingent liabilities of our Company as on September 30, 2024 and for financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 derived from the Restated Consolidated Financial Information are set forth below:

Particulars	As on September 30, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Contingent liabilities				
(i) Claims against the Group not acknowledge as debts (on account of outstanding law suits)	-	-	-	-
No provision has been made for following demands raised by the authorities since the Group has reason to believe that the above demands are not tenable and are highly likely to be retained.				
(i) Disputed Outstanding Income Tax Demand	3.26	3.26	-	-
(ii) Disputed Outstanding Tax Deducted at Source	1.99	1.99	1.99	1.99
(iii) Disputed Sales Tax / Value Added Tax (VAT) / Goods and Service Tax (GST) Liability	21.19	19.04	29.92	29.92
Total	**26.44**	**24.29**	**31.91**	**31.91**
Capital Commitments				
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for				
Intangible under development	-	-	2.58	3.13

Particulars	As on September 30, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Tangible assets	-	0.28	-	-

Notes:

(i) Amount as per demand orders including interest and penalty, wherever indicated in the order.

(ii) The Group is of the firm belief that the above demands are not tenable.

For further details, see '*Restated Consolidated Financial Information - Note 39'* on page 295.

Summary of Related Party Transactions

Set out below are the details of our related party transactions from our Restated Consolidated Financial Information as at 6 month ended September 30, 2024 and Fiscal 2024, Fiscal 2023, and Fiscal 2022:

(*in ₹ million*)

Particulars	Name of Parties	For the 6 month ended September 30, 2024	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023	For the financial year ended March 31, 2022
i. a) Managerial Remuneration					
	Mukesh Rajnikant Kapadia	3.81	5.23	5.09	5.03
	Umed Amarchand Fifadra	3.74	5.13	4.99	5.38
	Shirish Adi	7.44	10.13	-	-
	Munjal Navnit Jani	1.80	1.26	-	-
	Hima Sheth	0.60	0.39	-	-
i. b) Others					
Commission	Mukesh Rajnikant Kapadia	-	6.00	-	-
Commission	Umed Amarchand Fifadra	-	6.00	-	-
Cash settlement of Employees Share Based Payments	Shirish Adi	-	8.30	-	-
Incentive	Shirish Adi	-	2.54	-	-
Cash settlement of Employees Share Based Payments	Munjal Navnit Jani	-	0.74	-	-
Incentive	Munjal Navnit Jani	-	0.20	-	-
ii) Salary and Wages	Mrs. Monali Shah	1.00	1.53	1.37	1.19
iii) Investment in Associate	Terranomous Systems Private Limited	-	-	0.15	-
iv) Loan Given	Terranomous Systems Private Limited	2.01	7.58	7.50	-
v) Interest Income on Loan Given	Terranomous Systems Private Limited	0.89	1.26	0.14	-
vi) Rent Income	Terranomous Systems Private Limited	0.03	0.06	0.04	-
vii) Reimbursement of expenses	Terranomous Systems Private Limited	0.01	0.46	0.02	-

(*in ₹ million*)

Particulars	Name of Parties	For the 6 month ended September 30, 2024	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023	For the financial year ended March 31, 2022
viii) Rent Expense	Shobha Mukesh Kapadia	0.14	-		-
ix) Security deposit paid	Shobha Mukesh Kapadia	0.07	-	-	-

Further, our related party transactions constituted 2.03%, 3.02%, 1.37% and 0.86% of our revenue from operations for the 6 months ended September 30, 2024, and Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively.

For further details, see '*Restated Consolidated Financial Information - Note 43 E'* on page 303.

Financing Arrangements

There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company, other than in the normal course of business of the relevant financing entity, during a period of 6 months immediately preceding the date of this Draft Red Herring Prospectus.

Average Cost of Acquisition:

The average cost of acquisition per Equity Share for Promoter Selling Shareholders is as follows:

Sr. No	Name of the Promoters	No. of Equity Shares held	Average cost of acquisition per Equity Share (in ₹)*#
1.	Mukesh R Kapadia**	3,928,266	2.22
2.	Umed Amarchand Fifadra**	3,928,266	2.22
3.	Shobha Mukesh Kapadia(1)	0.00	NA
4.	Usha Umed Fifadra(2)	0.00	NA

* *As certified by CNK & Associates LLP, Statutory Auditors, pursuant to a certificate dated February 6, 2025.*
\# *Includes acquisition of bonus shares.*
** *Also, Selling Shareholders*
(1) *Mukesh R Kapadia and Shobha Mukesh Kapadia, in their capacity as trustees of Kapadia Family Trust hold 4,000,000 Equity Shares in Kapadia Family Trust. However, Shobha Mukesh Kapadia does not hold any Equity Shares in her individual capacity.*
(2) *Umed Amarchand Fifadra and Usha Umed Fifadra, in their capacity as trustees of Fifadra Family Trust hold 4,000,000 Equity Shares in Fifadra Family Trust. However, Usha Umed Fifadra does not hold any Equity Shares in her individual capacity.*

Weighted average price at which the Equity Shares were acquired by Promoter Selling Shareholders in the 1 year preceding the date of this Draft Red Herring Prospectus

Sr. No	Name of the Promoters	Number of Equity Shares acquired in the last 1 year	Weighted Average Price at which the Equity Shares were acquired in the last 1 year (in ₹)*#
1.	Mukesh R Kapadia**	7,007,305	0.00
2.	Umed Amarchand Fifadra**	7,007,305	0.00
3.	Shobha Mukesh Kapadia	0.00(1)	NA
4.	Usha Umed Fifadra	0.00(2)	NA

* *As certified by CNK & Associates LLP, Statutory Auditors, pursuant to a certificate dated February 6, 2025.*
** *Also, Selling Shareholders*
\# *Equity Shares of face value of ₹ 10 each acquired by way of Bonus Issue on September 11, 2024.*
(1) *Mukesh R Kapadia and Shobha Mukesh Kapadia, in their capacity as trustees of Kapadia Family Trust hold 4,000,000 Equity Shares in Kapadia Family Trust. However, Shobha Mukesh Kapadia does not hold any Equity Shares in her individual*

capacity.
(2) Umed Amarchand Fifadra and Usha Umed Fifadra, in their capacity as trustees of Fifadra Family Trust hold 4,000,000 Equity Shares in Fifadra Family Trust. However, Usha Umed Fifadra does not hold any Equity Shares in her individual capacity.

Details of price at which Equity Shares were acquired by Promoter Selling Shareholders, the members of our Promoter Group, and Shareholders with right to nominate Directors or other rights in the last 3 years preceding the date of this Draft Red Herring Prospectus

Save and except for below, Promoter Selling Shareholders, and the members of our Promoter Group, have not acquired any specified securities in the last 3 years preceding the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Date of Acquisition	Number of Equity Shares Acquired	Face Value (in ₹)	Acquisition price per Equity Share* (in ₹)
Promoters					
1.	Mukesh R Kapadia**	September 11, 2024	7,007,305	10.00	0.00
2.	Umed Amarchand Fifadra**	September 11, 2024	7,007,305	10.00	0.00
3.	Shobha Mukesh Kapadia(1)	-	Nil	NA	NA
4.	Usha Umed Fifadra(2)	-	Nil	NA	NA
Promoter Group					
5.	Bharat Narsidas Ghelani jointly with Aruna Bharat Ghelani	October 9, 2024	7,200	10.00	208.00
6.	Dilip Kumar Narsidas Ghelani	October 9, 2024	6,000	10.00	208.00
7.	Chandrika Haren Gandhi jointly with Haren Purshottamdas Gandhi	October 9, 2024	7,200	10.00	208.00
8.	Mukesh R Kapadia and Shobha Kapadia in their capacity as the trustees of Kapadia Family Trust	December 6, 2024	4,000,000	10.00	0.00
9.	Umed Amarchand Fifadra and Usha Umed Fifadra in their capacity as the trustees of Fifadra Family Trust.	December 3, 2024	4,000,000	10.00	0.00
Other Shareholders with special rights – Nil					

* *As certified by CNK & Associates LLP, Statutory Auditors, pursuant to a certificate dated February 6, 2025.*
** *Also, Selling Shareholders*
(1) Mukesh R Kapadia and Shobha Mukesh Kapadia, in their capacity as trustees of Kapadia Family Trust hold 4,000,000 Equity Shares in Kapadia Family Trust. However, Shobha Mukesh Kapadia does not hold any Equity Shares in her individual capacity.
(2) Umed Amarchand Fifadra and Usha Umed Fifadra, in their capacity as trustees of Fifadra Family Trust hold 4,000,000 Equity Shares in Fifadra Family Trust. However, Usha Umed Fifadra does not hold any Equity Shares in her individual capacity.

For further details, see '*Capital Structure*' on page 89.

Weighted average cost of acquisition of all Equity Shares transacted in the 3 years, 18 months and 1 year preceding the date of this Draft Red Herring Prospectus

Period	Weighted Average Cost of Acquisition (in ₹)*	Floor Price is 'X' times the Weighted Average Cost of Acquisition^	Cap Price is 'X' times the Weighted Average Cost of Acquisition^	Range of acquisition price: Lowest price – highest price (in ₹)*#
Last 3 years	24.81	[●]	[●]	0-178.38
Last 18 months	24.81	[●]	[●]	0-178.38

Period	Weighted Average Cost of Acquisition (in ₹)*	Floor Price is 'X' times the Weighted Average Cost of Acquisition^	Cap Price is 'X' times the Weighted Average Cost of Acquisition^	Range of acquisition price: Lowest price – highest price (in ₹)*#
Last 1 year	24.81	[●]	[●]	0-178.38

** As certified by CNK & Associates LLP, Statutory Auditors, pursuant to a certificate dated February 6, 2025.*
 # Includes and adjusted for acquisition of equity Shares of face value of ₹ 10 each acquired by way of Bonus Issue on September 11, 2024
^ To be updated upon finalization of Price Band.

Details of pre-IPO Placement

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

Issue of Equity Shares for consideration other than cash or bonus issue in the last 1 year

Except as set forth below, we have not issued Equity Shares for consideration other than cash or by way of bonus issue or out of revaluation of reserves:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason for allotment	Benefits if any, that have accrued to our Company
September 11, 2024	16,023,390	10	NA	NA	Bonus Issue in the ratio of 5 Equity Shares for 1 existing Equity Shares held.	NA

Split / Consolidation of Equity Shares of our Company in the last 1 year

Our Company has not split / consolidated its Equity Shares in the last 1 year preceding the date of this Draft Red Herring Prospectus. For further details, see '*Capital Structure*' on page 89.

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

Our Company has not applied to SEBI for any exemption from complying with any provisions of the securities laws as on the date of this Draft Red Herring Prospectus.

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

Certain Conventions

All references to 'India' contained in this Draft Red Herring Prospectus are to the Republic of India and its territories and possessions. All references to the 'Government', 'Indian Government', 'GoI', 'Central Government' are to the Government of India and all references to the 'State Government' are to the government of the relevant state, as applicable.

Unless stated otherwise, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time. Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

Financial Data

Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year. Accordingly, all references to a particular Fiscal or Financial Year, unless stated otherwise, are to the 12 month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

Unless stated, or, the context requires, otherwise all financial information and financial ratios in this Draft Red Herring Prospectus is derived from our Restated Consolidated Financial Information.

The Restated Consolidated Financial Information Statements of our Company comprise the restated consolidated statement of assets and liabilities as at 6 month period ended September 30, 2024, and financial year ended March 31, 2024, March 31, 2023 and March 31, 2022, the restated consolidated statement of profit and loss, the restated consolidated statement of cash flows and the restated consolidated statement of changes in equity for the 6 month period ended September 30, 2024, and financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 and the notes to the restated consolidated financial information as approved by our Board and prepared in terms of the Section 26 of the Companies Act, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised January, 2019) issued by the ICAI, each as amended. For further information, see *'Financial Information'* on page 258.

Certain non-GAAP measures included and presented in this Draft Red Herring Prospectus, for instance EBITDA, EBITDA Margin, Return on Capital Employed, PAT Margin, and Return on Equity (**Non-GAAP Measures**), are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, IFRS or U.S. GAAP. Furthermore, these Non-GAAP Measures, are not a measurement of our financial performance or liquidity under Indian GAAP, IFRS or U.S. GAAP and should not be considered as an alternative to net profit/loss, revenue from operations or any other performance measures derived in accordance with Ind AS, IFRS or U.S. GAAP or as an alternative to cash flow from operations or as a measure of our liquidity. In addition, Non-GAAP Measures used are not a standardised term, hence a direct comparison of Non-GAAP Measures between companies may not be possible. Other companies may calculate Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with the applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance. See '*Risk Factor - Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as EBITDA, EBITDA margin, return on capital employed, PAT margin and return on equity have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable'* on page 59.

There are significant differences between Ind AS, U.S. GAAP and IFRS. See '*Risk Factor - Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the Restated Consolidated Financial Information prepared and presented in accordance with SEBI ICDR Regulations contained in this Draft Red Herring Prospectus* on page 65. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should, accordingly, be limited.

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. Except as stated otherwise, all figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Currency and Units of Presentation

In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to (a) 'Rupees' or '₹' or 'Rs.' or 'INR' are to Indian rupees, the official currency of the Republic of India; (b) 'US Dollars' or 'US$' or 'USD' or '$' are to United States Dollars, the official currency of the United States of America; (c) 'Euros' or '€' or 'EUR' are to Euros, the official currency of the member states of European Union; and (d) 'Australian Dollars' or 'AU$' or AUD are to the Australian Dollars, the official currency of Australia.

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in 'million' units, or in absolute number where the number have been too small to present in million unless as stated, otherwise, as applicable. 1 million represents '10 lakhs' or 1,000,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than million, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in their respective sources.

Any percentage amounts or ratios (excluding certain operational metrics), as set forth in *'Risk Factors', 'Our Business', 'Management's Discussion and Analysis of Financial Conditions and Results of Operations'* on pages 29, 196, and 330 and elsewhere in this Draft Red Herring Prospectus, unless otherwise indicated, have been calculated based on our Restated Consolidated Financial Information.

Exchange Rates

This Draft Red Herring Prospectus contains conversion 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 periods indicated, information with respect to the exchange rate between the Rupees and USD:

(In ₹)

Currency	Exchange Rate			
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
1 USD	83.78	83.37	82.22	75.81
1 EUR	93.53	90.22	89.61	84.66
1 AUD	57.92	54.34	55.14	56.89

Source: www.fbil.org.in

**Note: If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day has been disclosed. The reference rates are rounded off to two decimal places.*

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus, including in '*Industry Overview*' and '*Our Business*' on page 146 and page 196, respectively, has been obtained or derived from publicly available information as well as a report titled '*Industry Report on Industrial Automation and Terminal Automation'* dated February, 2025, prepared and issued by CARE and publicly available information as well as other industry publications and sources, appointed by us pursuant to an engagement letter dated April 01, 2024, and exclusively commissioned and paid for by us in connection with the Offer. A copy of the CARE

Report is available on the website of our Company at *https://www.advancedsystek.com/industry_reports.php*. Further, CARE through their letter dated February 3, 2025 has accorded their no objection and consent to us the CARE Report, in full or in part, in relation to the Offer. Further CARE through their letter has confirmed that they are independent agency and was appointed by our Company and is not connected to our Company, the Promoter Selling Shareholders, our Directors, our Promoters, our Key Managerial Personnel and Senior Management or BRLMs. For risks in relation to commissioned reports, see '*Risk Factor - This Draft Red Herring Prospectus contains information from an industry report prepared by CARE which we have commissioned and paid for*' on page 58.

Except for the CARE Report we have not commissioned any report for purposes of this Draft Red Herring Prospectus and any market and industry related data, other than that extracted or obtained from the CARE Report, used in this Draft Red Herring Prospectus has been obtained or derived from publicly available documents and other industry sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but accuracy, completeness and underlying assumptions of such third-party sources are not guaranteed. The data used in industry sources and publications may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. The data used in the industry sources and publication involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the '*Risk Factors'* on page 29. Accordingly, investors should not place undue reliance on, or base their investment decision on this information.

Although we believe that the industry and market data used in this Draft Red Herring Prospectus is reliable, industry sources and publications may base their information on estimates and assumptions that may prove to be incorrect. The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. In addition, certain data in relation to our Company used in this Draft Red Herring Prospectus has been obtained or derived from the CARE Report which may differ in certain respects from our Restated Consolidated Financial Information as a result of, *inter alia*, the methodologies used in compiling such data. Accordingly, investment decision should not be made based on such information.

In accordance with the SEBI ICDR Regulations, the section '*Basis for Offer Price*' on page 129, includes information relating to our peer companies and industry averages. Such information has been derived from publicly available sources. Such industry sources and publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base this information on estimates and assumptions that may prove to be incorrect. Accordingly, investment decision should not be made solely based on such information.

FORWARD-LOOKING STATEMENTS

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

These forward-looking statements, whether made by us or a third-party, are based on our current plans, estimates, presumptions and expectations and actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, *inter alia*, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

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

- *Our business is significantly reliant on certain key customers, particularly, large oil marketing PSU companies, and the loss of any of these customers or loss of revenue from sales to any key customers could have a material adverse effect on our business, financial condition, results of operations and cash flows;*

- *A significant proportion of our orders are from government related entities which award the contract through a process of tender. Tenders, typically, are awarded to the lower bidder once all other eligibility criteria are met. Our performance could be adversely affected if we are not able to successfully bid for these contracts or required to lower our bid value;*

- *We are significantly reliant on a few suppliers, and we do not enter into long-term contracts or arrangements with our suppliers. Any loss of suppliers will have a material adverse impact on our business and our revenue. Further, if we are unable to procure raw materials of the required quality and quantity, at competitive prices, our business, results of operations and financial condition may be adversely affected;*

- *Our operations are significantly dependent on the oil and gas industry in India and overseas, and any downturn in this industry may have an adverse effect on our business, revenue from operations and financial conditions; and*

- *Revenue from our Industrial Automation business constitutes a significant majority of our revenue from operations and failure to maintain and augment our revenue therefrom could materially adversely affect our business and financial condition.*

For further discussion on factors that could cause actual results to differ from expectations, see '*Risk Factors*', '*Our Business*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' on pages 29, 196 and 330 respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

We cannot assure you that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

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

In accordance with regulatory requirements including requirements of the SEBI and as prescribed under applicable law, the Promoter Selling Shareholder, shall ensure that our Company and Book Running Lead Managers are informed of material developments, in relation to statements and undertakings specifically undertaken or confirmed by it in relation to themselves as the Promoter Selling Shareholder and the Offered Shares in the Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. Only statements and undertakings which are specifically made or confirmed by such Promoter Selling Shareholder to the extent of information specifically pertaining to them as Promoter Selling Shareholders and their portion of the Equity Shares offered in the Offer in the Red Herring Prospectus shall be deemed to be statements and undertakings made by such Promoter Selling Shareholder.

SECTION II: RISK FACTORS

An investment in equity shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described in this section are not the only ones relevant to us or the Equity Shares but also includes the industry and segments in which we currently operate. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business, results of operations, financial condition and cash flows. If any of the following risks, or a combination of risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our business, results of operations, financial condition and cash flows could be adversely affected, the trading price of the Equity Shares could decline, and you may lose all or part of your investment.

To obtain a complete understanding of us, prospective investors should read this section in conjunction with 'Industry Overview', Our Business', 'Financial Indebtedness' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on pages 146, 196, 326 and 330, respectively, as well as the financial, statistical and other information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For details, see 'Forward-Looking Statements' on page 27. Further, names of customers and certain vendors have not been included in this Draft Red Herring Prospectus because relevant consents were not granted by the relevant entity.

Unless stated or, the context requires, otherwise, our financial information has been derived from the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus. Unless otherwise indicated, industry and market data used in this section has been derived from the report titled 'Industry Report on Industrial Automation and Terminal Automation' dated February, 2025, prepared by CARE which has been commissioned and paid for by our Company in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year, refers to such information for the relevant calendar year. CARE was appointed by our Company and is not connected to our Company, our Directors, our Promoters, our Key Managerial Personnel, Senior Management or BRLMs. A copy of the CARE Report is available on the website of our Company at https://www.advancedsystek.com/industry_reports.php. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section.

Internal Risk Factors

1. ***Our business is significantly reliant on certain key customers, particularly, large oil marketing PSU companies, and the loss of any of these customers or loss of revenue from sales to any key customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.***

   Our business is primarily focussed on Industrial Automation Solutions (**IA Solutions**), and we specialize in setting up completely automated metering systems in oil and gas terminals and upgrading existing manually operated terminals, in particular, for the petroleum, oil and gas and petrochemical industries in India.

   While our customers may vary annually, we are significantly reliant on certain key customers, particularly large oil marketing PSU companies. Consequently, our business and financial condition in any given financial year is significantly reliant on our top 5 customers. Further, our top customer too contributes a significant share to our revenue from operations. Our revenue from operations from our top customer, top 3 customers and top 5 customers during the 6 months ended September 30, 2024, and in Fiscal 2024, Fiscal 2023, and Fiscal 2022 is set out below:

(in ₹ million)

Particular	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue	% of revenue from operations	Revenue	% of revenue from operations	Revenue	% of revenue from operations	Revenue	% of revenue from operations
Top customer	508.35	48.03	819.85	43.56	643.60	45.83	563.37	41.55
Top 3 customers	856.96	80.97	1,578.44	83.86	1,176.40	83.78	1,017.80	75.06
Top 5 customers	960.90	90.79	1,690.83	89.83	1,226.07	87.31	1,127.28	83.13

Our business, results from operations, and financial condition are significantly dependent on maintaining relationship with our customers. We have over the years built a long term relationship with a number of marquee customers particularly public sector oil companies in India. Additionally, we have established and maintained strong relationship with certain private sector entities. As on September 30, 2024, we have been catering to each of our top 3 customers and top 5 customers for an average period of 30 years and 15 years, respectively. Any failure or inability to retain all or any of our top 5 customers, and our top customer in particular, for any reason including, due to failure to negotiate acceptable terms, dissatisfaction with the quality or timeliness of our project execution, adverse change in the financial condition of such customers for various factors such as possible bankruptcy or liquidation or other financial hardship, merger or decline in sales from such customers, reduced or delayed customer requirements, facility shutdowns, labour strikes, geopolitical reasons and, or, other work stoppages affecting production by such customers could have a material adverse impact on our business, results of operations, financial condition and cash flows.

We cannot assure you that we will be able to retain the business of our existing key customers or maintain the current level of business with each of our customers. Consequently, our business, results from operations, and financial condition are significantly dependent on our maintaining our relationship with our customers, and, in particular, continuing to receive projects from such customers. Failure to receive projects from our customers or our inability to do so on commercially viable terms could have an adverse impact on our revenue and, or margin and consequently our profitability. Further, we cannot assure you that we will be able to offset any reduction of prices to these customers with reductions in our costs or by obtaining new customers, and failure to do so could adversely affect our business, financial condition and results of operations.

2. ***A significant proportion of our orders are from government related entities which award the contract through a process of tender. Tenders, typically, are awarded to the lower bidder once all other eligibility criteria are met. Our performance could be adversely affected if we are not able to successfully bid for these contracts or required to lower our bid value.***

Our business is substantially dependent on contracts undertaken by various government entities, and public sector undertakings (**PSU Customers**). A vast majority of contracts, in particular, our terminal and port automation projects are awarded by PSU Customers through tender and are subject to stringent technical knowledge and experience requirements. We compete with various larger companies while submitting the tender for these contracts. Accordingly, our business operations are dependent on our ability to successfully bid for or acquire projects awarded by PSU Customers. Set out below is our revenue from PSU Customers and non-PSU Customers:

(in ₹ million)

Particulars	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from operations	As a % of total revenue from operations	Revenue from operations	As a % of total revenue from operations	Revenue from operations	As a % of total revenue from operations	Revenue from operations	As a % of total revenue from operations
PSU Customers	873.82	82.56	1,601.31	85.07	1,182.10	84.18	1,022.07	75.37

Particulars	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from operations	As a % of total revenue from operations	Revenue from operations	As a % of total revenue from operations	Revenue from operations	As a % of total revenue from operations	Revenue from operations	As a % of total revenue from operations
Non-PSU customers	184.61	17.44	281.01	14.93	222.13	15.82	333.94	24.63
Total	**1,058.43**	**100.00**	**1,882.32**	**100.00**	**1,404.23**	**100.00**	**1,356.01**	**100.00**

Bidding for a tender involves various activities such as undertaking a detailed project study and cost estimations. Our inability to accurately estimate the costs may lead to a failure to generate an acceptable return on such investments and profitability.

The tenders also stipulate several strict conditions and eligibility criteria which are, typically, not subject to negotiations, which tend to favour the government clients. For instance, the terms laying out our obligations in relation to delivery and completion schedules, specifications for manufacturing and testing of products, guarantees to be furnished by us for the project, right of way, etc., are determined by the PSU customers and we are not permitted to amend such terms. The contractual terms may present risks to our business, including:

- risks we have to assume and lack of recourse to our PSU Customers where defects in site or geological conditions were unforeseen or latent from our preliminary investigations, design and engineering prior to submitting a bid;
- liability for defects arising after the termination of the agreement;
- clients' discretion to grant time extensions, which may result in project delays and/or cost overruns; and
- the right of the PSU Customers to terminate our contracts for convenience at any time after providing us with or without the required written notice within the specified notice period.

Further, once the eligibility criteria are met, the contract is awarded to the lowest bidder. In case we do not qualify, or our bid is not accepted, we will not be awarded the contract. We cannot assure you that any of the bids we submit would be accepted; therefore, our ability to procure business by bidding at the lowest rates is crucial for our revenues. If we have to consistently lower our bid price to be awarded these contracts, our margins, and, consequently, our profitability could be adversely affected. Further, some of the bids submitted by us for tender based contracts are hosted on the government web portals. Our technical bids on the government web portals are accessible to any competitor participating in the bid who qualifies the technical round of the bid. While there have been no instances in the last 3 financial years and during the 6 months period ended September 30, 2024, where complaints have been submitted against our bids on the web portals, we cannot assure you that, complaints, including frivolous complaints, will not be filed against us and / or our bid on these government web portals and consequently, we will not be disqualified from a bidding process for contracts from PSU Customers. Such disqualification may impact our reputation and have an adverse effect on our business. Further, our business and operations may be impacted as a result of various factors including change in the governments, scaling back of government policies or initiatives or new tenders, changes in governmental or external budgetary allocation, or insufficiency of funds, which can adversely affect our business, financial condition and results of operations. Our inability to successfully bid for or acquire projects including due to factors such as our ability to identify projects on a cost-effective basis and our ability to outbid our competitors, could have an adverse effect on the growth of our business. We also cannot assure you that we will be able to achieve the strategic purpose of such projects or generate an acceptable return on such investments or successfully bid for such projects, which may adversely affect our cash flows, business, results of operations and financial conditions.

3. ***We are significantly reliant on a few suppliers, and we do not enter into long-term contracts or arrangements with our suppliers. Any loss of suppliers will have a material adverse impact on our business and our revenue. Further, if we are unable to procure raw materials of the required quality***

and quantity, at competitive prices, our business, results of operations and financial condition may be adversely affected.

We do not enter into any long-term contracts or arrangements with our suppliers and instead place purchase orders with our suppliers to source our components for assembled products such as integrated circuits, display boards and capacitors, and major equipments in automation projects such as tank gauging system, mass flow meter, programmable logic controllers etc. Set out below is our cost of raw material and project related supplies.

(*in ₹ million*)

Particulars	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Cost of raw materials and project related supplies	As a % of total revenue from operations	Cost of raw materials and project related supplies	As a % of total revenue from operations	Cost of raw materials and project related supplies	As a % of total revenue from operations	Cost of raw materials and project related supplies	As a % of total revenue from operations
Cost of raw material and project related supplies	499.56	47.20	934.48	49.65	639.68	45.55	554.36	40.88

We are significantly reliant on a few key suppliers for our raw materials and during the 6 months ended September 30, 2024 and in Fiscals 2024, 2023 and 2022 we sourced our raw materials from 154, 146, 149 and 148 suppliers, respectively. Set out below is our cost of raw materials from our top supplier, top 5 suppliers and top 10 suppliers during Fiscal 2024, Fiscal 2023, and Fiscal 2022 is set out below:

(in ₹ million)

Particulars	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Cost of raw materials and project related supplies	As a % of total revenue from operations	Cost of raw materials and project related supplies	As a % of total revenue from operations	Cost of raw materials and project related supplies	As a % of total revenue from operations	Cost of raw materials and project related supplies	As a % of total revenue from operations
Top supplier	130.01	12.28	169.85	9.02	132.24	9.42	113.40	8.36
Top 5 suppliers	285.19	26.94	442.97	23.53	332.39	23.67	348.48	25.70
Top 10 suppliers	405.30	38.29	635.06	33.74	436.47	31.08	450.16	33.20

Any disruption of supply of raw materials, in particular, from such suppliers could adversely impact our business, results of operations and financial condition, if we are unable to replace such suppliers in a timely manner. Although there have not been any instances in the last 3 financial years and during the 6 months period ended September 30, 2024, where we have faced a shortage of raw materials, we cannot assure you that we will always be able to meet our raw material requirements at prices acceptable to us, or at all, or that we will be able to pass on any increase in the cost of raw materials to our customers. Any inability on our part to procure sufficient quantities of raw materials, on commercially acceptable terms, may lead to a decline in our sales volumes and profit margins and adversely affect our results of operations. For instance, dependence on global supply chains for components and parts used in developing automation systems can lead to disruptions. Shortages of semiconductor chips affect the production of automation equipment or delays in delivery of critical components can lead to many problems both for us as well as our Customers. (*Source: CARE Report*)

Our inability to maintain our relationship with our existing top 10 suppliers and/or failure to procure equipment from vendors/suppliers on favourable terms may have an adverse effect on our revenue, results of operation and would have an impact on our financial condition. We cannot assure you that we will be retain any of our top 10 suppliers or we will be able to find a suitable replacement for any of our existing top 10 suppliers since some of our contracts specify either the name of the vendor or specify the brand of the component that we must use in our projects/products. Further, we cannot assure you that we will be able to enter into new arrangements with suppliers on terms acceptable to us, which could have an adverse effect on our ability to source raw materials in a commercially viable and timely manner, if at all, which may impact our business, results of operations and financial condition. Further, if, for any reason, our primary suppliers of raw materials should curtail or discontinue their delivery of such materials or products to us in the quantities we need, or on commercially acceptable terms, production schedules could be disrupted, and our business and results of operations could be adversely affected. Further, our margins and profitability will be adversely affected if, and to the extent, we are unable to off-set the increase in cost of raw materials to the prices of our products.

4. ***Our operations are significantly dependent on the oil and gas industry in India and overseas, and any downturn in this industry may have an adverse effect on our business, revenue from operations and financial conditions.***

With an experience of 30 years in providing automation solutions for large and complex terminals as well as small depots we are the only established Indian player in the oil and gas terminal automation market. Our business is primarily focussed on Industrial Automation Solutions (**IA Solutions**) and we specialize in setting up completely automated metering systems in oil and gas terminals and upgrading existing manually operated oil and gas terminals. (*Source: CARE Report*)

Set out below is the breakup of our revenue from operations from our end-use industries during Fiscal 2024, Fiscal 2023, and Fiscal 2022:

End-Use Industries	**6 months ended September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Revenue from operations (in ₹ million)	**As a % of total revenue from operations**	**Revenue from operations (in ₹ million)**	**As a % of total revenue from operations**	**Revenue from operations (in ₹ million)**	**As a % of total revenue from operations**	**Revenue from operations (in ₹ million)**	**As a % of total revenue from operations**
Petroleum, oil and gas industry	882.43	83.37	1,679.53	89.23	1,280.94	91.22	1,148.26	84.68
EPC contractors	138.54	13.09	152.50	8.10	85.70	6.10	173.61	12.80
Others*	37.46	3.54	50.29	2.67	37.58	2.68	34.14	2.52
Total	**1,058.43**	**100.00**	**1,882.32**	**100.00**	**1,404.23**	**100.00**	**1,356.01**	**100.00**

**Comprises companies operating in the paint, pharmaceutical and engineering industries.*

A vast majority of our revenue is derived from our customers in the petroleum, oil and gas industry, and we are, therefore, materially reliant on the petroleum, oil and gas industry for our business. The petrochemical industry was impacted in the last few years due to factors like erratic prices of the feedstock in the international market and global container crisis, and this industry's growth may be impacted in the future due to high feedstock price (*Source: CARE Report*). Therefore, our business operations, revenue from operations and financial condition may be adversely affected, as a result of, *inter alia*, any downturn in which our customers operate and, in particular, the petroleum, oil and gas industry.

5. ***Revenue from our Industrial Automation business constitutes a significant majority of our revenue from operations and failure to maintain and augment our revenue therefrom could materially adversely affect our business and financial condition.***

Our business is primarily focussed on Industrial Automation Solutions (**IA Solutions**) and we specialize in setting up completely automated metering systems in oil and gas terminals and upgrading existing manually operated oil and gas terminals. While over the years, we have diversified our business to include aspects such as anti-icing additive injection systems for aircraft jet fuel, and have also, through our Subsidiary, forayed into manufacturing diesel exhaust fluid (**DEF**), our revenue from Industrial Automation business constitutes a significant majority of our revenue from operations. In the 6 months ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022 our revenue from Industrial Automation was as follows.

Particulars	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from operations (in ₹ million)	As a % of total revenue from operations	Revenue from operations (in ₹ million)	As a % of total revenue from operations	Revenue from operations (in ₹ million)	As a % of total revenue from operations	Revenue from operations (in ₹ million)	As a % of total revenue from operations
Industrial Automation	1,054.02	99.58	1,879.41	99.85	1,401.33	99.79	1,355.32	99.95

Our continued success will depend to a large extent on our ability to maintain and augment our revenues from Industrial Automation business. The Industrial Automation business is subject to various risks including complexity and integration challenges such as Compatibility issues between different systems and legacy equipment, lack of skilled workforce, cybersecurity risks such as including data breaches, sabotage, and operational disruptions, and limited use cases for automation technologies in certain industries and applications. Further, some organizations may be hesitant to invest in automation due to uncertainty about the return on investment (**ROI**) and the time it takes to realize cost savings and efficiency gains. Automation projects often require significant upfront capital expenditure to acquire technology, upgrade infrastructure, and train personnel. Implementing automation systems involves integrating new technologies with existing processes, machinery, and IT systems. This complexity can lead to unexpected delays, cost overruns, and operational disruptions, impacting the projected ROI. (*Source: CARE Report*) If we are unable to maintain and augment our revenues from Industrial Automation business, our business and financial condition could be materially adversely affected.

6. ***The orders received by our Company in the past and our order book, may not be representative of our future results and our actual income may be significantly less than the estimates, which could adversely affect our results of operations.***

Our order book sets forth our expected revenues from our uncompleted projects (**Order Book**), whereas our order intake, reflects the orders we received in a given financial year /period (**Order Intake**). The average duration of our projects is 15-18 months. Set out below are details of our Order Intake and Order Book:

(in ₹ million)

Particulars	As on and for the 6 months ended September 30, 2024	As on and for the financial year ended March 31, 2024	As on and for the financial year ended March 31, 2023	As on and for the financial year ended March 31, 2022
Order Intake*	1,668.00	2,092.50	1,503.01	1,906.29
Order Book**	2,679.11	2,034.15	1,799.89	1,630.59

* *For the year /period ended*
** *As on year / period closing date*

We cannot assure you that our Order Book or Order Intake will continue to grow or that we will be able to garner as many contracts as before. Further, our Order Book is the extent of contracts that are yet to be completed as on a particular date and not necessarily reflective of future revenue from operations. For instance, while our Order Intake as on March 31, 2023 was less than our Order Intake as on March 31, 2022, our revenue from operations during Fiscal 2023 i.e., ₹ 1,404.23 million was higher than our revenue from operations in Fiscal 2022 i.e., ₹ 1,356.01 million. Our projects are subject to multiple external factors which could result in delay or modifications in the scope of our projects – contracts may, also, on occasion be subject to premature termination due to various factors including due to contractual default, external factors such as *force majeure* events and legal or regulatory impediments. While there has not been any premature termination of our contracts in the 6 months ended September 30, 2024, and the immediately preceding 3 Fiscal, we cannot assure you that our contracts will not be terminated prior to completion in future. Further, any reduction in the scope of the project would also adversely affect our Order Book. Accordingly, our Order Book is not representative of our future results or revenues and our actual income may be less than estimates reflected in our Order Book.

We do not receive any advance from our customers upon receiving orders. Failure to execute the projects within the time frames stipulated in the contract could incur significant additional costs due to project delays, make us liable for liquidated damages, our counterparties may refuse to grant us any extension of time to complete the project. For details of liquidated damages see *"Risk Factor - Contracts with our customers typically carry risks such as invocation of performance bank guarantees and levy of liquidated damages. Failure to execute our projects in accordance the terms of our contracts exposes us to these risks, which have an adverse effect on our business, result of operations and financial condition"* on page 35. The schedule of completion may need to be reset and we may not be able to recognize revenue if the required percentage of completion is not achieved in the specified timeframe. Additionally, the performance bank guarantees that are provided for the project could also be invoked. Further, delays could also strain our financial position, increase our cost of borrowing and / or have a cascading effect on our other projects.

As a result of the foregoing, our future earnings may be different from the amount in the Order Book. Our contracts may be amended, delayed or cancelled before work commences or during the course of execution and /or completion. Due to unexpected changes in a project's scope and schedule, we cannot predict with certainty when, or if, expected revenues as reflected in the Order Book will be achieved. Typically, up to 80% of our revenue from projects is payable by customers to us in single tranche on receipt of our products and solutions at the site of our customers, and the remaining amount is paid on completion of erection and commissioning of the project. If any or all of these risks materialize, our business, prospects, reputation, profitability, financial condition and results of operation may be materially and adversely affected.

In addition, due to several of reasons, even where a project proceeds as scheduled, it is possible that contracting parties may default and fail to pay amounts owed or receivables due from such contracting parties. While there have been no such instances of default in the last 6 months ended September 30, 2024, and the immediately preceding 3 Fiscals by the contracting parties in terms of release of payments, we cannot assure you that our contracting parties will not default and fail to pay the receivables in a timely manner or at all, in future. If any or all of these risks materialize, our business, prospects, reputation, financial condition and results of operations may be adversely affected.

Further, certain amounts due to us are retained by our PSU Customers pursuant to agreements entered into with us, which are released at subsequent stages subject to fulfilment of milestones or contracts such as on completion of erection and commissioning of the project. Set out below are details of retention money for the periods indicated below.

(in ₹ million)

Particulars	For the 6 months ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Retention money	640.85	593.13	520.68	473.33

Delays in completion of projects or achieving designated project milestones, may lead to non-release of such amounts or requiring us to provide bank guarantees to secure the release of such amounts, which in turn may require us to seek additional working capital, which may not be available to us on commercially favorable terms, or at all.

7. *Contracts with our customers typically carry risks such as invocation of performance bank guarantees and levy of liquidated damages. Failure to execute our projects in accordance the terms of our contracts exposes us to these risks, which have an adverse effect on our business, result of operations and financial condition.*

All of our projects are covered by performance guarantees, some of which are substantial. Performance guarantees are required to be provided for the projects may extend until the end of the defects liability period. Performance risk refers to the risk that if the work is not executed according to specifications laid down in the contract, the encashment of the performance guarantee may be triggered. Defects liability period is typically between 12 months to a maximum of 24 months after completion of a project. In the event any contractual obligations are not completed in accordance with the agreed terms and / or within the stipulated time period, the performance guarantees may be invoked by the concerned customer.

Set out in the table below are details of our outstanding performance bank guarantees as on September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022.

(₹ million)

Particulars	As on September 30, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Outstanding performance bank guarantees	772.98	601.84	526.78	460.62

While no performance guarantee has been invoked by our customers in the immediately preceding 3 Fiscals or in the 6 months ended September 30, 2024, such invocation of the performance guarantees may expose us to additional and increased financial liabilities. Invocation on one or more of these guarantees could adversely affect our financial results, will deplete our finances and lead to a liquidity crunch and a call on our performance guarantee may harm our reputation and limit our capability to attract new projects.

Further, certain contacts entered with our customers typically include liquidated damages, in the event of non-compliance or inadequacy in performance of our obligations pursuant to these contracts. Accordingly, any failure at our end to deliver the products and, or, complete the projects within the timelines and adhering to the quality standards expected by our customers could expose us to indemnities and cancellation of existing and future orders. Set out below are liquidated damages that were paid by our Company and the provision in the periods set out below.

(₹ million)

Particulars	As at and for the 6 months ended September 30, 2024	As at and for the financial year ended March 31, 2024	As at and for the financial year ended March 31, 2023	As at and for the financial year ended March 31, 2022
Liquidated damages paid	-	5.03	4.55	6.59
Provision for liquidated damages as on date	35.21	35.21	33.43	31.42

8. ***Failure to meet quality standards required by our customers may lead to cancellation of existing and future orders and expose us inter alia to warranty claims, including monetary liability.***

Our products and solutions offering are subject to stringent quality standards and specifications. Further, we have received a number of quality assurance certifications and accreditations which have certified that our solutions offerings are in compliance with globally accepted practices and quality standards. For instance, our Company has received accreditations including ISO 9001:2015 (Quality Management Systems) and ISO 45001:2018 (Occupational Health and Safety Management System and some of our products are also certified as appropriate in terms of ATEX, IECEx etc. If we are unable to renew these accreditations, our brand and reputation could be adversely affected. Any significant damage to our reputation and, or, brand caused by being denied such accreditations and certifications could have a material adverse effect on our ability to attract new and repeat customers and, as a result, adversely affect our business, results of operations, financial condition and cash flows.

We have cultivated and nurtured our relationship with our customers by consistently maintaining the standards of our products and solutions. Our contracts with our customers typically contain the quality parameters that the customers expect from our offerings. Any failure on our part to maintain the applicable standards according to prescribed specifications, may lead to loss of reputation and goodwill of our Company, cancellation of orders and even lead to loss of customers. Failure to meet quality and standards of our products and solutions offering and processes can have serious consequences including rejection by and loss of customer confidence which could have adverse effect on our reputation, business and our financial condition. In addition to being liable for failure to meet the specifications prescribed by our customers, we may lead to warranty claims and monetary liability to our customers. Set out below are details of our warranty costs in the periods set out.

(in ₹ million)

Particulars	For the 6 months ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Warranty costs	4.60	2.70	14.89	11.04

Further, any such instance could also lead to cancellation of future orders or reputational harm, the costs of which cannot be quantified.

9. ***We rely on sub-contractors for the installation work of terminal automation projects. We could be liable for improper installation and for any other lapses on the part of such sub-contracts, which could adversely affect our reputation and our business.***

We rely on sub-contractors for the installation work on most of our terminal automation projects, while we undertake the commissioning of the project. In the 6 months ended September 30, 2024, and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, our sub-contracting expenses were as set out below.

Particulars	**6 months ended September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Amount (in ₹ million)	**As a % of total revenue from operations**	**Amount (in ₹ million)**	**As a % of total revenue from operations**	**Amount (in ₹ million)**	**As a % of total revenue from operations**	**Amount (in ₹ million)**	**As a % of total revenue from operations**
Sub-contracting expense	104.70	9.89	191.72	10.19	131.03	9.33	103.03	7.60

We enter to contracts with such sub-contracts clearly delineating their areas of responsibility and mutual rights and liabilities. However, we continue to be responsible to the customer for the work undertaken by such sub-contractors and we are liable for the quality of the work undertaken. Accordingly, if there are any defaults, lapses or delays on the part of the sub-contractors, we will be liable to the customers. While in the 6 months ended September 30, 2024, and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, we have not been made liable for the actions or failures on the part of sub-contractors engaged by us, we cannot assure you that we will not be held responsible and liable for the action of sub-contractors, which could adversely affect our profitability. Further, lapses, defaults or delays by sub-contractors could adversely affect our reputation.

10. ***We are dependent on third party logistic and support service providers for the delivery of raw materials and finished products and any disruptions in their services including transportation services or a decrease in the quality of their services may adversely affect our business, financial condition and results of operations.***

We rely on third party logistic and support service providers including for transportation services at multiple stages of our business activities, including for procurement of raw materials from our suppliers and for transportation of our finished products from our factory to our customers and project sites. We generally use air, water, road and rail transportation services to meet our transportation requirements. However, we do not enter into any long-term contracts with any logistics service provider and engage and hire the logistics service providers through the spot contracts based on factors including cost, availability and delivery schedules. Accordingly, our transportation costs may vary and are based on rates that are offered to us from time to time.

Our operations and profitability are dependent upon the availability of reliable logistic and support services in a timely and cost-efficient manner and any disruption in these services including transportation services or increase in their cost may affect our business, financial condition and results of operations. Our business is also vulnerable to increased transportation costs or delivery delays due to various factors, including increase in fuel costs, freight rates, increase in port, road and toll taxes, shipping congestions, damage or losses of goods in transit, disruption of transportation services because of weather related problems, strikes, lock-outs, accidents, inadequacies in airways, waterways and road infrastructure, currency fluctuations, changes in tariff or import policies, political uncertainty or other similar events. The freight cost incurred by our Company for the 6 months ended September 30, 2024 and in Fiscals 2024, 2023 and 2022 was as below.

Particulars	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ million)	As a % of total revenue from operations	Amount (in ₹ million)	As a % of total revenue from operations	Amount (in ₹ million)	As a % of total revenue from operations	Amount (in ₹ million)	As a % of total revenue from operations
Freight cost	7.84	0.74	19.15	1.02	15.32	1.09	16.05	1.18

We may face transportation risks including damage or losses of goods in transit, delay in deliveries to our customers etc. due to loss or pilferage, which we may not be able to fully recover from our service provider or from our insurance coverage. Further, while we seek to factor in transportation cost in the cost of finished products, we bear transportation risk for the duration of transit. In addition, we may be required to replace a service provider if its services do not meet our safety, quality or performance standards or the partner's non-compliance with applicable laws or if it should unexpectedly discontinue operations due to reasons beyond its or our control. Any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or inability to deliver our products to our customers or may require us to look for alternative means of transportation which may not be cost or time efficient, thereby adversely affecting our operations, profitability, reputation and market position.

11. ***Our Company has a high working capital requirement and if our Company is unable to raise sufficient working capital, the operations of our Company will be adversely affected.***

Our business is highly working capital intensive and requires a significant amount of working capital to finance our operations and our inability to meet our working capital requirements may adversely affect our cash flow cycle. Our business requires a significant amount of working capital for our operations before payment is received from our customers more particularly due to the long execution period of the projects undertaken by us or sites not being made available to us by our customers. Typically, up to 80.00% of our revenue from projects is payable by customers to us in single tranche on receipt of our products and solutions at the site of our customers, and the remaining amount is paid on achieving milestones (installation and commissioning) as mentioned in the contracts with our customers. We also do not receive any advance from our customers against the contracts. Further, we also have high *'debtor days'* as set out in the table below, which also adversely affects our working capital cycle and our cashflow.

Any delay in processing our payments by our customers may increase our working capital requirement. Further, if a customer defaults in making payments for a product on which we have devoted significant resources, it could affect our profitability and liquidity and decrease the capital reserves that are otherwise available for other uses.

Our Company's Net working capital requirements, on a consolidated basis, as on September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 were as follows:

Particulars	As on September 30, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Net Working capital requirement* *(in ₹ million)*	1,171.67	948.41	890.21	699.09
Working capital days**	199	184	231	188
Debtor days***	205	228	271	277

** Net working capital requirement = Current assets – Current liabilities*
*** Working Capital Days are calculated by dividing the number of days in the year/period by the Operating Working Capital Turnover Ratio based on Consolidated Financial Data*
The Operating Working Capital Turnover Ratio is determined by dividing the revenue from operations by the operating working capital.
**** Debtor Days is calculated dividing total receivables by revenue from operations and multiplied by number of days in the period / year*

As on December 31, 2024, we had sanctioned working capital facilities aggregating to ₹ 1,600.00 million comprising fund based and non-fund based facilities of ₹ 200.00 million and 1,400.00 million, respectively, and outstanding amounts of ₹ 27.47and ₹ 907.79 million, respectively. There can be no assurance that such payments will be remitted by our customers to us on a timely basis or that we will be able to effectively manage the level of bad debt arising from defaults. For details of our inventory, see '*Risk Factor – Any failure on our part to effectively manage our inventory may result in an adverse effect on our business, revenue from manufacturing operations and financial condition.'* on page 40.

If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. If we under-budget our working capital requirements, it may lead to delays in arranging additional working capital requirements, delays in meeting customer timelines which could lead to a loss of reputation, the levy of liquidated damages which could adversely affect our reputation, business, and our financial condition.

12. ***Delays in payments or non-receipt of receivables may have an adversely impact our results of operations and cash flows.***

We are exposed to counterparty credit risk in the usual course of our business dealings with our customers, or other counterparties who may delay or fail to make payments or perform their other contractual obligations.

Set out below are our holding levels of trade payables, trade receivables and working capital cycle:

Particulars	As on September 30, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Trade receivables days	205	228	271	277
Trade payables days	91	152	103	127
Working capital days	199	184	231	188

We cannot assure you that payments from all or any of our customers will be received in a timely manner or to that extent will be received at all. If a customer defaults or delays in making its payments, it could have a material adverse effect on our Company's results of operations and financial condition. Set out in the table below are our trade receivables as on September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022:

Particulars	As on September 30, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Trade receivables *(in ₹ million)*	1,207.22	1,177.14	1,043.89	1,027.29
Trade receivables as a % of revenue from operations	114.06	62.54	74.34	75.76
Trade receivable turnover ratio*	0.89	1.69	1.35	1.52

* *revenue from operations divided by average trade receivables*

We cannot assure you of the timeliness of all or any part of our customers' payments and whether they will be able to fulfil their obligations. Failure on the part of our customers to pay our dues in a timely manner or at all, including as a consequence of their financial difficulties, deterioration in their business performance, or a downturn in the global economy, could adversely affect our business and financial condition. Set out in the table below is a snapshot of our trade receivables ageing summary. For further details see '*Restated Financial Information – Note 48 - Trade Receivable Ageing summary'* on page 311.

(*in ₹ million*)

Particulars	Not Due*	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As on September 30, 2024							
Undisputed Trade Receivable - Considered Good	1,011.51	131.48	29.13	18.56	11.40	23.42	1,225.49
Disputed Trade Receivable - Considered Good	-	-	-	-	-	21.13	21.13
Less: Loss Allowance							(39.41)
Total							**1,207.22**
As on March 31, 2024							
Undisputed Trade Receivable - Considered Good	592.98	516.86	26.13	20.70	12.20	22.96	1,191.83
Disputed Trade Receivable – Considered Good	-	-	-	-	-	21.13	21.13
Less: Loss Allowance	-	-	-	-	-	-	(35.82)
Total							**1,177.14**
As on March 31, 2023							
Undisputed Trade Receivable - Considered Good	546.19	402.27	30.06	32.15	35.38	18.67	1,064.72
Disputed Trade Receivable – Considered Good	-	-	-	-	-	21.13	21.13
Less: Loss Allowance	-	-	-	-	-	-	(41.96)
Total							**1,043.89**
As on March 31, 2022							
Undisputed Trade Receivable - Considered Good	480.77	492.99	31.20	19.68	21.18	0.03	1,045.68
Disputed Trade Receivable - Considered Good	-	-	-	-	-	21.14	21.14
Less: Loss Allowance							(39.70)
Total							**1,027.29**

** It includes customer retention money.*

Further, set out in the table below are details of bad debts written off during the 6 months ended September 30, 2024 and in Fiscals 2024, Fiscal 2023 and Fiscal 2022.

Particulars	For the 6 months ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Bad debts written off *(in ₹ million)*	3.29	2.48	3.29	Nil
% of total expenses	0.36	0.15	0.26	Nil

While the bad debts written off are not significant we cannot assure you that we will be able to accurately access the creditworthiness of our customers in the future. If our customers delay or default in making payments in the future, our results of operations and cash flows may be adversely affected.

13. ***Any failure on our part to effectively manage our inventory may result in an adverse effect on our business, revenue from manufacturing operations and financial condition.***

We are a manufacturing entity, and, at all points of time, a certain portion of assets comprise inventory of raw material, work-in progress, goods in transit and stock in trade to address any event of unavailability of components in the market. Any failure on our part to effectively manage our inventory may have an adverse effect on our financial condition and may even lead to loss of materials and increase the costs of our operations. Set out below are the details of the change in inventories, on a consolidated basis, in the 6 months ended September 30, 2024 and in Fiscal 2024, 2023, and 2022:

(in ₹ million)

Particulars	**As on September 30, 2024**	**As on March 31, 2024**	**As on March 31, 2023**	**As on March 31, 2022**
Raw material	175.47	198.53	65.11	27.20
Work in progress	23.34	17.70	13.40	20.02
Goods-in-Transit	10.72	39.07	14.43	-
Stock in Trade	62.44	32.04	30.34	48.14
Total	**271.97**	**287.34**	**123.28**	**95.36**

Further, our inventory turnover ratio as on September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 was as below.

Particulars	**For the 6 months ended September 30, 2024**	**For the year ended March 31, 2024**	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Inventory turnover ratio (in times)*	1.79	4.55	5.86	6.43

** Inventory turnover ratio is calculated as cost of goods sold/average inventory value.*

If we overestimate our requirements for inventory as compared to the demand for our products, it may lead to wastage and increase our operating costs and further restrict our ability to service our customers in a timely and cost-efficient manner. Further, such erroneous overestimations may also unduly increase costs of production affecting profitability. Equally, if we underestimate our requirements for inventory, it may adversely affect our ability to manufacture the required quantity of products for our customers' requirements in a timely and cost-efficient manner which may lead to loss of business and / or the opportunity to service our customers which could adversely affect our business, results of operations and financial condition. Additionally, if our inventory of finished products is not dispatched on time or if there is an unanticipated delay in the delivery of our finished products or if the finished products are not properly maintained or are damaged or destroyed, we could lose such inventory which could have an adverse impact on our production cycle, results of operation and financial condition.

14. ***Our future success and continued growth will depend on our ability to effectively implement our business and growth strategies. Our failure in effectively implementing our business and growth strategies may adversely affect our results of operations.***

Our revenue from operations have grown significantly and between Fiscal 2022 and Fiscal 2024, our revenue from operations increased from ₹ 1,356.01 million to ₹ 1,882.32 million at a CAGR of 17.82%. Further, during the 6 month period ended September 30, 2024, our revenue from operations was ₹ 1,058.43 million.

Our continued success will depend, in large part, on our ability to effectively implement our business and growth strategies. For details, see *'Our Business - Our Strategies'* on page 203. We cannot assure you that we will be able to execute our strategies in a timely manner or within budget estimates or that we will meet the expectations of our clients and other stakeholders. We believe that our business and growth strategies will place significant demands on our senior management and other resources and will require us to develop and improve operational, financial and other internal controls. Further, our business and growth strategies may require us to raise further funds. Any inability to manage our business and growth strategies could adversely affect our business, financial condition and results of operations. Further, our business is to a large extent driven by our internal systems and control mechanism. Therefore, our continued growth is intrinsically linked to our being able to maintain adequate internal systems, processes and controls and, in order to manage our growth effectively, we must implement, upgrade and improve our operational systems, procedures and internal controls on a timely basis. Our failure to maintain such systems or to implement, upgrade or improve our systems could stymie our growth.

We have through our Associate Company viz., Terranomous Systems Private Limited (**Terranomous**) ventured into development and manufacturing of AI based force multipliers in the defence sector. The success of this joint venture will depend on our ability to integrate our strategies with the strategy of our joint venture partner. Further, if we undertake other businesses through joint ventures or if seek to grow through acquisitions, the success of such ventures and acquisitions will depend on various factors such as our ability to *inter alia* harmonise and integrate systems and cultures of such entities with that of our Company and other factors that may be beyond our control. Failure to do successfully integrate such ventures and acquisitions with our operations could render such endeavours infructuous and could lead to monetary losses which could adversely affect our business and financial condition.

We cannot assure you that we will be able to successfully implement our strategies, continue to grow at the rate at which we have grown since Fiscal 2022, or that we will be able to generate revenue from all or any of the proposed strategies that we plan to implement. Our inability to maintain our growth or failure to successfully implement our growth strategies within time and cost expectations could have an adverse impact on the results of our operations, our financial condition and our business prospects.

15. ***Our employee benefit expense is one of the larger components of our fixed operating costs. An increase in employee benefit expense could reduce our profitability.***

Our pool of employees consists of employees comprising our top management, sales and marketing, human resources and administration, technical support and quality assurance, and finance and legal. As of September 30, 2024, we had 172 permanent employees. The total number of permanent employees engaged by us and our employee benefits expense were as follows:

Particulars	As on September 30, 2024		As on March 31, 2024		As on March 31, 2023		As on March 31, 2022	
Permanent employees	172		159		143		131	
Particulars	**As on September 30, 2024**		**As on March 31, 2024**		**As on March 31, 2023**		**As on March 31, 2022**	
	Amount (₹ million)	**% of revenue from operations**	**Amount (₹ million)**	**% of revenue from operations**	**Amount (₹ million)**	**% of revenue from operations**	**Amount (₹ million)**	**% of revenue from operations**
Employee benefits expenses	104.44	9.87	196.44	10.44	151.43	10.78	129.32	9.54

Due to economic growth in the past and the increase in competition for skilled and semi-skilled employees in India, wages in India have, in recent years been increasing at a fast rate. Our Company may need to increase our compensation levels to remain competitive in attracting and retaining the quality and number of skilled and semi-skilled employees that our business requires. Further, a shortage in the employee pool or general inflationary pressures will also increase our costs towards employee benefits. A significant long-term increase in our employee benefit expense could reduce our profitability, which could, amongst others, impact our growth prospects.

Further, our Company's average attrition rate of employees during 6 months ended September 30, 2024 and the last 3 Fiscals is set out below:

Particulars	September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Employees attrition rate*	7.03%	16.75%	15.38%	12.67%

* *Employee attrition ratio is calculated as number of employee's left during the year/period / (number of employees at the beginning of the year/period + number of employees joined during the year/period)*

While we consider our current employee relations to be good, we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to perform our obligations for the projects. Any disputes may also result in disruptions in our operations, which may adversely affect our business and results of operation.

16. ***There have been instances of inadvertent delays in payments of statutory dues by our Company. Any delays in payment of statutory dues may attract financial penalties from the respective government authorities and in turn may have an adverse impact on our financial condition and cash flows.***

We are subject to ongoing reporting and compliance requirements and are required to make payments of periodic statutory dues, which we may not be able to undertake at all times. Details of statutory dues paid by our Company in relation to our employees for the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022 are as provided below:

Particulars	6 months ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Provident Fund (₹ million)	9.06	14.85	13.43	11.65
ESIC (₹ million)	0.02	0.04	0.07	0.10
Number of employees for whom provident fund has been paid	180	187	167	148
Number of employees for whom provident fund is not applicable	5	3	2	2
Tax Deducted at Source on salaries (**TDS**) (₹ million)	16.30	24.00	17.63	14.80
Tax Deducted at Source on other than salaries (₹ million)	3.18	7.93	4.31	3.91
Number of employees for whom TDS on salaries has been paid	81	53	59	41
GST (in ₹ million)	47.75	46.09	45.07	58.31
Gratuity (in ₹ million)	0.37	1.30	2.61	1.12
Professional Tax (in ₹ million)	0.20	0.36	0.34	0.30

There have been no instances of non-payment, delay in the payment of statutory dues/liabilities in the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022, except as follows:

Particulars	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Number of Instances	Amount Involved (*in ₹ million*)	Number of Instances	Amount Involved (*in ₹ million*)	Number of Instances	Amount Involved (*in ₹ million*)	Number of Instances	Amount Involved (*in ₹ million*)
Income Tax Act, 1961 (TDS on Salary)	7	9.58	4	0.15	3	0.18	3	1.56
Goods & Service Tax	0	0.00	0	0.00	0	0.00	1	0.44
Professional Tax	1	0.03	1	0.03	1	0.03	0	0.00

Any further delay in payment of statutory dues in addition to as highlighted above, which may arise in the future could lead to imposition of financial penalties from the relevant government authorities which in turn may have a material adverse impact on our business, financial condition and cash flows.

17. ***Our Company does not have any direct competitor in terms of products and size. It may be difficult to benchmark and evaluate our financial performance against other entities who operate in the same industry as us.***

Our Company does not have any direct competitor in terms of products and size (*Source: CARE Report*). We face competition from domestic players and Indian operations of international players some of whom may have much larger scale of operations than us and, therefore, benefit from economies of scale. Some of our key competitors are ABB India Limited, Honeywell Automation India Limited, Yokogawa India Limited, and Endress+Hauser (India) Pvt. Ltd. (*Source: CARE Report*) Further, we compete with ICON Controls Private Limited. While we compete the aforementioned entities, they are not strictly comparable competitors since the scale of some of their operations is much larger than ours, and the scale of operations of ICON Controls Private Limited is relatively small. Therefore, investors must rely on their own examination of our financial statements and performance against other entities who operate in the same industry as us, for the purposes of investment in this Offer.

These entities may have certain advantages, including greater financial technical and, or, marketing resources, which could enhance their ability to finance acquisitions, fund domestic and international growth, respond more quickly to technological changes and, or, operate in more diversified geographies and product offerings. As a result, to remain competitive in the market we must, in addition, continuing to meet exacting quality standards, continuously strive to reduce our costs and improve our operating efficiencies, continue to provide technologically advanced products and solutions offering. If we fail to do so, it may have an adverse effect on our market share and results of operations. We cannot assure you that we can continue to effectively compete with such competitors in the future, and failure to compete effectively may have an adverse effect on our business, financial condition, and results of operations. Moreover, the competitive nature of the industry that we operate in may result in lower prices for our products and decreased profit margins, which may materially adversely affect our revenue and profitability.

18. ***Our Company is unable to trace certain statutory records i.e., annual returns, forms filed for change in name and reservation of name, incorporation form, appointment of directors, appointment of auditors. Further, our Company has filed statutory forms with incorrect information in the past and there has been variation in the corporate records of our Company. We cannot assure you that we will not be subject to penalties or that no other action will be initiated against us in this regard.***

Our Company is unable to trace forms filed with the Registrar of Companies for (i) filing annual returns for financial year 1989-1990; (ii) incorporation of our Company; (iii) application for reservation of name and change in the name of our Company from Advanced Spectra-Tek Private Limited to Daniel Measurement and Control (India) Private Limited; (iv) appointment of directors during financial year 1987-1988 and financial year 1988-1989; (v) creation / modification of charges; and (vi) general meetings. Further, our Company is unable to trace Board resolutions approving the allotment of (i) 8,119 Equity Shares on March 25, 1989; (ii) 142,967 Equity Shares on November 10, 1989; and (iii) 45,203 Equity Shares on February 18, 1992. Our Company has also filed statutory forms with Registrar of Companies with incorrect information. In relation to the allotment of 142,967 Equity Shares on November 10, 1989 our Company has filed the form 2 (Return of Allotment) with the Registrar of Companies which erroneously mentions allotment of 42,961 Equity Shares to the joint account of Mukesh R Kapadia and Shobha Kapadia instead of Mukesh R Kapadia. In relation to the allotment of (i) 39,366 Equity Shares on September 18, 1993; (ii) 196,822 Equity Shares on August 11, 1998; (iii) and 295,233 Equity Shares on August 19, 1999, our Company has filed the form 2 (Return of Allotment) with the Registrar of Companies which erroneously mentions that these Equity Shares were allotted to the joint account of Mukesh R Kapadia and Shobha Kapadia instead of Mukesh R Kapadia. Also, in relation to the allotment of 261,330 Equity Shares to Spectra Tek UK Limited on August 11, 1998, our Company has filed the form 2 (Return of Allotment) with the Registrar of Companies which erroneously mentions that these Equity Shares were allotted to Advanced Spectra U.K. instead of Spectra Tek UK Limited. However, the register of members of our Company accurately mentions the name of the allottees in relation to these allotments. In relation to transfer of 1 Equity Share from GE Pacific (Mauritius) Limited (as a nominee of GE Mauritius Infrastructure Holdings Limited) to D.I. Netherlands B.V. on May 19, 2017, the Board resolution dated June 1, 2012 inadvertently mentions the name of transferee as GE Mauritius Infrastructure Holdings Limited (as a nominee of GE Mauritius Infrastructure Holdings Limited) instead of GE Pacific (Mauritius) Limited (as a nominee of GE Mauritius Infrastructure Holdings Limited). In relation to bonus issue on September 18, 1993, Mukesh R Kapadia and Umed Amarchand Fifadra were eligible to receive 39,363 Equity Shares each. However, both Mukesh R Kapadia and Umed Amarchand Fifadra received 39,366 Equity Shares each. In relation to transfer of 1 Equity Share from Mukesh R Kapadia to GE Pacific (Mauritius) Limited (as a nominee of GE Mauritius Infrastructure Holdings Limited) on June 1, 2012, the Board resolution dated June 1, 2012, erroneously mentions that 1 Equity Share was transferred to GE Mauritius Infrastructure Holdings Limited from Mukesh R Kapadia. Further, in relation to transfer of 391,995 Equity Shares from Spectra Tek UK Limited to Umed Amarchand Fifadra on October 12, 2007, the Board resolution dated October 5, 2007, approving the transfer incorrectly mentions that 395,314 Equity Shares were transferred to Umed Amarchand Fifadra. However, the share transfer form correctly mentions that 391,995 Equity Shares were transferred to Umed Amarchand Fifadra. Similarly, in relation to transfer of 391,995 Equity Shares from Spectra Tek UK Limited to Mukesh R Kapadia on October 12, 2007, the Board resolution dated October 5, 2007 approving the transfer incorrectly mentions that 388,674 Equity Shares were transferred to Mukesh R Kapadia. However, the share transfer form correctly mentions that 391,995 Equity Shares were transferred to Mukesh R Kapadia.

We have appointed Vijay Bhatt & Co., practicing company secretary, to undertake an online and physical search of the RoC records, and have relied on the certificate issue by the practicing company secretary dated February 4, 2025. We cannot assure you that we will not be subject to any penalties imposed by the competent regulatory authority in connection with such discrepancies or untraceable records. While no disputes or regulatory action has arisen in connection with these filings until date, we cannot assure you that no such action will be initiated in the future.

We cannot assure you that we will not be subject to any penalties imposed by the competent regulatory authority in connection with these untraceable records or discrepancies in these records. While no disputes or regulatory action has arisen in connection with these filings until date, we cannot assure you that no such action will be initiated in the future.

19. ***We are dependent on technology in carrying out our business activities and it forms an integral part of our business. Damage to and/or malfunction of any of our operating systems, IT Infrastructure or cyber security risks could disrupt our operations and adversely affect our business, results of operations, financial condition and cash flows.***

Our continued growth depends on the ability and performance of our existing technology that is utilized and will be utilized in our operations. We have implemented various information technology and ERP software solutions to cover key areas of our operations, procurement, dispatch and accounting. We are in the process of migrating to a cloud-based server. The IT team oversees various aspects of our information technology function including establishing and maintaining our ERP systems, and other services to support our business. We may in the future experience disruptions, outages, and other performance problems with our infrastructure due to a variety of factors, including infrastructure changes, introductions of new functionality, human or software errors, capacity constraints, distributed denial-of-service attacks or other security-related incidents. In some instances, we may not be able to identify the cause or causes of these performance problems immediately or in short order. We may not be able to maintain the level of production if there in an interruption or outage in the technology that we currently employ. Frequent or persistent interruptions in the production process could cause customers to believe that our products are unreliable, leading them to switch to our competitors or to otherwise avoid our products. This could negatively impact market acceptance of our business and our financial condition, and results of operations could be adversely affected.

Further, our various information technology and ERP software solutions systems are potentially vulnerable to damage or interruption from a variety of sources, which could result from *inter alia* cyber-attacks. In particular, the increased connectivity of industrial systems through the Internet of Things (IoT) and cloud-based solutions raises concerns about cybersecurity. Vulnerabilities in automated systems can lead to potential cyber threats, including data breaches, sabotage, and operational disruptions. The cyber-risk terrain for the IoT/OT driven systems is also evolving with the evolving automation industry. Cyber-attacks such as ransomware and APTs are inevitable; hence, incident response plays a vital role in the current Indian IA market. However, incident response in the IoT/OT-driven IA space differs starkly from that in the IT sector. Subsequently, it cannot be adapted from an IT incident response playbook. (*Source: CARE Report*) A significant or large-scale malfunction or interruption of one or more of our IT infrastructure or ERP systems could adversely affect our operations. In addition, it is possible that a malfunction of our data system security measures could enable unauthorized persons to access sensitive business data, including information relating to our intellectual property or business strategy or those of our customers. Such malfunction or disruptions could cause economic losses for which we could be held liable or cause damage to our reputation. Any of these factors, could have a material adverse effect on our business, results of operations and financial condition.

20. ***Our business is substantially dependent on our ability to maintain and increase our pre-qualification status.***

The vast majority of our business is concentrated on projects undertaken directly with the PSU Customers. Different projects are subject to different eligibility criteria i.e., pre-qualification criteria, including experience and past performance, technical ability, financial strength and the size of previous contracts executed for similar projects either with the said entities or with other entities. Our business, therefore, requires that we continue to maintain pre-qualified status so that we are not disqualified from participating in future tenders that these customers may issue. The loss of one or more significant customers or projects for any reason, or our failure to enter into commercially acceptable arrangements with other operators, including as a result of disqualification or dispute, could have an adverse effect on our results of operations.

21. ***We are significantly reliant on our Promoters, Key Managerial Personnel, Senior Managerial Personnel and persons with technical expertise. Failure to retain or replace them will adversely affect our business.***

In order to successfully manage and expand our business, we are dependent on the services of our Promoters, Key Managerial Personnel and Senior Managerial Personnel, and their ability to attract, train, motivate and retain skilled employees and other professionals. Our Company is led by qualified Promoters, Mukesh R Kapadia and Umed Amarchand Fifadra, who each over 30 years of experience in the industrial automation sector. In addition, our success depends largely on the continued services of Shirish Madhukar Adi, our Managing Director. Our Promoters i.e., Mukesh R Kapadia and Umed Amarchand Fifadra, have been associated with our Company since its incorporation. We are significantly reliant on our Promoters and our Managing Director, whose deep understanding of the industry and direct involvement with key clients forms the bed-rock of our business relationships. The continued involvement of our Promoters, Key Managerial Personnel and members of our senior management in the leadership position of our Company is critical to our success and their non-availability in a leadership role could have a deleterious impact on our business and financial conditions. Set out below is the attrition in our KMP and Senior Management.

Particulars	6 months ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
KMP and Senior Management (no. of persons)	Nil	Nil	1	Nil

If we are unable to hire additional personnel or retain existing skilled personnel, in particular our Key Managerial Personnel and persons with requisite skills, our operations and our ability to expand our business may be impaired. Further, we may be unable to hire and retain enough skilled and experienced employees to replace those who leave or may not be able to re-deploy existing resources successfully. Failure to hire or retain Key Managerial Personnel, Senior Managerial Personnel and skilled and experienced employees could adversely affect our business and results of operations.

22. ***Our Company has in the past entered into related party transactions and may continue to do so in the future and we cannot assure you that we could not have achieved more favourable terms if such transactions had not been entered into with related parties and that such transactions will not have an adverse effect on our financial conditions and result of operation.***

Our Company has engaged in the past, and may engage in the future, in transactions with related parties, including with our promoters, directors, key managerial personnel and their, on an arm's length basis and in compliance with applicable law. Such transactions could be for salaries and remuneration, rent expenses, loans given etc. A summary details of our transactions with related parties are set out below:

(*in ₹ million*)

Particulars	6 months ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Sum of all related party transactions	21.53	56.79	19.29	11.60
Revenue from Operations	**1,058.43**	**1,882.32**	**1,404.23**	**1,356.01**
Sum of all related party transaction as a % of Revenue from Operations	2.03	3.02	1.37	0.86

For summary of related party transactions, see '*Summary of Offer Documents - Summary of Related Party Transactions*' and '*Restated Consolidated Financial Information*' on pages 20 and 258, respectively.

While our Company believes that all such transactions have been conducted on an arm's length basis and contain commercially reasonable terms, there can be no assurance that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that our

Company may enter into related party transactions in the future. Such related party transactions may potentially involve conflicts of interest. We cannot assure you that such transaction, individually or in the aggregate, will always be in the best interests of our Company and/or that it will not have an adverse effect on our business and results of operations.

23. ***We have incurred negative net cash from operating activities, investing activities and financing activities in the past. Long term negative net cash in operating activities, investing activities and financing activities in the future could have an adverse impact on our growth prospectus.***

We have incurred negative net cash from operating activities, investing activities and financing activities on a restated consolidated basis. Set out in the table below is certain information concerning our cash flows for Fiscal 2024, Fiscal 2023 and Fiscal 2022.

(*in ₹ million*)

Particulars	For the 6 months ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Net cash flow (used in) / generated from operating activities (**A**)	(113.42)	147.46	(54.35)	(90.98)
Net cash used in investing activities (**B**)	61.74	(472.44)	58.00	91.59
Net cash flow (used in) / generated from financing activities (**C**)	(13.62)	401.95	(7.35)	(7.54)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(65.29)**	**76.97**	**(3.70)**	**(6.92)**

Given our high receivable days and our working capital intensive business, we cannot assure you that such negative net cashflows will not be incurred by our Company in the future. Any such negative net cashflow in future, if any, could adversely impact our operations, financial condition and the trading price of the Equity Shares.

24. ***Inability to obtain or protect our intellectual property rights may adversely affect our business.***

As on the date of this Draft Red Herring Prospectus, our Company has 6 registered trademarks and has made applications for registration of 1 trademark which is currently objected. For further details, see '*Our Business - Intellectual Property*' on page 215.

In the absence of the registered trademark for the application filed by us, our ability to protect such intellectual property may be diluted to such extent, and could adversely affect our reputation and business, which could in turn adversely affect our financial performance and the market price of the Equity Shares. We cannot assure you that this trademark will be registered in our name, and we will continue to enjoy uninterrupted use of the said. Any claim of intellectual property infringement from third parties, regardless of merit or resolution of such claims, could force us to incur significant costs in responding to, defending and resolving such claims, and may divert the efforts and attention of our management and technical personnel away from our business. Our inability to obtain or maintain our trademarks in our business, could adversely affect our reputation, goodwill, business prospectus, and results of operations.

Our ability to attract and retain our customers is also dependent upon public perception and recognition of the quality associated with our brand. Any damage to our brand could adversely impact the trust placed in the brand and our reputation and cause existing customers or intermediaries to withdraw their business and reconsider doing business with us. While there has been no past instance of negative publicity / false propaganda / allegation/ reputation damage, during the last 3 financial years and the 6 months ended September 30, 2024, any negative publicity may result in increased regulation and legislative scrutiny of industry practices as well as increased litigation, which may further increase our costs of doing business by requiring us to make provisions or consider claims under such litigations as contingent liabilities and adversely affect our profitability.

Further, while we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights. Any claims of intellectual property infringement from third parties, regardless of merit or resolution of such claims, could force us to incur significant costs in responding to, defending and resolving such claims, and may divert the efforts and attention of our management and technical personnel away from our business. While there has not been any instance of any third-party alleging infringement of their intellectual property by our Company in the last 3 financial years and the 6 months period ended September 30, 2024, the risk of being subject to intellectual property infringement claims will increase as we continue to expand our operations and product offerings. As a result of such infringement claims, we could be required to pay third party infringement claims. The occurrence of any of the foregoing could result in unexpected expenses.

25. *There are certain outstanding legal proceedings involving our Company, and Promoters which, if determined against us, could have a material adverse effect on our business, cash flows, financial condition and results of operations.*

Our Company and our Promoters are currently involved in a number of legal proceedings, pending at different levels of adjudication before various courts and tribunals. A summary of outstanding litigation and the monetary amount involved in the cases we are currently involved in is mentioned in brief below:

Sr. No.	Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/ Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoter	Material civil litigation*	Aggregate amount involved (in ₹ million)*
1.	**Company**						
	By our Company	Nil	-	-	-	2	20.26
	Against our Company	Nil	19	Nil	Nil	1	36.38
2.	**Promoters**						
	By our Promoter	Nil	-	-	-	Nil	Nil
	Against our Promoter	Nil	3	Nil	Nil	Nil	0.89
3.	**Directors (other than Promoters)**						
	By our Directors	Nil	-	-	-	Nil	Nil
	Against our Directors	Nil	Nil	Nil	Nil	Nil	Nil
4.	**Subsidiary**						
	By our Subsidiary	Nil	-	-	-	Nil	Nil
	Against our Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil

**To the extent quantifiable.*

For further details on the outstanding litigation matters involving our Company, its Promoters, its Directors (other than Promoters), and Subsidiaries, Group Companies see '*Outstanding Litigation and Other Material Developments*' at page 363.

Further, a show cause notice dated March 13, 2024 has been served upon our Company by Hindustan Petroleum Corporation Limited claiming for an payment of an outstanding amount of ₹ 87.50 million for alleged breach of tender contract. While our Company has responded to this show cause notice and no litigation proceeding has been initiated by Hindustan Petroleum Corporation Limited in this regard, we cannot assure you that there will not be any future litigation proceedings involving our Company.

We may be required to devote management and financial resources in the defence or prosecution of such legal proceedings. Should any new developments arise, including a change in Indian law or rulings against us by the appellate courts or tribunals, we may face losses and have to make further provisions in our financial statements, which could increase our expenses and our liabilities. There can be no assurance that the provisions we have made for litigation will be sufficient or that further litigation will not be brought against us in the future. Decisions in such proceedings adverse to our interests may have a material adverse effect on our business, cash flows, financial condition, and results of operations.

In the event significant claims are determined against us and we are required to pay all or a portion of the disputed amounts, there could be a material adverse effect on our business and profitability. We cannot provide any assurance that these matters will be decided in our favour. Furthermore, we may not be able to quantify all the claims in which we are involved. Failure to successfully defend these or other claims or if our current provisions prove to be inadequate, our business and results of operations could be adversely affected. Even if we are successful in defending such cases, we will be subjected to legal and other costs relating to defending such litigation, and such costs could be substantial. In addition, we cannot assure that similar proceedings will not be initiated in the future. This could adversely affect our business, cash flows, financial condition, and results of operation.

26. ***We have not yet placed orders in relation to the capital expenditure requirements and which are proposed to be funded out of the Net Proceeds. If there is any delay in placing the orders, or in the event the vendor is unable to perform its obligations, in part or at all, it may result in time and cost overruns and our business, prospects and results of operations may be adversely affected.***

We intend to utilise a portion of the Net Proceeds for funding capital expenditure requirements. While we have procured quotations from vendors in relation to the capital expenditure to be incurred, we have not entered into any definitive agreements with any of these vendors. For details, see '*Objects of the Offer*' on page 114. Such quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such quotation or that there will not be cost escalations. Further, the actual amount and timing of our future capital requirements may differ from our estimates due to *inter alia* unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, and technological changes. In the event of any delay in placing the orders, or an escalation in the cost, or in the event the vendor perform its obligations in a timely manner, or at all, we may encounter time and cost overruns. Further, if the vendors express their inability or if they are unable to perform their obligations, we cannot assure you that we may be able to identify alternate vendor to provide us with the materials which satisfy our requirements at acceptable prices, which could result in the increase in capital expenditure, the proposed schedule of implementation and deployment of the Net Proceeds may be extended or may vary accordingly, thereby resulting in an adverse effect on our business, prospects and results of operations.

27. ***Our Promoters i.e., Shobha Mukesh Kapadia and Usha Umed Fifadra, do not have experience in industrial automation industry.***

Our Promoters, Shobha Mukesh Kapadia and Usha Umed Fifadra, lack experience in the industry in which our Company operates i.e., industrial automation industry. Both Shobha Mukesh Kapadia and Usha Umed Fifadra are partners in Advance marketing Services and Shobha Mukesh Kapadia is also a director on the Board of Advanced Utility Management Private Limited. While both of them have working experience in management and administration, we cannot assure you that they will contribute significantly to the business operation of our Company due to their lack of experience in industrial automation industry.

28. ***Any failure to obtain, renew and maintain requisite statutory and regulatory permits, licenses and approvals for our operations from time to time may adversely affect our business.***

In terms of applicable laws and our contracts, we require various statutory and regulatory permits, licenses, registrations, certifications, consents and approvals to carry out our business and operations (cumulatively, the **Approvals**). A majority of these Approvals are granted for a limited duration and must be periodically renewed. While there have been no instances of rejection of any Approvals of our Company in the last 3 financial years and the 6 months period ended September 30, 2024, we cannot assure you that such instances will not occur in the future or we will be able to renew our Approvals in a timely manner or at all. Further, while we have applied for some of these Approvals, we cannot assure you that such Approvals will be issued or granted to us in a timely manner, or at all. If we do not receive these Approvals or if we are unable to renew the Approvals in a timely manner, or at all, then our business and operations may be adversely affected. For further details, see '*Government and Other Approvals*' at page 368.

Moreover, the Approvals are subject to various conditions and there can be no assurance that these Approvals and non-compliance or alleged non-compliance with any terms or conditions of such Approvals could lead to regulatory action including monetary penalties, imprisonment of concerned officers in default, suspension or revocation of the approval. Suspension or revocation of the Approvals by the relevant regulatory authority, either on account of non-compliance or otherwise, would impair our

Company's operations and, consequently, have an adverse effect on our business, cash flows and financial condition.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. Further, if we are affected, directly or indirectly, by the application or interpretation of any provision of such laws and regulations or any related proceedings or are required to bear any costs in order to comply with such provisions or to defend such proceedings, our business and financial performance may be adversely affected.

29. ***We intend to utilise a portion of the Net Proceeds of the Offer towards the working capital requirements of our Company which are based on certain assumptions and estimates.***

The objects of the Offer include funding working capital requirements which are based on management estimates and certain assumptions in relation to *inter alia* sales of our products and solutions in the future, the cost and holding periods of inventories of components and finished goods. For details, see '*Objects of the Offer*' on page 114.

Our future working capital requirements and deployment of funds may be subject to change due to factors beyond our control including *force majeure* conditions, an increase in defaults by our customers, unanticipated expenses, economic conditions, availability of funding from banks or financial institutions. Accordingly, such working capital requirements and deployment of proceeds may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

Our sources of additional financing, required to meet our working capital requirements may include availing debt or issue of further equity or debt securities or a combination of both. If we decide to raise additional funds by availing debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows. Further, we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of further equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our business, results of operations, financial condition and cash flows.

30. ***We have incurred indebtedness which exposes us to various risks which may have an adverse effect on our business, results of operations and financial conditions. Conditions and restrictions imposed on us by the agreements governing our indebtedness could adversely affect our ability to operate our business.***

As on December 31, 2024, we had sanctioned working capital facilities aggregating to ₹ 1,600.00 million comprising fund based and non-fund based facilities of ₹ 200.00 million and 1,400.00 million, respectively, and outstanding amounts of ₹ 27.47 million and ₹ 907.79 million, respectively. The level of our indebtedness could have several consequences, including but not limited to the following:

i. defaults of payment and other obligations under our financing arrangements may result in an event of default, acceleration of our repayment obligations and enforcement of related security interests over our assets; and

ii. our ability to obtain additional financing in the future or renegotiate or refinance our existing indebtedness on terms favourable to us may be limited.

Additionally, our financing agreements contain certain conditions and restrictive covenants that require us to obtain consents from respective lenders prior to carrying out specified activities and entering into certain transactions. Our lenders require us to obtain their prior approval for certain actions, which, amongst other things, restrict our ability to undertake various actions including incur additional debt, declare dividends, amend our constitutional documents, change the ownership or control and management of our business. While our Company has received necessary approval from its lenders to undertake this Offer, we cannot assure you that we will be able to obtain approvals to undertake any other aforementioned activities as and when required or comply with such covenants or other covenants in the future. In addition, the charge on our assets created on some of the facilities which we have re-paid to our lenders' is still subsisting. Such charge on our assets could impede or affect our ability to avail / obtain additional financing in the future or renegotiate or refinance our existing indebtedness on terms favourable to us. Further, none of our facilities have been rated by any credit rating agencies. For further details regarding our indebtedness, see '*Restated Consolidated Financial Information*' and '*Financial Indebtedness*' beginning on pages 258 and 326, respectively.

31. ***We are dependent on our manufacturing facility which is situated in Vadodara, Gujarat. We are subject to risks in relation to our manufacturing process including accidents and natural disasters and also risks arising from changes in the economic or political conditions of Gujarat which in turn will interfere with our operations and could have an adverse effect on our business, results of operations and financial condition.***

We operate our business on land leased from the Gujarat Industrial Development Corporation (**GIDC**), at Vadodara, Gujarat. Our manufacturing operations are subject to operating risks, such as the breakdown or failure of equipment, power supply interruptions, facility obsolescence or disrepair, labour disputes, natural disasters and industrial accidents. The occurrence of any of these risks could affect our operations by causing production at our manufacturing unit to shut down or slowdown. For instance, in September 2024, Vadodara, Gujarat, experienced very heavy rainfall which led to flooding and large parts of the Vadodara, Gujarat were inundated. Our operations were also affected during this period and we had to shut down our operations for a period of 2 days and had to work truncated hours for 2 days. While, there have been no other instances of having to shut down our facilities in the immediately preceding 3 Fiscals and 6 months ended September 30, 2024, we cannot assure you that such instances will not occur in future.

Our Company is also significantly dependent on continuous supply of essential utilities such as gas and electricity etc. which are critical to our operations. While there have not been any instances of shortage of gas and electricity during the immediately preceding 3 Fiscals and 6 months ended September 30, 2024, any shortage or non-availability of essential utilities in the future could result in temporary shut-down of a part, or all, of our operations. Such shut-downs could, particularly if they are for prolonged periods, have an adverse effect our business, results of operations and financial condition. Moreover, if we are required to operate for extended periods of time on diesel generator sets, our cost of operations would be higher during such period which could have an adverse impact on our profitability.

The concentration of our operations in Gujarat subjects us to various risks, including vulnerability to change of policies, laws and regulations or the political, disruption or disturbance, which could adversely affect our business, financial condition, results of operations, cash flows and prospects.

32. ***Our Promoters, who are also the Selling Shareholders, have subscribed to, and purchased, Equity Shares, at a price which could be below the Offer Price. The average cost of acquisition of Equity Shares by our Promoters could also be lower than the Offer Price.***

We have issued Equity Shares to our Promoters, who are also the Selling Shareholders, and our Promoters have acquired Equity Shares by way of transfers, at a price which could be below the Offer Price. For more details see '*Capital Structure*' on page 89.

The average cost of acquisition of Equity Shares by our Promoters (**Average Cost of Acquisition**) is set out below:

Name	Number of Equity Shares held	Average Cost of Acquisition per Equity Share (in ₹)
Promoters		
Mukesh R Kapadia	3,928,266	2.22
Umed Amarchand Fifadra	3,928,266	2.22
Shobha Mukesh Kapadia(1)	0.00	0.00
Usha Umed Fifadra(2)	0.00	0.00

(1) Mukesh R Kapadia and Shobha Mukesh Kapadia, in their capacity as trustees of Kapadia Family Trust hold 4,000,000 Equity Shares in Kapadia Family Trust. However, Shobha Mukesh Kapadia does not hold any Equity Shares in her individual capacity.

[(2)] Umed Amarchand Fifadra and Usha Umed Fifadra, in their capacity as trustees of Fifadra Family Trust hold 4,000,000 Equity Shares in Fifadra Family Trust. However, Usha Umed Fifadra does not hold any Equity Shares in her individual capacity.

The aforementioned average cost of acquisition of Equity Shares by our Promoters may be lower than the Offer Price.

33. ***Our ability to efficiently execute our projects depends on adherence to internal controls and processes and proper storage and handling materials and products by employees and sub-contractors.***

Our ability to efficiently execute our projects depends on strict adherence to internal processes and standards which we have put in place. A significant proportion of our execution of projects such as installation and commissioning and maintenance services are also undertaken at customer sites by employees and sub-contractors. While we have limited control over storage and transportation of materials and products, these are handled and installed/commissioned by our employees or sub-contractors and we are responsible for the actions of our employees and sub-contractors. Improper storage and handling of materials or failure on the part of our employees and persons to adhere to our internal policies and procedures could hamper project execution. We have cultivated and nurtured our relationship with our customers by consistently maintaining the standards of offerings and ensuring timely delivery. Our purchase orders with our customers typically contain the delivery terms and quality parameters that the customers expect from us. Any failure on our part to maintain the applicable standards according to prescribed specifications, may lead to loss of reputation and goodwill of our Company, cancellation of orders and lead to loss of Customers. Such lapses in adhering to internal controls and processes could adversely affect our reputation, business and financial condition.

34. ***Our Promoters and Promoter Group will, even after the completion of the Offer, continue to be our largest Shareholders and can influence the outcome of resolutions, which may potentially involve conflict of interest with the other Shareholders.***

Currently, our Promoters and members of the Promoter Group hold 82.57% % of the Equity Share capital of our Company and they will continue to hold [●]% of the Equity Share capital after the completion of this Offer. While there is no shareholder agreement in place with our Promoters and members of the Promoter Group, they will nevertheless, collectively, will have the ability to significantly influence our corporate decision-making process. This will include the ability to appoint Directors on our Board and the right to approve significant actions at the Board and at the Shareholders' meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements and any amendment to the constitutional documents. Our Company cannot assure you that the interest of the Promoters and members of the Promoter Group in any such scenario will not conflict with the interest of other Shareholders or with our Company's interests. Any such conflict may adversely affect our Company's ability to execute its business strategy or to operate our Company's business effectively or in the best interests of the other Shareholders of our Company.

35. ***Our Promoters and some of our Directors and Key Managerial Personnel have interests in our Company other than reimbursement of expenses incurred and normal remuneration or benefits.***

Our Promoters, some of our Directors and Key Managerial Personnel may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Further, our Promoters and certain Directors and Key Managerial Personnel may be deemed to be interested to the extent of Equity Shares held by them or their relatives (or Promoter Group) as well as to the extent of bonus on such Equity Shares. Sunil C Vakil, one of our Independent Directors, may also have interest in our Company to the extent of 12,000 Equity Shares held by his daughter i.e., Angana Sunil Vakil. our Promoters and certain Directors and Key Managerial Personnel may also be deemed to be interested in our Company to the extent of options that may be granted to them pursuant to the ESOP Scheme or any equity Shares that may be held by them in the future including, Equity Shares acquired pursuant to the exercise of any options granted under ESOP Scheme. Our Company cannot assure you that our Promoter, Directors and our Key Managerial Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. For further details, please refer to the chapters '*Our Management*' and '*Our Promoters and Promoter Group*' on pages 230 and 252, respectively.

36. ***Our Company's operations are subject to varied business risks and our Company's insurance cover may prove inadequate to cover the economic losses of our Company.***

Our Company's operations are subject to various risks and hazards which may adversely affect revenue generation and profitability of our Company. While our Company believes that it has taken adequate safeguards to protect our Company's assets from various risks inherent in our Company's business, including by purchasing and maintaining relevant insurance cover, it is possible that our Company's insurance cover may not provide adequate coverage in certain circumstances. For details of our insurance, see '*Our Business - Insurance*' on page 215.

While our Company believes that we maintain sufficient insurance cover by virtue of maintaining insurance policies, certain types of losses may be either uninsurable, not economically viable to insure or not offered for insurance, such as losses due to acts of terrorism or war. If any uninsured loss occurs, our Company could lose our investment in, as well as anticipated profits and cash flows from the asset. In addition, even if any such loss is insured, there may be a significant deductible on any claim for recovery prior to our insurer being obligated to reimburse us for the loss, or the amount of the loss may exceed our coverage for the loss. Set out below are details of claims made by us during the 6 months ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, which were rejected.

Particulars	During the 6 months ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Claim made *(₹ million)*	0.00	0.73	4.24	0.00
Claims denied *(₹ million)*	0.00	0.41	4.12	0.00
Reasons for denial	-	Claim was smaller than excess amount under the insurance policy	Late reporting of the incident to the insurer and late filing of the first information report	-

Further, even in the case of an insured risk occurring there can be no assurance that our Company will be successful in claiming insurance in part or full, or that the insurance purchased by us will be sufficient to cover the loss occasioned by the risk. Any loss that is not covered by insurance, or for which our Company is unable to successfully claim insurance, or which is in excess of the insurance cover could, in addition to damaging our Company's reputation, have an adverse effect on our Company's business, cash flows, financial condition and results of operation. Further, an insurance claim once made could lead to an increase in our Company's insurance premium.

In addition, our Company's insurance coverage expires from time to time. Our Company will apply for the renewal of our insurance coverage in the normal course of its business, but our Company cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that our Company suffers loss or damage for which it did not obtain or maintain insurance, and which is not covered by insurance or exceeds our Company's insurance coverage or where its insurance claims are rejected, the loss would have to be borne by our Company and its results of operations, cash flows and financial condition may be adversely affected.

Details of our total insurance coverage *vis-à-vis* our net assets as on March 31, 2024, March 31, 2023, and March 31, 2022 is set out below:

(*in ₹ million, unless specified otherwise*)

Particulars	As on September 30, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Insurance coverage* (A)	848.23	500.31	309.93	303.22
Net tangible assets** as per Restated Consolidated Financial Information (B)	70.00	71.43	73.53	66.53
Total tangible Assets***	2,570.94	2,667.68	1,744.43	1,626.60
Insurance coverage times the net tangible assets (A/B)	12.12	7.00	4.22	4.56

* *Insurance coverage = Total insurance coverage amount by considering insurance policies of property, equipment, vehicles, stock, erection and all risk insurance / Net tangible assets (balance of net block of property, plant and equipment (excluding land value) + inventories)*
** *Net tangible assets = Net block of tangible fixed assets*
*** *Total tangible assets = Total assets of the Company excluding intangible assets and deferred tax assets.*

37. ***If we are subject to any frauds, theft, or embezzlement by our employees, vendors suppliers, it could adversely affect our reputation, results of operations, financial condition and cash flows.***

Our operations may be subject to incidents of theft. We may also encounter some inventory loss on account of employees, vendors, suppliers' fraud, theft, or embezzlement. We have set up various security measures in our manufacturing facility such as deployment of security guards and regular inventory checks. While there has not been any instance of fraud, misconduct, misrepresentation by our employees in the last 3 financial years and the 6 months ended September 30, 2024, there can be no assurance that we will not experience any fraud, theft, employee negligence, loss in transit or similar incidents in the future, which could adversely affect our reputation, results of operations, financial condition, and cash flows.

38. ***We have availed on lease, the use of certain properties, including our registered and corporate office from which we operate our business. There can be no assurance that the lease agreements will be renewed upon termination or that we will be able to obtain other premises on lease on the same or similar commercial terms.***

We do not own the premises on which our registered office and corporate office and our manufacturing unit and the manufacturing facility for DEF and our other branch offices are situated. We operate on these premises pursuant to a 99 year lease with the GIDC. For further details of our premises, see '*Our Business - Property*' on page 216.

While our lease agreement is valid for a period of 99 years (from October 22, 1973), it is subject to certain conditions and we cannot assure you that we will have the right to occupy, these premises in the future, or that we will be able to continue with the uninterrupted use of these premises. Failure to adhere to the conditions of the lease could require us to relocate our operations, which may impair our operations and adversely affect our financial condition. Further, identification of a new location to house our operations and relocating our business to new premises may place significant demands on our senior management and other resources and also involve us incurring significant expenditure. Any inability on our part to timely identify a suitable location for a relocated office could have an adverse impact on our business.

39. ***Our failure to identify and understand evolving industry trends and preferences and to develop new solutions to meet our customers' requirements may materially adversely affect our business and results of operations.***

Changes in preferences of customers, regulatory or industry requirements or in competitive technologies may render some of our solutions obsolete or less attractive. Our ability to anticipate changes in industry trends and to successfully introduce new and enhanced solutions in a timely manner is a significant factor in our ability to remain competitive. However, there can be no assurance that we will be able to secure the necessary knowledge or ability that will enable us to develop our solutions to meet the industry trends. If we are unable to obtain such knowledge or ability in a timely manner, or at all, we may be unable to effectively implement our strategies, and our business and results of operations may be adversely affected. Moreover, we cannot assure you that we will be able to achieve such knowledge or skill that may be necessary for us to remain competitive or that some of our solutions will not become obsolete.

40. ***Regulatory, legislative or self-regulatory developments regarding privacy and data security matters could adversely affect our ability to conduct our business and impact our financial condition.***

Several domestic and international laws and regulations address privacy and the collection, storing, sharing, use, disclosure, and protection of certain types of data. These laws, rules, and regulations evolve frequently, and their scope may continually change, through new legislation, amendments to existing legislation, and changes in enforcement. Changes in laws or regulations relating to privacy, data protection, and information security, particularly any new or modified laws or regulations, or changes to the interpretation or enforcement of such laws or regulations, that require enhanced protection of certain types of data or new obligations with regard to data retention, transfer, or disclosure, could increase our operating expenses and have an adverse impact on our financial condition.

As part of our Company's operations, it is required to comply with the Information Technology Act, 2000 and the rules thereof, which provide for civil and criminal liability including compensation, fines, and imprisonment for various offences. These include offences relating to unauthorized access to computer systems, damaging such systems or modifying their contents without authorization, unauthorized disclosure of confidential information and commission of fraudulent acts through computers. In April 2011, the Ministry of Electronics and Information Technology notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (IT Personal Data Protection Rules) under Section 43A of the Information Technology Act, 2000 and again in February 2021 notified the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 (Intermediary Guidelines) under Section 87 of the Information Technology Act, 2000. The IT Personal Data Protection Rules prescribe directions for the collection, disclosure, transfer, and protection of sensitive personal data. The Digital Personal Data Protection Act, 2023 requires companies that collect and deal with high volumes of personal data to fulfil certain additional obligations such as appointment of a data protection officer for grievance redressal. Our Company may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Our Company's failure to adhere to or successfully protect the privacy of our customers could result in legal liability or impairment to our reputation, which could have a material adverse effect on our business, financial condition and results of operations.

41. ***Failure to keep our technical knowledge confidential could erode our competitive advantage.***

Our technical knowledge has helped us in customising, synthesising and developing our products and solutions. Such technical knowledge has been built up through our own experiences and through our research. Our technical knowledge is a significant independent asset, which may not be adequately protected by intellectual property rights. Some of our technical knowledge is protected only by secrecy. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run.

Certain proprietary knowledge may get leaked, either inadvertently or wilfully, at various stages of the development process. A significant number of our employees have access to confidential information and there can be no assurance that this information will remain confidential. Moreover, certain of our employees may leave us and join our various competitors. Although we have non-disclosure provision included in the appointment letters of employees, there can be no assurance that we will be able to successfully enforce such provisions. Further, even if we are able to enforce such non-disclosure provisions, the confidential information in respect of our solution offerings or business that becomes available to third parties or to the general public, could erode any competitive advantage we may have over our peers. Consequently, any leakage of confidential technical information could have an adverse effect on our business, results of operations, financial condition and future prospects.

Further, in our ordinary course of business we possess confidential information in relation to our customers and are contractually bound to protect such information from misappropriation. If such confidential information pertaining to our customers is leaked or misappropriated our customers could, in addition to terminating their relationship with our Company, also have significant claims against us. If we are held to be liable for the misappropriation of confidential information or the intellectual property of our customers against us, it could have a material adverse effect on our business, financial condition and results of operations. Even if such assertions against us are unsuccessful, they may cause reputational harm and may cause us to incur substantial cost.

42. ***We have contingent liabilities and capital commitments outstanding and if these fully materialise and it could adversely affect our business, results of operations and financial condition.***

The table below sets forth the details of our contingent liabilities and capital commitments as on September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022:

(in ₹ million)

Particulars	As on September 30, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Contingent liabilities				
(i) Claims against the Group not acknowledge as debts (on account of outstanding law suits)	-	-	-	-
No provision has been made for following demands raised by the authorities since the Group has reason to believe that the above demands are not tenable and are highly likely to be retained.				
(i) Disputed Outstanding Income Tax Demand	3.26	3.26	-	-
(ii) Disputed Outstanding Tax Deducted at Source	1.99	1.99	1.99	1.99
(iii) Disputed Sales Tax / Value Added Tax (VAT) / Goods and Service Tax (GST) Liability	21.19	19.04	29.92	29.92
Total	**26.44**	**24.29**	**31.91**	**31.91**
Capital Commitments				
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for				
Intangible under development	-	-	2.58	3.13
Tangible assets	-	0.28	-	-

Notes:

(i) Amount as per demand orders including interest and penalty, wherever indicated in the order.

(ii) The Group is of the firm belief that the above demands are not tenable.

If these contingent liabilities were to fully materialize or materialize at a level higher than we expect, it may materially and adversely impact our business, results of operations and financial condition. For further details, see '*Restated Financial Information - Note no. 39 - Contingent liabilities and Capital Commitments*' on page 295. Further, we cannot assure you that we will not incur similar or increased levels of contingent liabilities in the future.

43. ***Our DEF manufacturing operations are dependent on machinery for our operations. Any break-down of our machinery will have a significant impact on our business, financial results and growth prospects. Our success and financial condition will depend on our ability to maximise our capacity utilisation.***

Our DEF manufacturing operations carried out by our Subsidiary, are dependent on our machinery for our operations and some of the key machinery include DEF Plant, Water Treatment Plant, Programmable Logic Controller, Conductivity meter, and Turbine Flow Meter etc. Our product output is dependent on the efficient utilisation of our machinery. Any significant malfunction or breakdown of our machinery may entail repair and maintenance costs and cause delays in our operations. During the last 3 Fiscals and in the 6 months ended September 30, 2024, there have been no instances of break-down of machinery which had a material impact on the business operations of our Company. Further, while we believe that we maintain necessary supplies of spare parts and maintenance related equipment, if we are unable to procure the necessary spare parts in a timely manner or if we are unable to carry out the necessary repair of the malfunctioning machinery promptly, our manufacturing operations may be hampered which could have an adverse impact on our results of operations and financial condition. In addition, any malfunction or break-down of machinery which significantly impacts our manufacturing process could also have an adverse impact on our ability to meet our product delivery schedules which could also invite penalties / damages and affect our reputation.

44. ***We will not receive any proceeds from the Offer for Sale. The Selling Shareholders will receive the net proceeds from the Offer for Sale.***

The Offer consists of a Fresh Issue and an Offer for Sale. The Offer for Sale comprises upto 1,527,500 Equity Shares aggregating to [●]% of the total Offer size. The Selling Shareholders will be entitled to the Net Proceeds from the Offer for Sale, which comprises proceeds from the Offer for Sale net of Offer

Expenses shared by the Selling Shareholders, and we will not receive any proceeds from the Offer for Sale.

45. ***We have dues which are outstanding to our creditors. Any failure in payment of these dues may have a material adverse effect on our reputation, business and financial condition.***

As of September 30, 2024, our Company had 241 creditors and the aggregate amount due by us to these creditors was ₹ 408.57 million, as detailed below:

Types of Creditors	Number of Creditors as on September 30, 2024	Amount (in ₹ million)
Micro, Small and Medium Enterprises*	73	56.51
Other creditors	168	352.06
Total	**241**	**408.57**

**As defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended.*

In terms of our Materiality Policy, the list of creditors 'material' to whom the amount due is in excess of 5% of the total outstanding dues (that is, trade payables) of the Company as on September 30, 2024 is set out below:

Particulars	Number of Creditors	Amount involved (in ₹ million)
Material Creditors	3	160.51

Any failure to make payments to our creditors in a timely manner in accordance with the terms and conditions of the agreements or purchase orders with them, or at all, may lead to our creditors not providing us with materials in future or to disassociate their relationship with us. In addition, delay or failure in payment of dues to our creditors may also result in creditors initiating legal proceedings against us. All these factors may have a material adverse effect on our reputation, business and financial condition.

46. ***Our Company has not paid dividends in the last 3 Fiscals and up to the date of this Draft Red Herring Prospectus. Further, there cannot be any assurance that our Company will be in a position to pay dividends in the future.***

Our Company has not declared dividends during the period from April 1, 2024 till the date of this Draft Red Herring Prospectus, and during Fiscal 2024, Fiscal 2023 and Fiscal 2022. Further, our Company's ability to pay dividends in the future will depend upon a variety of factors, including our profitability, general financial conditions, capital requirements, results of operations, contractual obligations, financing arrangements and overall financial position, applicable Indian legal restrictions, our Company's Articles of Association, and other factors considered relevant by the Board of Directors of our Company. Further, our Promoters and Promoter Group will continue to hold a substantial portion of our post-Offer paid-up Equity Share capital and may have a significant ability to control the payment and/or the rate of dividends. Therefore, our Company cannot assure you that it will be able to declare dividends, of any particular amount or with any frequency in the future. For further details, see the '*Dividend Policy*' at page 257.

47. ***The objects of the Offer for which funds are being raised have not been appraised by any bank or financial institution and are based on management estimates.***

Our funding requirements and proposed deployment of Net Proceeds as set out in the section '*Objects of the Offer*' at page 114 are based on management estimates and have not been appraised by any bank or financial institution. Our funding requirements are based on our current business plan and may vary based on various factors including macro-economic and other changes. In view of the dynamic nature of the industry in which we operate, we may have to revise our business plan from time to time and, consequently, the funding requirement and the utilization of proceeds from the Offer may also change. This may also include rescheduling the proposed utilization of the Offer Proceeds at the discretion of our management without obtaining Shareholders' approval. We may make necessary changes to utilisation of the Offer Proceeds in compliance with the provisions of the Companies Act. In the event of any variation in actual utilization of the Offer Proceeds, any increased fund deployment for a particular activity may be met from funds earmarked from any other activity and, or, from our internal accruals.

Further, any such revision in the estimates may require us to revise our projected expenditure which may have a bearing on our profitability.

48. ***Any variation in the utilisation of proceeds from the Fresh Issue shall be subject to applicable law.***

The funding requirements and the deployment of the proceeds from the Fresh Issue are based on the current business plan, current conditions, internal management estimates and strategy of our Company, which may be subject to changes. Accordingly, prospective investors in the Offer will need to rely upon our management's judgment with respect to the use of Net Proceeds. Various risks and uncertainties, such as economic trends and business requirements, competitive landscape, as well as general factors affecting our results of operations, financial condition and access to capital, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. Thus, the use of the Net Proceeds for the purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of our business and your investment.

Further, in accordance with Sections 13(8) and 27 of the Companies Act 2013, we cannot undertake any variation in the utilisation of the Net Proceeds without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations. However, we will have flexibility in utilizing the balance Net Proceeds, if any, for general corporate purposes, subject to such utilisation not exceeding 25% of the Gross Proceeds from the Fresh Issue in accordance with Regulation 7(2) of the SEBI ICDR Regulations.

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

Thus, we may not be able to utilise the proceeds from the Fresh Issue in this Offer in the manner set out in this Draft Red Herring Prospectus in a timely manner or at all. As a consequence of any increased expenditure, the actual deployment of funds may be higher than estimated. There is no assurance that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment

49. ***This Draft Red Herring Prospectus contains information from an industry report prepared by CARE which we have commissioned and paid for.***

This Draft Red Herring Prospectus includes industry related information that is derived from the CARE Report, prepared by CARE, a research house, pursuant to an engagement with our Company through an engagement letter dated April 1, 2024. CARE has advised that while it has taken due care and caution in preparing the commissioned report, which is based on information obtained from sources that it considers reliable (**Information**), it does not guarantee the accuracy, adequacy or completeness of the Information and disclaims responsibility for any errors or omissions in the Information or for the results obtained from the use of the Information. The CARE Report also highlights certain industry and market data, which may be subject to estimates and, or, assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. Further, such estimates and, or, assumptions may change based on various factors. We cannot assure you that CARE's estimates and, or, assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Red Herring Prospectus. Additionally, some of the data and information in the CARE Report are also based on discussions / conversations with industry sources. Industry sources and publications are also prepared based on information as of specific dates and may not 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. Further, the CARE Report is not a recommendation to invest or disinvest in our Company. CARE has disclaimed all financial liability in case of any loss suffered on account of reliance on any information contained in the CARE Report.

50. ***A minor portion of our trade receivables and other receivables and trade payables are denominated in foreign currency. Adverse foreign currency exchange rate fluctuations could adversely impact our business, results of operation and financial condition.***

A minor portion of our trade receivables and other receivables and trade payables are denominated in foreign currency and we face foreign exchange rate risk to the extent of such receivables and payables that are denominated in a currency other than the Indian Rupee.

Set out below are our trade and other receivables in foreign currency and their equivalent in Indian Rupees:

Currency	As at September, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
USD (in millions)	0.21	0.16	0.22	0.19
Equivalent INR (in million)	17.12	13.36	18.27	14.05

Set out below are our trade and other payables in foreign currency and their equivalent in Indian Rupees:

Currency	Trade Payables			
	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
USD (in million)	0.05	0.09	0.00	0.08
Equivalent INR (in million)	4.28	7.66	0.32	5.88
EUR (in million)	-	0.02	0.03	0.01
Equivalent INR (in million)	-	1.60	2.51	1.05
AUD (in million)	-	-	0.02	0.03
Equivalent INR (in million)	-	-	1.32	1.86

Consequently, the depreciation of the Indian Rupee against the U.S. Dollar and other foreign currencies may affect our results of operations by increasing the cost of operating expenses and financing any debt denominated in foreign currency that we may enter into. For instance, the Indian Rupee has been steadily depreciating against the USD and has between April 1, 2021 and March 31, 2024, depreciated by 13.43%. Any adverse fluctuations of the Indian Rupee vis-à-vis foreign currency to which we have an exposure cannot be accurately predicted and our attempts to mitigate the adverse effects of exchange rate fluctuations may not be successful, which may adversely affect our business, results of operations and financial condition.

Any adverse fluctuations of the Indian Rupee *vis-à-vis* foreign currency to which we have an exposure cannot be accurately predicted and our attempts to mitigate the adverse effects of exchange rate fluctuations may not be successful, which may adversely affect our business, results of operations and financial condition.

51. ***Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as EBITDA, EBITDA margin, return on capital employed, PAT margin and return on equity have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.***

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance including EBITDA, EBITDA margin, return on capital employed, PAT margin and return on equity have been included in this Draft Red Herring Prospectus. These non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. These non-GAAP financial measures and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

52. ***There are certain risks pertaining to the industry in which we operate. If these risks materialise it could adversely affect our business, and financial condition.***

Our business is primarily focused on Industrial Automation Solutions (**IA Solutions**) and we specialize in setting up completely automated metering systems in oil and gas terminals and upgrading existing manually operated oil and gas terminals. (*Source: CARE Report*). The CARE Report identifies certain specific risks pertaining to the industry in which we operate –specifically, the CARE Report identifies technological changes, counterfeit products and piracy software and hardware components, high cost in implementing automation solutions, dependency on global supply chain, requirement for effective and readily accessible diesel exhaust fluid to meet emission regulations, highly controlled beverage market and India's dependency on LNG imports due to limited gas production. These are factors that are beyond our Company's control and we cannot assure you that our business and financial condition will not be adversely affected if these risks materialise.

External Risk Factors

53. ***The Equity Shares have never been publicly traded, and the Offer may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price.***

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, there will be liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares may bear no relationship to the market price of the Equity Shares after the Offer. The market price of the Equity Shares after the Offer can be volatile as a result of several factors beyond our control, including volatility in the Indian and global securities markets, our results of operations, the performance of our competitors, developments in the Indian and global machine tools industry, changing perceptions in the market about investments in this sector in India, investor perceptions of our future performance, adverse media reports about us or our sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalisation and deregulation policies, and significant developments in India's fiscal regulations. In addition, the Stock Exchanges may experience significant price and volume fluctuations, which may have a material adverse effect on the market price of the Equity Shares. General or industry specific market conditions or stock performance or domestic or international macroeconomic and geopolitical factors unrelated to our performance may also affect the price of the Equity Shares. In particular, the stock market as a whole in the past has experienced extreme price and volume fluctuations that have affected the market price of many companies in ways that may have been unrelated to the companies' operating performances. For these reasons, investors should not rely on recent trends to predict future share prices, results of operations or cash flow and financial condition.

54. ***The requirements of being a publicly listed company may strain our resources.***

We are not a publicly listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations, which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and, or, we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies. Further, as a publicly listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition.

55. ***Any further issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding.***

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. We cannot assure you that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge, or encumber their Equity Shares in the future.

56. ***Sale of Equity Shares by our Promoters in future may adversely affect the market price of the Equity Shares.***

After the completion of the Offer, our Promoters will still own a significant percentage of our issued Equity Shares. Sale of a large number of the Equity Shares by our Promoters could adversely affect the market price of the Equity Shares. Similarly, the perception that any such primary or secondary sale may occur, could adversely affect the market price of the Equity Shares. No assurance may be given that our Promoters will not dispose of, pledge, or encumber their Equity Shares in the future.

57. ***There are restrictions on daily movements in the trading price of the Equity Shares, which may adversely affect a shareholder's ability to sell Equity Shares or the price at which Equity Shares can be sold at a particular point in time.***

Following the Offer, our listed Equity Shares will be subject to a daily "circuit breaker" imposed on listed companies by the Stock Exchanges, which does not allow transactions beyond certain volatility in the trading price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian Stock Exchanges. The percentage limit on the Equity Shares' circuit breaker will be set by the Stock Exchanges based on historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges are not required to inform our Company of the percentage limit of the circuit breaker, and they may change the limit without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the trading price of the Equity Shares beyond the circuit breaker limit set by the Stock Exchanges. As a result of this circuit breaker, we cannot give you any assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

58. ***The determination of the Price Band and Offer Price is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer. Further, the current market price of some securities listed pursuant to certain previous issues managed by the BRLMs is below the respective issue price.***

The determination of the Price Band is based on various factors and assumptions and will be determined by our Company in consultation with the BRLMs. Furthermore, the Offer Price of the Equity Shares will be determined by our Company in consultation with the BRLMs through the Book Building Process. These will be based on numerous factors, including factors as described under '*Basis for the Offer Price*' on page 129 and may not be indicative of the market price for the Equity Shares after the Offer. In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLMs is below their respective issue price. For further details, see '*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the BRLMs*' on page 373. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, our financial performance and results post-listing, and other factors beyond our control. We cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

59. ***There is no guarantee that our Equity Shares will be listed on the BSE and the NSE in a timely manner or at all.***

There is no guarantee that our Equity Shares will be listed on the BSE and the NSE in a timely manner or at all. In accordance with Indian law, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer. In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the BSE and the NSE within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

60. ***You may not be able to immediately sell any of the Equity Shares you subscribe to in this Offer on an Indian Stock Exchange.***

The Equity Shares are proposed to be listed on the Stock Exchanges. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and commence trading, including the crediting of the investor's demat accounts within the timeline specified under applicable law. Further, in accordance with Indian law, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer. The Allotment of Equity Shares in the Offer and the credit of Equity Shares to the investor's demat account with the relevant depository participant and listing is expected to be completed within the period as may be prescribed under applicable law. Any failure or delay in obtaining the approvals or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the prescribed time periods or at all, which could restrict your ability to dispose of the Equity Shares.

61. ***A slowdown in economic growth in India could adversely affect our business.***

The structure of the Indian economy has undergone considerable changes in the last decade. These include increasing importance of external trade and of external capital flows. Any slowdown in the growth of the Indian economy or information and technology sector or any future volatility in global process could adversely affect our business, financial condition and results of operations. India's economy could be adversely affected by a general rise in interest rates, fluctuations in currency exchange rates, adverse conditions affecting commodity and electricity prices or various other factors. Further, conditions outside India, such as slowdowns in the economic growth of other countries, could have an impact on the growth of the Indian economy and government policy may change in response to such conditions. The Indian economy and financial markets are also significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States, France, Europe or China or Asian emerging market countries, may have an 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 of investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets, and could have an adverse effect on our business, financial condition and results of operations and the price of the Equity Shares.

62. ***Increasing employee compensation in India may erode some of our competitive advantage and may reduce our profit margins, which may have a material adverse effect on our business, financial condition, cash flows and results of operations.***

Employee compensation in India has historically been significantly lower than employee compensation in the United States and Western Europe for comparably skilled professionals. However, compensation increases in India may erode some of this competitive advantage and may negatively affect our profit margins. Employee compensation in India is increasing at a faster rate than in the United States and

Western Europe, which could result in increased costs relating to managers and other mid-level professionals. We may need to continue to increase the levels of our employee compensation to remain competitive and manage attrition. Compensation increases may have an adverse effect on our business, financial condition, cash flows and results of operations.

63. ***Adverse geopolitical conditions such as an increased tension between India and its neighbouring countries, Russia-Ukraine conflict, could adversely affect our business, results of operations and financial condition.***

Adverse geopolitical conditions such as increased tensions between India and its neighbouring countries, resulting in any military conflict in the region could adversely affect our business and operations. Such events may lead to countries including the Government of India imposing restrictions on the import or export of our products, among others. We could also be affected by the introduction of or increase in the levy of import tariffs in India, or in the countries to which we export our products to, or changes in trade agreements between countries. For instance, the government of India has imposed additional tariffs in the nature of countervailing duty and anti-dumping duty on a number of items imported from China. Any such measure which affects our supply of solutions offering or reciprocal duties imposed on Indian services by China or other countries may adversely affect our results of operations and financial condition. Further, prolonged Russia-Ukraine conflict that is currently impacting, *inter alia*, global trade, prices of oil and gas and could have an inflationary impact on the Indian economy.

64. ***Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

While we are incorporated in India, and our operations are based in India, we cater to a number of overseas customers. As a result, we are highly dependent on prevailing economic conditions in India and other economies, and our results of operations and cash flows are significantly affected by factors influencing the Indian and global economies. Factors that may adversely affect the economy, and hence our results of operations and cash flows, may include:

a. high rates of inflation in India and in countries where our customers are based could increase our costs without proportionately increasing our revenue, and as such decrease our operating margins;

b. any slowdown in economic growth or financial instability in India and in countries our customers are based;

c. any slowdown in economic growth or financial instability in India and in countries our customers are based;

d. any scarcity of credit or other financing, resulting in an adverse impact on economic conditions and scarcity of financing for our expansions;

e. prevailing income conditions among customers and corporates;

f. volatility in, and actual or perceived trends in trading activity on, the relevant market’s principal stock exchanges;

g. changes in existing laws and regulations in India and in countries where our customers are based;

h. political instability, terrorism or military conflict in the region or globally, including in various neighbouring countries;

i. occurrence of natural or man-made disasters;

j. any downgrading of debt rating of India by a domestic or international rating agency; and

k. instability in financial markets.

65. ***Governmental actions and changes in policy could adversely affect our business.***

The Government of India and the State Governments in India have broad powers to affect the Indian economy and our business in numerous ways. Additionally, we operate our business in several countries and any change in policies in such countries may affect our business. Any change in the existing policies of Government of India and, or, State Government, or foreign government policies, or new policies affecting the economy of India or any foreign country, where we operate our business, could adversely affect our business operations. Moreover, we also cannot assure you that the Central Government or State Governments in India, or foreign government in countries where we operate will not implement new regulations and policies which will require us to obtain additional approvals and licenses from the Government and other regulatory bodies or impose onerous requirements and conditions on our operations. We cannot predict the terms of any new policy, and we cannot assure you that such policy will not be onerous. Such new policy may also adversely affect our business, cash flows, financial condition and prospects.

66. ***We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business.***

The Competition Act, 2002, of India, as amended (**Competition Act**) regulates practices having an appreciable adverse effect on competition (**AAEC**) in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and results in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, shares the market by way of geographical area or number of guests in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC in the relevant market in India and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Government issued and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (CCI). Additionally, on May 11, 2011, the CCI issued Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India. The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We are currently not a party to an outstanding proceeding, nor have we received any notice in relation to non-compliance with the Competition Act and the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations and prospects.

67. ***A downgrade in ratings of India, may affect the trading price of the Equity Shares.***

Our Company's borrowing costs and our Company's access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating is Baa3 with a 'stable' outlook (Moody's), BBB– with a 'stable' outlook (S&P) and BBB- with a 'negative' outlook (Fitch). Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our Company's ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our Company's ability to fund our Company's growth on favourable terms or at all, and consequently adversely affect our Company's business and financial performance and the price of our Equity Shares.

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

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years, and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

69. ***Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the Restated Consolidated Financial Information prepared and presented in accordance with SEBI ICDR Regulations contained in this Draft Red Herring Prospectus***

We have not attempted to quantify the impact of U.S. GAAP or any other system of accounting principles on the financial data, prepared and presented in accordance with Ind AS for Fiscal 2024, Fiscal 2023, and Fiscal 2022 included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or any other accounting principles. U.S. GAAP differs in significant respects from Ind AS. Accordingly, the degree to which the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS and SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Prospectus should accordingly be limited. Additionally, Ind AS differs in certain respects from IFRS and therefore financial statements prepared under Ind AS may be substantially different from financial statements prepared under IFRS.

70. ***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.

71. ***Financial difficulty and other problems in certain financial institutions in India could have a material adverse effect on our business, results of operations, future cash flows and financial condition.***

Indian financial system may be affected by financial difficulties faced by all or some of the Indian financial institutions whose commercial soundness may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is sometimes referred to as 'systemic risk', may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and adversely affect our business.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. The Income Tax Act levies taxes on such long-term capital gains exceeding ₹ 0.1 million arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018, on such equity shares subject to specific conditions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of a securities transaction tax (**STT**), on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realized on the sale of Equity Shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempted from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

73. ***Investors may have difficulty enforcing foreign judgments against us or our management.***

We are incorporated under the laws of India and all our Directors and Key Managerial Personnel reside in India. A majority of our assets, and the assets of our Directors and officers, are also located in India. Where investors wish to enforce foreign judgments in India, they may face difficulties in enforcing such judgments. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India exercises reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions. In order to be enforceable, a judgment obtained in a jurisdiction which India recognises as a reciprocating territory must meet certain requirements of the Code of Civil Procedure, 1908, of India (Civil Code). Further, the Civil Code only permits enforcement of monetary decrees not being in the nature of any amounts payable in respect of taxes or, other charges of a like nature or in respect of a fine or other penalty and does not provide for the enforcement of arbitration awards. Judgments or decrees from jurisdictions not recognised as a reciprocating territory by India cannot be enforced or executed in India. Even if a party were to obtain a judgment in such a jurisdiction, it would be required to institute a fresh suit upon the judgment and would not be able to enforce such judgment by proceedings in execution. Further, the party which has obtained such judgment must institute the new proceedings within three years of obtaining the judgement. As a result, you may be unable to: (i) effect service of process outside of India upon us and such other persons or entities; or (ii) enforce in courts outside of India judgments obtained in such courts against us and such other persons or entities. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI to repatriate any amount recovered pursuant to the execution of such foreign judgment, and any such amount may be subject to income tax in accordance with applicable laws.

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

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. For instance, the economic downturn in the U.S. and several European countries during a part of Fiscals 2008 and 2009 adversely affected market prices in the global securities markets, including India. The collapse of the Silicon Valley Bank during Fiscal 2024 also caused economic downturn. In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. Further, negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity, and the price of the Equity Shares.

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

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. In addition, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all. For further details, see '*Restrictions on Foreign Ownership of Indian Securities*' on page 417. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT and the FEMA Rules, any investment, subscription, purchase or sale of equity instruments by entities, investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms, in a timely manner or at all.

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

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

77. ***If security or industry analysts do not publish research or publish unfavourable or inaccurate research about the business of our Company, the price and trading volume of the Equity Shares may decline.***

The trading market for the Equity Shares may depend, in part, on the research and reports that securities or industry analysts publish about us or our business. We may be unable to sustain coverage by established and, or, prominent securities and industry analysts. If either none or only a limited number of securities or industry analysts maintain coverage of our Company, or if these securities or industry analysts are not widely respected within the general investment community, the trading price for our Equity Shares would be negatively impacted. In the event we obtain securities or industry analyst coverage, if one or more of the analysts downgrade our Equity Shares or publish inaccurate or unfavourable research about our business, our Equity Shares price may decline. If one or more of these analysts cease coverage of our Company or fail to publish reports on us regularly, demand for our Equity Shares could decrease, which might cause the price and trading volume of our Equity Shares to decline.

78. ***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 offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in our Company may be reduced.

79. ***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.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While our Company is required to complete Allotment pursuant to the Offer within 3 Working Days from the Bid/Offer Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation 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 limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

80. ***A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.***

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the SEBI Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted.

81. ***The Offer Price, market capitalisation to total income multiple, market capitalisation to earnings multiple, price to earnings ratio and enterprise value to EBITDA ratio based on the Offer Price of our Company, may not be indicative of the market price of the Equity Shares on listing.***

Our total income, EBITDA, and profit for the period after non-controlling interests for Fiscal 2024 was ₹ 1,921.51 million, ₹ 235.53 million and ₹ 192.17 million, respectively. Our enterprise value to EBITDA ratio (based on EBITDA for Fiscal 2024) is [●]. Our market capitalisation to total income multiple, market capitalisation to earnings multiple, price to earnings ratio and enterprise value to EBITDA ratio based on the Offer Price of our Company are set out below:

Market capitalisation (based on the Offer Price) to total income (Fiscal 2024) multiple	[●] times
Market capitalisation (based on the Offer Price) to earnings (Fiscal 2024) multiple	[●] times
Price earnings ratio (based on EBITDA for Fiscal 2024) at the upper end of the Price Band	[●]
Price to earnings ratio (based on profit after tax for Fiscal 2024) at the upper end of the Price Band	[●]

The Offer Price will be determined by our Company in consultation with BRLMs based on various factors and assumptions. Furthermore, the Offer Price of the Equity Shares will be determined by our Company in consultation with the BRLMs through the Book Building Process, and will be based on numerous factors, including factors as described under '*Basis for the Offer Price*' beginning on page 129 and may not be indicative of the market price for the Equity Shares after the Offer. Accordingly, the Offer Price, multiples and ratio may not be indicative of the market price of the Equity Shares on listing or thereafter. The factors that could affect the market price of the Equity Shares include, among other, broad market trends, our financial performance and results post-listing, and other factors beyond our Company's control. Our Company cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

82. ***Our Company may be subject to pre-emptive surveillance measures like Additional Surveillance Measure (ASM) and Graded Surveillance Measures (GSM) by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors, once the Equity Shares of our Company are listed.***

The Equity Shares of our Company may be subject to general market conditions which may include significant price and volume fluctuations, once the Equity Shares of our Company are listed. The price of the Equity Shares may fluctuate after the Offer due to several factors such as volatility in the Indian and global securities market, our performance and profitability, or any other political or economic factor. The occurrence of these factors may lead to the surveillance measures stipulated by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework being triggered in relation to the Equity Shares. If the Equity Shares are covered under such surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in relation to trading of the Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of the Equity Shares or may in general cause disruptions in the development of an active trading market for the Equity Shares

SECTION III: INTRODUCTION

THE OFFER

The following table summarizes details of the Offer and should be read in conjunction with, and is qualified in its entirety by, more detailed information in the section '*Terms of the Offer*' on page 386:

Offer of Equity Shares(1)	Up to [●] Equity Shares of face value of ₹ 10 each, aggregating up to ₹ [●] million
which includes:	
Fresh Issue(1)	Up to [●] Equity Shares of face value of ₹ 10 each, aggregating up to ₹ 1,150.00 million
Offer for Sale(2)	Up to 1,527,500 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million
The Offer comprises of:	
A) QIB Portion(3)(4)	Not more than [●] Equity Shares of face value of ₹ 10 each
of which:	
(i) **Anchor Investor Portion**(3)	Up to [●] Equity Shares of face value of ₹ 10 each
(ii) **Net QIB Portion available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)**	Up to [●] Equity Shares of face value of ₹ 10 each
of which:	
(a) **vailable for allocation to Mutual Funds only (5% of the Net QIB Portion)**	[●] Equity Shares of face value of ₹ 10 each
(b) **alance for all QIBs including Mutual Funds**	[●] Equity Shares of face value of ₹ 10 each
B) Non-Institutional Portion(5)	Not less than [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million
of which:	
(i) **One-third of the Non-Institutional Portion reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million**	[●] Equity Shares of face value of ₹ 10 each
(ii) **Two-third of the Non-Institutional Portion reserved for applicants with an application size of more than ₹ 1.00 million**	[●] Equity Shares of face value of ₹ 10 each
C) Retail Portion (4)	Not less than Equity Shares of face value of ₹ 10 each
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as at the date of this Draft Red Herring Prospectus)	19,228,068 Equity Shares of face value of ₹ 10 each
Equity Shares outstanding after the Offer	[●] Equity Shares of face value of ₹ 10 each
Use of Net Proceeds	See '*Objects of the Offer*' on page 114 for information on the use of Net Proceeds arising from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

(1) *The Offer has been authorised by our Board pursuant to the resolution passed at its meeting dated November 14, 2024 and the Fresh Issue has been authorised by our Shareholders pursuant to a special resolution passed at their meeting dated November 26, 2024. Further, our Board has taken on record the approval for the Offer for Sale by the Promoter Selling Shareholders pursuant to the resolution passed at its meeting dated November 14, 2024.*

(2) *Each Promoter Selling Shareholder severally and not jointly confirm that the Equity Shares being offered by the Promoter Selling Shareholders are eligible for being offered for sale pursuant to the Offer in terms of Regulation 8 of the SEBI ICDR Regulations. Each Promoter Selling Shareholder has, severally and not jointly, consented for the sale of their respective portion of the Offered Shares in the Offer for Sale. The Promoter Selling Shareholders has confirmed and authorized its participation in the Offer for Sale as set out below:*

Promoter Selling Shareholders	***Number of Offered Shares***	***Date of consent letter***
Mukesh R Kapadia	*Up to 763,750 Equity Shares of face value of ₹ 10 each*	*November 13, 2024*
Umed Amarchand Fifadra	*Up to 763,750 Equity Shares of face value of ₹ 10 each*	*November 13, 2024*

(3) *Our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see 'Offer Procedure' on page 396.*

(4) *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable law. Undersubscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. In the event of under-subscription in the Offer, Allotment of valid Bids will be made in the first instance towards subscription of 90% of the Fresh Issue (**Minimum Subscription**), provided that post satisfaction of the Minimum Subscription, subject to receipt of any remaining valid Bids, Equity Shares will be Allotted (a) in priority towards the balance Fresh Issue; and (b) in respect of the Offered Shares pursuant to the Offer for Sale on a pro-rata basis in a manner proportionate to the respective portion of the Offered Shares of each Promoter Selling Shareholder. For further details, see 'Offer Procedure' on page 396.*

(5) *Not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors of which (i) one-third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1 million; and (ii) two third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹ 1 million provided that under-subscription in either of these two sub-categories of Non-Institutional Category specified in (i) and (ii), may be allocated to Bidders in the other sub-category of Non-Institutional Portion. The allocation to each Non-Institutional Investor shall not be less than the minimum Non-Institutional Portion and the remaining available equity shares, if any, shall be allocated on a proportioned basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.*

Allocation to Bidders in all categories except the Anchor Investor Portion, Non-Institutional Portion and the Retail Portion, if any, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each of the RIBs shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis in accordance with the SEBI ICDR Regulations. For further details, see *'Offer Procedure'* on page 396.

For further details, including in relation to grounds for rejection of Bids, see '*Offer Structure*' and *'Offer Procedure*' on pages 392 and 396, respectively. For further details of the terms of the Offer, see '*Terms of the Offer'* on page 386.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from our Restated Consolidated Financial Information as at and for the six months period ended September 30, 2024 and for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022. The information presented below may differ in certain significant respects from financial statements prepared in accordance with generally accepted accounting principles in other countries, including IFRS. For details, see 'Risk Factor - Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as EBITDA, EBITDA margin, return on capital employed, PAT margin and return on equity have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable' on page 59. The summary financial information presented below should be read in conjunction with 'Restated Consolidated Financial Information', and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on pages 258 and 330, respectively.

(Remainder of this page has been intentionally left blank)

RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(In ₹ million)

Sr No.	Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	ASSETS				
(1)	**Non-current assets**				
	(a) Property, Plant and Equipment	70.00	71.43	73.53	66.53
	(b) Capital work-in-progress	-	-	0.13	9.41
	(c) Intangible Asset	6.78	7.60	1.20	0.65
	(d) Intangible Assets under development	-	-	4.45	3.97
	(e) Financial Assets				
	(i) Investments	-	-	-	-
	(ii) Other financial assets	236.01	124.61	104.00	86.56
	(iii) Loan	17.09	15.08	7.50	-
	(f) Deferred Tax Asset (Net)	24.90	28.35	29.30	25.11
	(g) Other non-current assets	53.12	58.48	63.41	60.95
	Total non-current asset	**407.90**	**305.55**	**283.52**	**253.18**
(2)	**Current assets**				
	(a) Inventories	271.97	287.34	123.28	95.36
	(b) Financial Assets				
	(i) Investments	365.27	577.06	106.50	149.13
	(ii) Trade receivables	1,207.22	1,177.14	1,043.89	1,027.29
	(iii) Cash and cash equivalents	38.33	103.55	26.59	30.12
	(iv) Bank balances other than cash and cash equivalents	65.20	1.84	15.35	48.23
	(v) Other financials assets	40.39	32.36	27.13	21.42
	(c) Current Tax Assets (Net)	4.18	3.54	0.67	-
	(d) Other current assets	202.16	215.25	152.45	31.59
	Total current asset	**2,194.72**	**2,398.08**	**1,495.86**	**1,403.14**
	Total Assets	**2,602.62**	**2,703.63**	**1,779.38**	**1,656.33**
	EQUITY AND LIABILITIES				
	Equity				
	(a) Equity Share capital	192.28	32.05	28.03	28.03

(In ₹ million)

Sr No.	Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	(b) Other Equity	1,789.74	1,838.97	1,243.18	1,113.04
	Equity attributable to the owners of the company	**1,982.02**	**1,871.02**	**1,271.21**	**1,141.07**
	(c) Non-Controlling Interest	(0.01)	(0.01)	(0.00)	(0.00)
	Total Equity	**1,982.01**	**1,871.01**	**1,271.21**	**1,141.07**
	LIABILITIES				
(1)	**Non-current liabilities**				
	(a) Provisions	66.37	65.39	50.96	38.69
	Total Non-current liabilities	**66.37**	**65.39**	**50.96**	**38.69**
(2)	**Current liabilities**				
	(a) Financial Liabilities				
	(i) Trade payables				
	-Total outstanding dues of Micro enterprises and small enterprises	56.51	81.32	52.33	48.99
	-Total outstanding dues other than Micro and small enterprises	352.06	522.12	254.47	321.46
	(ii) Other Financial Liabilities	-	-	1.45	3.09
	(b) Other current liabilities	75.96	95.28	71.50	23.58
	(c) Provisions	59.55	68.51	77.46	75.37
	(d) Current Tax Liabilities (Net)	10.16	-	-	4.08
	Total current liabilities	**554.24**	**767.23**	**457.21**	**476.57**
	Total Equity and Liabilities	**2,602.62**	**2,703.63**	**1,779.38**	**1,656.33**

RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(In ₹ million)

Sr No.	Particulars	For 6 months ended September 30, 2024	For financial year ended March 31, 2024	For financial year ended March 31, 2023	For financial year ended March 31, 2022
	INCOME				
	Revenue From Operations	1,058.43	1,882.32	1,404.23	1,356.01
	Other Income	30.17	39.19	18.51	55.54
(I)	**Total Income**	**1,088.60**	**1,921.51**	**1,422.74**	**1,411.55**
	EXPENSES				
	Cost of Raw material and Project related supplies	499.56	934.48	639.68	554.36
	Purchases of stock-in-trade	156.11	262.55	200.30	298.78
	Changes in inventories of stock-in-trade and work-in-progress	(7.69)	(30.64)	9.99	(15.52)
	Subcontracting and Other Project Expenses	106.92	200.94	134.70	106.75
	Employee benefits expense	104.44	196.44	151.43	129.32
	Finance costs	4.91	6.55	7.35	7.54
	Depreciation and amortization expense	3.63	5.84	4.38	3.50
	Other expenses	52.21	83.02	93.80	99.96
(II)	**Total expenses**	**920.09**	**1,659.18**	**1,241.63**	**1,184.69**
(III)	**Restated Profit / (Loss) before tax and share of profit/(Loss) of associates (I-II)**	**168.51**	**262.33**	**181.11**	**226.86**
(IV)	**Tax expense:**				
	(1) Current tax	42.90	68.25	51.82	66.82
	(2) Deferred tax	4.07	1.24	(3.67)	(6.06)
	(3) Income Tax adjustments for the earlier years	-	0.67	1.10	96.20
(V)	**Restated Profit / (Loss) before share of profit/(Loss) of associates (III-IV)**	**121.54**	**192.17**	**131.86**	**69.89**
	Share of Restated Profit / (Loss) of Associates	**-**	**-**	**(0.15)**	**-**
	Profit for the Period	**121.54**	**192.17**	**131.71**	**69.89**

(In ₹ million)

Sr No.	Particulars	For 6 months ended September 30, 2024	For financial year ended March 31, 2024	For financial year ended March 31, 2023	For financial year ended March 31, 2022
(VI)	**Other Comprehensive Income**				
	(i) Items that will not be reclassified to profit or loss				
	- Remeasurements of the defined benefit plans	(2.44)	(1.15)	(2.10)	(0.75)
	(ii) Income tax relating to items that will not be reclassified to profit or loss				
	- Remeasurements of the defined benefit plans	0.61	0.29	0.53	0.19
(VII)	**Restated Total Comprehensive Income for the period (Comprising Profit and Other Comprehensive Income for the period) (V+VI)**	**119.71**	**191.31**	**130.14**	**69.33**
(VIII)	**Net Profit attributable to:**				
	Owners of the company	121.54	192.17	131.71	69.89
	Non Controlling Interest	(0.00)	(0.01)	(0.00)	(0.00)
(IX)	**Restated Other Comprehensive Income attributable to:**				
	Owners of the company	(1.83)	(0.86)	(1.57)	(0.56)
	Non Controlling Interest	-	-	-	-
(X)	**Restated Total Comprehensive Income for the period**				
	Owners of the company	119.71	191.31	130.14	69.33
	Non Controlling Interest	(0.00)	(0.01)	(0.00)	(0.00)
	Restated Earnings per equity share having face value of ₹ 10 each				
	(1) Basic (in ₹)	6.32	10.20	7.00	3.71
	(2) Diluted (in ₹)	6.32	10.20	7.00	3.71

(Remainder of this page has been intentionally left blank)

RESTATED CONSOLIDATED STATEMENT OF CASH FLOW

(In ₹ million)

Particulars	For the 6 months ended September 30, 2024	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023	For the financial year ended March 31, 2022
Cash flow from operating activities:				
Profit before income tax	**168.51**	**262.33**	**181.11**	**226.86**
Adjustments for:				
Depreciation and amortisation expense	3.63	5.84	4.38	3.50
Loss/(Profit) on Sale of Investments (Net)	(16.81)	(5.70)	(6.32)	(4.38)
Fair value Loss/(Gain) arising on financial asset designated as at FVTPL	(6.67)	(5.29)	2.67	(2.86)
Share based payment transaction expenses	-	10.42	2.91	-
Liabilities no longer required written back	(0.25)	(17.29)	(4.78)	5.58
Interest Income	(5.71)	(8.04)	(6.30)	(19.96)
Interest Expense	4.91	6.55	7.35	7.54
Provision for doubtful debts	-	-	-	25.24
Allowance for doubtful debts (Expected Credit Loss Allowance)	2.32	0.75	2.71	2.04
Remeasurements of the defined benefit plans	(2.44)	(1.15)	(2.10)	(0.75)
Share of Profit / (Loss) of Associates			(0.15)	-
Dividend Income	-	-	-	(0.77)
Unrealised Foreign exchange gain loss	(0.17)	(0.03)	(0.81)	(0.11)
Operating cash profit before working capital changes	**147.31**	**248.38**	**180.68**	**241.92**
Change in working capital:				
(Increase)/Decrease in Trade receivables	(32.47)	(134.00)	(18.67)	(299.60)
(Increase)/Decrease in Inventories	15.37	(164.06)	(27.92)	(15.38)
(Increase)/Decrease in Other Financial Assets	(6.93)	(4.54)	(6.31)	(85.72)
(Increase)/Decrease in Other Non - Current Assets	5.36	4.93	(2.46)	95.52
(Increase)/Decrease in Other Current Assets	13.10	(62.80)	(121.51)	10.74
Increase/(Decrease) in Trade Payables	(194.88)	296.67	(63.65)	105.55
Increase/(Decrease) in Other Liabilities	(16.74)	34.66	62.51	5.70
Cash (used in) / generated from operations :	**(69.88)**	**219.24**	**2.65**	**58.73**
Income tax paid (net)	(43.54)	(71.79)	(56.99)	(149.70)
Net cash flow (used in) / generated from operating activities (A)	**(113.42)**	**147.46**	**(54.35)**	**(90.98)**

(In ₹ million)

Particulars	For the 6 months ended September 30, 2024	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023	For the financial year ended March 31, 2022
Cash flows from investing activities:				
Capital expenditure on property, plant and equipment (PPE) (Including Capital work in progress, capital advances and Right to use)	(1.38)	(5.55)	(3.13)	(21.96)
Loan to related parties	(2.01)	(7.58)	(7.50)	-
(Purchase)/Proceeds from sale of investments	235.27	(459.55)	46.28	46.67
Increase in Restricted Bank Balances other than Cash & Cash Equivalents	(174.31)	(6.58)	15.87	46.20
Dividend Received	-	-	-	0.77
Interest received	4.17	6.82	6.48	19.90
Increase / (Decrease) in Non controlling Interest	(0.00)	(0.01)	(0.00)	(0.00)
Net cash flow from / (used in) Investing activities (B)	**61.74**	**(472.44)**	**58.00**	**91.59**
Cash flow from financing activities:				
Proceeds from issue of Share capital (net of expenses)	(8.71)	408.50	-	-
Interest paid	(4.91)	(6.55)	(7.35)	(7.54)
Net cash flow from / (used in) Financing activities(C)	**(13.62)**	**401.95**	**(7.35)**	**(7.54)**
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS ((A) + (B) + (C))	**(65.29)**	**76.97**	**(3.70)**	**(6.92)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD				
Balance with banks in current accounts, EEFC account and deposit account	103.55	26.59	30.12	37.01
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	0.09	0.00	0.15	0.04
CASH AND CASH EQUIVALENTS	**103.65**	**26.59**	**30.27**	**37.06**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	38.33	103.55	26.59	30.12
CASH AND CASH EQUIVALENTS	**38.33**	**103.55**	**26.59**	**30.12**

GENERAL INFORMATION

Our Company was originally incorporated as 'Advanced Spectra-Tek Private Limited, at Ahmedabad as a private limited company under the provisions of Companies Act, 1956 and received a certificate of incorporation issued by the RoC on March 16, 1988. Thereafter, pursuant to a special resolution passed by the shareholders of our Company in their meeting on July 25, 2001, the name of our Company was changed to 'Daniel Measurement and Control (India) Private Limited', and a fresh certificate of incorporation dated August 03, 2001, was issued to our Company by the RoC. Subsequently, pursuant to a special resolution passed by the shareholders of our Company in their meeting on October 5, 2007, the name of our Company was changed from 'Daniel Measurement and Control (India) Private Limited', to 'Advanced Sys-Tek Private Limited' and a fresh certificate of incorporation dated October 31, 2007, was issued to our Company by the RoC. Thereafter, pursuant to a special resolution passed by the shareholders of our Company in their meeting on July 5, 2024, the name of our Company was changed from 'Advanced Sys-Tek Private Limited' to its present name i.e. 'Advanced Sys-Tek Limited' and a fresh certificate of incorporation dated September 6, 2024, was issued to our Company by the RoC.

Registered and Corporate Office of our Company

The address and certain other details of our Registered and Corporate Office are as follows:

Advanced Sys-Tek Limited
299/300, GIDC, Makarpura, B/H Novino Battery,
Vadodara - 390010 Gujarat, India
Telephone: +91 265 6190375/00
E-mail: info@advancedsystek.com
Website: www.advancedsystek.com

For details of our incorporation, changes to our name and change in registered office, see '*History and Certain Corporate Matters*' on page 222.

Company registration number and corporate identity number

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

Company Registration Number: 010464

Corporate Identity Number: U33112GJ1988PLC010464

Registrar of Companies

Our Company is registered with the RoC, Gujarat at Ahmedabad, situated at the following address:

Address of the RoC
ROC Bhavan,
Opp. Rural Park, Ankur Char Rasta,
Naranpura, Ahmedabad - 380013,
Gujarat, India

Board of Directors

Brief details of our Board of Directors as on the date of this Draft Red Herring Prospectus is set out below:

Name	Designation	DIN	Address
Shirish Madhukar Adi	Managing Director	03259129	22, Sherwoods – 23, B/S Vicenza Highlands, Khanpur, Vadodara, Gujarat - 391101.
Mukesh R Kapadia	Whole-Time Director	00048621	7, Charotar Society, Near Manisha Circle, Old Padra Road, Vadodara, Gujarat - 390020.
Umed Amarchand Fifadra	Whole-Time Director	00049036	Chiroshi, Plot No. 4 & 5, Tandalja Road, Old Padra Road, Corner

Name	Designation	DIN	Address
			Tandalja Road, Vadodara, Gujarat - 390020.
Sharma Deepti	Independent Director	03630613	A-1/6 Shantidham Bunglows, Near Navrachna University Vasna Bhayli Road, Bhayli, Vadodara - 391410
Hemant Vithaldas Udeshi	Independent Director	00529329	A-42, Avalons Greenwood, Opposite Hanuman Mandir, Sevasi, Vadodara, Gujarat - 391101
Sunil C Vakil	Independent Director	02527630	202 Misuja Court Flat, Near Manish Society, Saiyed Vasna Road, Vadodara - 390007

For brief profiles and further details of our Directors, see '*Our Management*' on page 230.

Company Secretary & Compliance Officer

Sheth Hima Kaushik is the Company Secretary and Compliance Officer of our Company. Her contact details are set forth below:

299/300, GIDC, Makarpura,
B/H Novino Battery,
Vadodara - 390010 Gujarat, India
Telephone: +91 265 6190375/00
E-mail: compliance@advancedsystek.com

Investor Grievances

Investors may contact our Company Secretary and Compliance Officer, or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

For all Offer related queries and for redressal of complaints, investors may also write to the BRLMs. All Offer related grievances, other than by Anchor Investors, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary, where the Bid cum Application Form was submitted, quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number (for Bidders other than UPI Bidders bidding through the UPI mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of UPI Bidders applying through the UPI mechanism in which the amount equivalent to the Bid Amount is blocked. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

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

In terms of the SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (to the extent applicable), any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. In terms of the SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), SCSBs are required to compensate the investor immediately on the receipt of complaint. Further, the BRLMs are required to compensate the investor for delays in grievance redressal from the date on which the grievance was received until the actual date of unblock.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs with whom the Bid cum Application Form was submitted by the Anchor Investor.

Book Running Lead Managers

Inga Ventures Private Limited
1229, Hubtown Solaris, N.S. Phadke Marg,
Opp. Telli Galli, Andheri (East) Mumbai - 400069,
Maharashtra, India
Telephone: +91 22 6854 0808
E-mail: ast.ipo@ingaventures.com
Investor grievance e-mail: investors@ingaventures.com
Website: www.ingaventures.com
Contact Person: Kavita Shah
SEBI Registration No.: INM000012698

Sowilo Capital Advisors LLP*
Unit No 514, Corporate Annexe, Sonawala Road,
Near Udyog Bhavan, Goregaon (East),
Mumbai - 400 063,
Maharashtra, India
Telephone: 91-22-60600100
E-mail: ecm@sowilocapital.co.in
Investor grievance e-mail: mbcomplaints@sowilocapital.co.in
Website: www.sowilocapital.co.in
Contact Person: Ambareesh Iyer/ Bhavin Shah
SEBI Registration No.: INM000013235
* *Sowilo Capital Advisors LLP will be involved only in marketing of the Offer pursuant to an indirect shareholding in our Company.*

Statement of inter se allocation of responsibilities

The following table sets out the list of responsibilities for various activities to be performed by the Book Running Lead Managers:

Sr. No.	Activity	Responsibility	Co-ordination
1.	Capital structuring, positioning strategy and due diligence of the Company including its operations /management/ business plans/ legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus and application form. The Lead Manager shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing.	Book Running Lead Managers	Inga Ventures Private Limited
2.	Drafting and approval of all statutory advertisement.	Book Running Lead Managers	Inga Ventures Private Limited
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report.	Book Running Lead Managers	Inga Ventures Private Limited

Sr. No.	Activity	Responsibility	Co-ordination
4.	Appointment of intermediaries – Bankers to the Offer, Registrar to the Offer, advertising agency, printers to the Offer including coordination of all agreements to be entered into with such intermediaries.	Book Running Lead Managers	Inga Ventures Private Limited
5.	International institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy; • Preparation of road show presentation and frequently asked questions • Finalising the list and division of international investors for one-to-one meetings • Finalising international road show and investor meeting schedules	Book Running Lead Managers	Sowilo Capital Advisors LLP
6.	Domestic institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy; • Finalising the list and division of domestic investors for one-to-one meetings • Finalising domestic road show and investor meeting schedules	Book Running Lead Managers	Sowilo Capital Advisors LLP
7.	Non-Institutional marketing of the Offer, which will cover, inter alia, • Formulating marketing strategies preparation of publicity budget; • Finalising media, marketing and public relations strategy; • Follow-up on distribution of publicity and Offer material including the Bid cum Application Form, the RHP/Prospectus and deciding on the quantum of the Offer material; and • Finalising collection centres	Book Running Lead Managers	Sowilo Capital Advisors LLP
8.	Retail marketing of the Offer, which will cover, inter alia, • Formulating marketing strategies, preparation of publicity budget • Finalising media, marketing and public relations strategy; • Finalising centres for holding conferences for brokers, etc.; • Follow-up on distribution of publicity and Offer material including the Bid cum Application Form, the RHP/Prospectus and deciding on the quantum of the Offer material; and • Finalising collection centres	Book Running Lead Managers	Sowilo Capital Advisors LLP
9.	Coordination with Stock Exchanges, book building software, bidding terminals and mock trading, anchor coordination, anchor CAN and intimation of anchor allocation.	Book Running Lead Managers	Inga Ventures Private Limited
10.	Managing the book and finalization of pricing in consultation with the Company.	Book Running Lead Managers	Inga Ventures Private Limited
11.	Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs and Bankers to the Offer, intimation of allocation and dispatch of refund to Bidders, etc. Post-Offer activities, which shall involve essential follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising the Issuer about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-Offer activity such as registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable.	Book Running Lead Managers	Inga Ventures Private Limited

Sr. No.	Activity	Responsibility	Co-ordination
	Payment of the applicable securities transactions tax on sale of unlisted equity shares by the selling shareholders under the Offer for Sale to the Government and filing of the securities transactions tax return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004.		

Syndicate Members

[●]

Legal Counsel to the Offer

Bharucha & Partners
13th Floor, Free Press House,
Free Press Journal Marg, Nariman Point
Mumbai - 400 001,
Maharashtra, India.
Tel: +91 22 6132 3900

Statutory Auditors of our Company

CNK & Associates LLP
Third Floor- The Nirat, 18-Windward Business Park,
Behind Emerald One, Jetalpur Rd, Vadodara – 390007
Gujarat, India.
Telephone: 0265 234 3483
Contact Person: Rachit Sheth
E-mail: rachit@cnkindia.com
Firm Registration Number: 101961W/W100036
Peer Review Number: 017169

Changes in auditors

There has been no change in the Statutory Auditors of our Company during the last 3 years preceding the date of this Draft Red Herring Prospectus.

Registrar to the Offer

MUFG Intime India Private Limited ***(formerly Link intime India Private Limited)***
C-101, 247 Park, L B S Marg,
Vikhroli (West), Mumbai - 400 083
Maharashtra, India
Telephone: +91 810 811 4949
E-mail: advancedsys.ipo@linkintime.co.in
Website: www.linkintime.co.in
Investor grievance e-mail: advancedsys.ipo@linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Banker to the Offer

Escrow Collection Bank(s)

[●]

Refund Bank(s)

[●]

Public Offer Account Bank(s)

[●]

Sponsor Banks

[●]

Bankers to our Company

HDFC Bank Limited
No. 1 to 4, Jade Square, Urmi CHS,
Akota, Vadodara – 390020
Telephone: +91 94267 92009
Email: ashish.singh19@hdfcbank.com
Website: https://www.hdfcbank.com
Contact Person: Ashish Singh

ICICI Bank Ltd
42, Hari Bhakti Society, Near Chakli Circle,
OP Road, Vadodara – 390 007
Telephone: +91 9979153500
Email: kaushal.gandhi@icicibank.com
Website: www.icicibank.com
Contact Person: Kaushal Gandhi

Designated Intermediaries

Self-Certified Syndicate Banks

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

Syndicate SCSB Branches

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

SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), UPI Bidders using the UPI Mechanism may only apply through the SCSBs and mobile applications whose names appears on the website of the SEBI which may be updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI Mechanism is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for SCSBs and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 for mobile applications or at such other websites as may be prescribed by SEBI from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stock broker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

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

Collecting Depository Participants

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

Experts

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

Our Company has received written consent dated February 6, 2025 from our Statutory Auditors namely, CNK & Associates LLP, Chartered Accountants holding a valid peer review certificate from ICAI to include their name as ‘expert’ as required under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their examination report, dated February 6, 2025 on our Restated Consolidated Financial Information; and the statement of special tax benefits dated February 6, 2025 included in this Draft Red Herring Prospectus, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term ‘expert’ shall not be construed to mean an ‘expert’ as defined under U.S. Securities Act.

Our Company has received written consent dated February 3, 2025 from Rameshchandra V Vaghela, Chartered Engineer to include their name as an ‘expert’ as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as Chartered Engineer and in respect of the certificates dated February 3, 2025 issued by them in connection with *inter alia* capacity utilisation and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term ‘expert’ shall not be construed to mean an ‘expert’ as defined under U.S. Securities Act.

Our Company has received written consent dated February 4, 2025 from Vijay Bhatt & Co., practicing Company Secretary, to include its name as an ‘expert’ as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as practicing Company Secretary and in respect of the certificate dated February 4, 2025 issued by it in connection with the *inter alia.* due diligence of corporate and statutory records of the Company and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term ‘expert’ shall not be construed to mean an ‘expert’ as defined under U.S. Securities Act.

Our Company has received written consent dated January 28, 2025 from M/s 3 Korners, Independent Architect to include its name as an ‘expert’ as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as Independent Architect and in respect of the certificate dated January 28, 2025 issued by them in connection with *inter alia* the proposed Capital Expenditure for setting up of fabrication shed for which part of the Net Proceeds will be utilised and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term ‘expert’ shall not be construed to mean an ‘expert’ as defined under U.S. Securities Act.

Monitoring Agency

Our Company shall in compliance with Regulation 41 of the SEBI ICDR Regulations, appoint a Monitoring Agency, prior to filing of the Red Herring Prospectus, for monitoring the utilization of the Net Proceeds. For details in relation to the proposed utilisation of the Gross Proceeds, see '*Objects of the Offer*' on page 114.

Appraising Entity

None of the objects of the Offer for which the Net Proceeds will be utilised have been appraised by any agency. Accordingly, no appraising entity has been appointed in relation to the Offer.

Grading of the Offer

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

Credit Rating

As this is an Offer consisting only of Equity Shares, there is no requirement to obtain credit rating for the Offer.

Debenture Trustees

As this is an Offer consisting only of Equity Shares, the appointment of debenture trustees is not required.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Filing of the DRHP

A copy of this Draft Red Herring Prospectus is being filed electronically through the SEBI intermediary portal at https://siportal.sebi.gov.in/intermediary/index.html, as required under Regulation 25(8) of the SEBI ICDR Regulations and in accordance with the SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023.

It will also be filed with the SEBI at the following address:

Securities and Exchange Board of India

SEBI Bhavan Plot No. C4-A
"G" Block Bandra Kurla Complex
Bandra (East) Mumbai – 400 051
Maharashtra, India

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act will be filed with the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act will be filed with the RoC, through the electronic portal.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band which will be decided by our Company, in consultation with the BRLMs, and will be advertised in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper) and all editions of [●] (a widely circulated Gujarati national daily newspaper, Gujarati also being the regional language of Gujarat, where our Registered Office is located), at least 2 Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. The Offer Price shall be determined by our Company in consultation with the BRLMs after the Bid/Offer Closing Date. For further details, see '*Offer Procedure*' on page 396.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Offer by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs and Sponsor Bank, as the case may be. UPI Bidders may participate in the

Offer through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs; or (b) through the UPI Mechanism. Non-Institutional Bidders with an application size of up to ₹ 0.50 million shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Members of the Syndicate, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Allocation to Anchor Investors will be on a discretionary basis, while allocation to QIBs (other than Anchor Investors) will be on a proportionate basis.

For further details on the method and procedure for Bidding and book building procedure, see '*Terms of the Offer*', '*Offer Structure*' and '*Offer Procedure*' on page 386, 392 and 396.

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

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

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

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and the Promoter Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. Subject to applicable laws, extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares which they shall subscribe to on account of rejection of bids, either by themselves or by procuring subscription, at a price which shall not be less than the Offer Price, pursuant to the Underwriting Agreement:

(This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC.).

Name, address, telephone number and e-mail address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (in ₹ million)
[●]	[●]	[●]

The abovementioned underwriting commitment is indicative only and will be finalised after determination of Offer Price and finalisation of Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

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

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company, as of the date of this Draft Red Herring Prospectus is set forth below:

(in ₹ million, except share data)

Sr. No.	Particulars	Aggregate nominal value	Aggregate value at Offer Price*
A	**AUTHORISED SHARE CAPITAL^**		
	30,000,000 Equity Shares of face value of ₹ 10 each	300.00	-
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	19,228,068 Equity Shares of face value of ₹ 10 each	192.28	[●]
C	**PRESENT OFFER**		
	Offer of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million (1)(2)	[●]	[●]*
	Of which:		
	Fresh Issue of up to [●] Equity Shares of ₹ 10 each aggregating up to ₹ 1,150.00 million(1)	[●]	[●]
	Offer for Sale of up to 1,527,500 Equity Shares of ₹ 10 each aggregating up to ₹ [●] million(2)	[●]	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER***		
	[●] Equity Shares of face value ₹ 10 each	[●]	[●]
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	974.54	
	After the Offer*	[●]	

^*For further details of changes to our authorised share capital in the past 10 years, see 'History and Certain Corporate Matters' on page 222.*

**To be included upon finalization of the Offer Price and assuming full subscription of the Offer.*

(1) The Offer has been authorised by our Board pursuant to its resolution dated November 14, 2024 and the Fresh Issue has been authorised by our Shareholders pursuant to a special resolution dated November 26, 2024. Further, our Board has taken on record the approval for the Offer for Sale by the Promoter Selling Shareholders pursuant to its resolution dated November 14, 2024.

(2) Each Promoter Selling Shareholder, severally, and not jointly, confirms that the Equity Shares being offered by the Promoter Selling Shareholders are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For further details of the authorizations received for the Offer, please see 'Other Regulatory and Statutory Disclosures' on page 373. The Promoter Selling Shareholders have confirmed and consented to their participation in the Offer for Sale as set forth below:

Sr. No.	***Name of the Promoter Selling Shareholder***	***Number of Offered Shares in the Offer for Sale***	***Date of the consent letter to participate in the Offer for Sale***
1.	*Mukesh R Kapadia*	*Up to 763,750 Equity Shares*	*November 13, 2024*
2.	*Umed Amarchand Fifadra*	*Up to 763,750 Equity Shares*	*November 13, 2024*

(***Remainder of this page has been intentionally left blank***)

Notes to the Capital Structure

Our Company is in compliance with the Companies Act, 1956 and Companies Act, 2013, as applicable, with respect to the issuance of securities since its incorporation till the date of filing this Draft Red Herring Prospectus.

1. **Equity Share capital history of our Company**

A. ***Primary issuance of Equity Shares***

The following table sets forth the history of the Equity Share capital of our Company:

Date of allotment / buy-back	Number of Equity Shares allotted	Details of allottees	Face value per Equity Share (in ₹)	Issue price per Equity Share (in ₹)	Form of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share Capital (₹)
March 16, 1988	200	Subscription to Memorandum of Association by issuance of 100 Equity Shares each to Umed Amarchand Fifadra; and Shobha Mukesh Kapadia jointly with Mukesh R Kapadia.	10	10	Cash	Initial Subscription to the Memorandum of Association	200	2,000
March 25, 1989	8,119	Allotment of (i) 2,400 Equity Shares to Umed Amarchand Fifadra; (ii) 2,400 Equity Shares to Mukesh R Kapadia; and (iii) 3,319 Equity Shares to Spectra Tek UK Limited.	10	10	Cash	Further Issue	8,319	83,190
November 10, 1989	142,967	Allotment of (i) 42,962 Equity Shares to Umed Amarchand Fifadra; (ii) 42,961 Equity Shares to Mukesh R Kapadia(1); and (iii) 57,044 Equity Shares to Spectra Tek UK Limited.	10	10	Cash	Further Issue	151,286	1,512,860
February 18, 1992	45,203	Allotment of (i) 13,583 Equity Shares to Umed Amarchand Fifadra; (ii) 13,584 Equity Shares to Mukesh R Kapadia;	10	10	Cash	Further Issue	196,489	1,964,890

Date of allotment / buy-back	Number of Equity Shares allotted	Details of allottees	Face value per Equity Share (in ₹)	Issue price per Equity Share (in ₹)	Form of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share Capital (₹)
		and (iii) 18,036 Equity Shares to Spectra Tek UK Limited.						
September 18, 1993	130,998	Allotment of (i) 39,366 Equity Shares to Umed Amarchand Fifadra; (ii) 39,366 Equity Shares to Mukesh R Kapadia(2); and (iii) 52,266 Equity Shares to Spectra Tek UK Limited.	10	NA	NA	Bonus Issue of Equity Shares in the ratio of 2 Equity Shares for 3 existing Equity Shares held.	327,487	3,274,870
August 11, 1998	654,974	Allotment of (i) 196,822 Equity Shares to Umed Amarchand Fifadra; (ii) 196,822 Equity Shares to Mukesh R Kapadia(3); and (iii) 261,330 Equity Shares to Spectra Tek UK Limited. (4)	10	NA	NA	Bonus Issue in the ratio of 2 Equity Shares for 1 existing Equity Shares held.	982,461	9,824,610
August 19, 1999	982,461	Allotment of (i) 295,233 Equity Shares to Umed Amarchand Fifadra; (ii) 295,233 Equity Shares to Mukesh R Kapadia(5); and (iii) 391,995 Equity Shares to Advanced Spectra Tek UK Limited.	10	NA	NA	Bonus Issue in the ratio of Equity Share for 1 existing Equity Share held.	1,964,922	19,649,220
December 22, 2017	1,000,000	Preferential allotment of (i) 500,000 Equity Shares to Umed Amarchand Fifadra; and (ii) 500,000 Equity Shares to Mukesh R Kapadia.	10	10	Cash	Preferential Issue	2,964,922	29,649,220
December 27, 2017	100,000	Preferential allotment of 100,000 Equity Shares to D.I. Netherlands B. V.	10	7,400.00	Cash	Preferential Issue	3,064,922	30,649,220
March 26, 2020	(262,000)	Buyback of (i) 131,000 Equity Shares by Umed Amarchand	10	326.00	Cash	Buyback of Equity Shares	2,802,922	28,029,220

Date of allotment / buy-back	Number of Equity Shares allotted	Details of allottees	Face value per Equity Share (in ₹)	Issue price per Equity Share (in ₹)	Form of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share Capital (₹)
		Fifadra; and (ii) 131,000 Equity Shares by Mukesh R Kapadia.						
March 18, 2024	401,756	Allotment of (i) 224,301 Equity Shares to Mukul Mahavir Agrawal; (ii) 83,060 Equity Shares to Vikas Vijaykumar Khemani; (iii) 9,341 Equity Shares to MAIQ Growth Scheme – Long Only; (iv) 46,731 Equity Shares to India – Ahead Venture Fund; (v) 4,670 Equity Shares to Anil Raika and Ambika Anil Raika in their capacity as the trustees of Anil Raika Family Trust; (vi) 2,330 Equity Shares to Shiv Narendra Sehgal; (vii) 4,673 Equity Shares to Ravi Vasudeo Goenka; (viii) 950 Equity Shares to Kunal Niranjan Shah; and (ix) 25,700 Equity Shares to Princely Multitrading LLP**.	10	1,070.30	Cash	Private Placement	3,204,678	32,046,780
September 11, 2024	16,023,390	Allotment of (i) 7,007,305 Equity Shares to Umed Amarchand Fifadra; (ii) 7,007,305 Equity Shares to Mukesh R Kapadia; (iii) 1,121,505 Equity Shares to Mukul Mahavir Agarwal; (iv) 415,300 Equity Shares to Vikas Vijaykumar Khemani; (v) 46,705 Equity Shares to MAIQ Growth Scheme – Long Only; (vi) 233,655 Equity Shares to India – Ahead Venture Fund;	10	NA	NA	Bonus Issue in the ratio of 5 Equity Shares for 1 existing Equity Shares held.	19,228,068	192,280,680

Date of allotment / buy-back	Number of Equity Shares allotted	Details of allottees	Face value per Equity Share (in ₹)	Issue price per Equity Share (in ₹)	Form of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share Capital (₹)
		(vii) 23,350 Equity Shares to Anil Raika and Ambika Anil Raika in their capacity as the trustees of Anil Raika Family Trust; (viii) 11,650 Equity Shares to Shiv Narendra Sehgal; (ix) 23,365 Equity Shares to Ravi Vasudeo Goenka; (x) 4,750 Equity Shares to Kunal Niranjan Shah; and (xi) 128,500 Equity Shares to Princely Multitrading LLP**.						

(1) The Form 2 regarding allotment made on November 10, 1989, erroneously mentions allotment of 42,961 Equity Shares to the joint account of Mukesh R Kapadia and Shobha Kapadia instead of Mukesh R Kapadia. However, the register of members of the Company accurately records that the allotment was made to Mukesh R Kapadia.

(2) The Form 2 regarding allotment made on September 18, 1993, erroneously mentions allotment of 39,366 Equity Shares to the joint account of Mukesh R Kapadia and Shobha Kapadia instead of Mukesh R Kapadia. However, the register of members of the Company accurately records that the allotment was made to Mukesh R Kapadia.

(3) The Form 2 regarding allotment made on August 11, 1998, erroneously mentions allotment of 196,822 Equity Shares to the joint account of Mukesh R Kapadia and Shobha Kapadia instead of Mukesh R Kapadia. However, the register of members of the Company accurately records that the allotment was made to Mukesh R Kapadia.

(4) The Form 2 regarding allotment made on August 11, 1998 erroneously mentions allotment of 261,330 Equity Shares to Advanced Spectra U.K. instead of Spectra Tek UK Limited. However, the register of members of the Company accurately records that the allotment was made to Spectra Tek UK Limited.

(5) The Form 2 regarding allotment made on August 19, 1999, erroneously mentions allotment of 295,233 Equity Shares to the joint account of Mukesh R Kapadia and Shobha Kapadia instead of Mukesh R Kapadia. However, the register of members of the Company accurately records that the allotment was made to Mukesh R Kapadia.

** There are certain discrepancies in the corporate records of our Company in relation to allotment of Equity Shares. Further, we are unable to trace certain corporate records of our Company in relation to allotment of Equity Shares. For details, see 'Risk Factor – Our Company is unable to trace certain statutory records i.e., annual returns, forms filed for change in name and reservation of name, incorporation form, appointment of directors, appointment of auditors. Further, our Company has filed statutory forms with incorrect information in the past and there has been variation in the corporate records of our Company. We cannot assure you that we will not be subject to penalties or that no other action will be initiated against us in this regard' on page 44.*

*** The spouses of the designated partners of Sowilo Capital Advisors LLP, hold 154,200 Equity Shares aggregating 0.80% of the pre-Offer Equity Share capital of our Company, through Princely Multitrading LLP, an associate of Sowilo Capital Advisors LLP. The said spouses are the designated partners of Princely Multitrading LLP.*

(Remainder of this page has been intentionally left blank)

B. Acquisitions of Equity Shares of our Company through secondary transactions by Shareholders (other than the transactions involving our Promoters)

Set out below are the details of acquisitions of Equity Shares of our Company through secondary transactions by our Shareholders (other than the transactions involving our Promoters). For details of acquisitions of Equity Shares by our Promoters, please see - *Build-up of our Promoters' equity shareholding in our Company* on page 99.

Date of Transfer of Equity Shares	Name of transferor	Name of transferee	No. of Equity Shares	Face value per equity share (₹)	Transfer price per Equity Share (₹)	Total consideration (in ₹)	Nature of consideration
June 1, 2012	Monali M Kapadia	GE Mauritius Infrastructure Holdings Limited	24,550	10	331.83	8,150,000	Cash
May 19, 2017	GE Pacific (Mauritius) Limited (as a nominee of GE Mauritius Infrastructure Holdings Limited)(1)	D.I. Netherlands B.V.	1	10	295.38	295.38	Cash
May 19, 2017	GE Mauritius Infrastructure Holdings Limited	D.I. Netherlands B.V.	13,16,497(1)	10	295.38	388,867,781.40	Cash

(1) The Board resolution dated June 1, 2012 inadvertently mentions the name of transferee as GE Mauritius Infrastructure Holdings Limited (as a nominee of GE Mauritius Infrastructure Holdings Limited) instead of GE Pacific (Mauritius) Limited (as a nominee of GE Mauritius Infrastructure Holdings Limited).

(Remainder of this page has been intentionally left blank)

2. **Preference Share capital history of our Company**

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

3. **Details of shares issued for consideration other than cash or by way of bonus issue or out of revaluation reserves.**

Except as set forth below, we have not issued any Equity Shares for consideration other than cash or by way of a bonus issue or out of revaluation reserves:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per equity share (₹)	Form of consideration	Reasons for allotment	Benefits if any that have accrued to the Company
September 18, 1993	1,30,998	10	NA	NA	Bonus Issue in the ratio of 2 Equity Shares for 3 existing Equity Shares held.	NA
August 11, 1998	6,54,974	10	NA	NA	Bonus Issue in the ratio of 2 Equity Shares for 1 existing Equity Shares held.	NA
August 19, 1999	9,82,461	10	NA	NA	Bonus Issue in the ratio of 1 Equity Share for every 1 existing Equity Share held.	NA
September 11, 2024	16,023,390	10	NA	NA	Bonus Issue in the ratio of 5 Equity Shares for 1 existing Equity Shares held.	NA

4. **Issue of shares under Section 391 to 394 of the Companies Act, 1956 and Sections 230 to 234 of the Companies Act**

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

5. **Issue of Equity Shares under employee stock option schemes**

Our Company in the past had a Phantom Stock Scheme, 2022 (**Scheme 2022**), pursuant to which phantom shares were vested in the Key Managerial Personnel of the Company, which was pre-closed on June 21, 2024 and the phantom shares vested in the Key Managerial Personnel were settled based on the valuation formula prescribed as per the Scheme 2022 as on the pre-closure date, i.e., ₹ 307 per Equity Share. Other than as disclosed herein, our Company has not issued any Equity Shares pursuant to an employee stock option scheme till the date of this Draft Red Herring Prospectus. For further details in relation to our ESOP Scheme, see '*Capital Structure - Employee Stock Option Plan*' on page 111.

6. **Equity Shares issued in the preceding one year lower than the Offer Price**

Except for the allotment of Equity Shares pursuant to a bonus issue as disclosed in '*Capital Structure-Details of shares issued for consideration other than cash or by way of bonus issue or out of revaluation reserves*' on page 95, our Company has not issued any Equity Shares at a price that may be lower than the Offer Price during a period of 1 year preceding the date of this Draft Red Herring Prospectus.

7. All transactions in Equity Shares by our Promoters and members of our Promoter Group between the date of filing of this Draft Red Herring Prospectus and the Bid/Offer Closing Date shall be reported to the Stock Exchanges within 24 hours of such transactions.

8. None of the Equity Shares held by our Shareholders are pledged or otherwise encumbered as on the date of this Draft Red Herring Prospectus.

9. There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive our Equity Shares as on the date of this Draft Red Herring Prospectus.

(***Remainder of the page has been intentionally kept blank***)

10. **Shareholding Pattern of our Company**

The table below sets out the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of partly paid-up Equity Shares held (V)	No. of shares underlying depository receipts (VI)	Total No. of shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of Equity Shares (calculate as per SCRR) (VIII) As a % of (A+B+ C2)	No. of Voting Rights held in each class of securities (IX)				No. of Equity Shares underlying outstanding convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted equity share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	No. of locked- in Equity Shares (XII)		No. of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialised form (XIV)
								No. of Voting Rights										
								Class (Equity Shares)	Class (others)	Total	Total as a % of (A+B+ C)			No.	As a % of total shares held	No. (a)	As a % of total shares held	
(A)	Promoter and Promoter Group	7	15,876,932	0	0	15,876,932	82.57	158,76,932	0	15,876,932	82.57	0	82.57	0	0	0	0	15,876,932
(B)	Public	52	3,351,136	0	0	3,351,136	17.43	3,351,136	0	3,351,136	17.43	0	17.43	0	0	0	0	3,351,136
(C)	Non Promoter- Non Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C1)	Shares underlying depository receipts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C2)	Shares held by employee trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total (A+B+C)		**59**	**19,228,068**	**0**	**0**	**19,228,068**	**100.00**	**19,228,068**	**0**	**19,228,068**	**100.00**	**0**	**100.00**	**0**	**0**	**0**	**0**	**19,228,068**

(***Remainder of the page has been intentionally kept blank***)

11. **Other details of Shareholding of our Company**

As on the date of the filing of this Draft Red Herring Prospectus, our Company has 59 shareholders.

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

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)
1.	Mukesh R Kapadia and Shobha Kapadia in their capacity as the trustees of Kapadia Family Trust	4,000,000	20.80
2.	Umed Amarchand Fifadra and Usha Umed Fifadra in their capacity as the trustees of Fifadra Family Trust.	4,000,000	20.80
3.	Mukesh R Kapadia	3,928,266	20.43
4.	Umed Amarchand Fifadra	3,928,266	20.43
5.	Mukul Mahavir Agrawal	1,345,806	7.00
6.	Vikas Vijaykumar Khemani	786,360	4.09
7.	India-Ahead Venture Fund	472,386	2.46
Total		**18,461,084**	**96.01**

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

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)
1.	Mukesh R Kapadia and Shobha Kapadia in their capacity as the trustees of Kapadia Family Trust	4,000,000	20.80
2.	Umed Amarchand Fifadra and Usha Umed Fifadra in their capacity as the trustees of Fifadra Family Trust.	4,000,000	20.80
3.	Mukesh R Kapadia	3,928,266	20.43
4.	Umed Amarchand Fifadra	3,928,266	20.43
5.	Mukul Mahavir Agrawal	1,345,806	7.00
6.	Vikas Vijaykumar Khemani	786,360	4.09
7.	India-Ahead Venture Fund	472,386	2.46
Total		**18,461,084**	**96.01**

c. Set forth below is a list of shareholders holding 1% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis, as of the date 1 year prior to the date of filing of this Draft Red Herring Prospectus based on the register of members of our Company:

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)
1.	Mukesh R Kapadia	1,401,461	50.00
2.	Umed Amarchand Fifadra	1,401,461	50.00
Total		**2,802,922**	**100.00**

d. Set forth below is a list of shareholders holding 1% or more of the paid-up Equity Share capital of our Company, as of the date 2 years prior to the date of filing of this Draft Red Herring Prospectus based on the register of members of our Company:

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)
1.	Mukesh R Kapadia	1,401,461	50.00
2.	Umed Amarchand Fifadra	1,401,461	50.00
Total		**2,802,922**	**100.00**

12. Our Company presently does not intend or propose to alter its capital structure for a period of 6 months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of the Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for the Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise.

13. **Details of Shareholding of our Promoters and the members of the Promoter Group in our Company.**

    a. As on the date of this Draft Red Herring Prospectus, our Promoters and members of Promoter Group hold 15,876,932 Equity Shares constituting 82.57% of the issued, subscribed and paid-up Equity Share capital of our Company. Set forth below is the shareholding of our Promoters:

Sr. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of total pre-Offer paid up equity share capital (%)
Promoters			
1.	Mukesh R Kapadia	3,928,266	20.43
2.	Umed Amarchand Fifadra	3,928,266	20.43
3.	Shobha Mukesh Kapadia	0.00[(1)]	0.00
4.	Usha Umed Fifadra	0.00[(2)]	0.00
	Sub-Total (A)	***7,856,532***	***40.86***
Promoter Group			
1.	Bharat Narsidas Ghelani jointly with Aruna Bharat Ghelani	7,200	0.04
2.	Dilip Kumar Narsidas Ghelani	6,000	0.03
3.	Chandrika Haren Gandhi jointly with Haren Purshottamdas Gandhi	7,200	0.04
4.	Mukesh R Kapadia and Shobha Kapadia in their capacity as trustees of Kapadia Family Trust	4,000,000	20.80
5.	Umed Amarchand Fifadra and Usha Umed Fifadra in their capacity as trustees of Fifadra Family Trust	4,000,000	20.80
	Sub-Total (B)	***8,020,400***	***41.71***
Total (A+B)		**15,876,932**	**82.57**

[(1)] Mukesh R Kapadia and Shobha Mukesh Kapadia, in their capacity as trustees of Kapadia Family Trust hold 4,000,000 Equity Shares in Kapadia Family Trust. However, Shobha Mukesh Kapadia does not hold any Equity Shares in her individual capacity.

[(2)] Umed Amarchand Fifadra and Usha Umed Fifadra, in their capacity as trustees of Fifadra Family Trust hold 4,000,000 Equity Shares in Fifadra Family Trust. However, Usha Umed Fifadra does not hold any Equity Shares in her individual capacity.

    b. *Build-up of the Promoters' shareholding in our Company*

The build-up of the equity shareholding of our Promoters since incorporation of our Company is set forth in the tables below:

(i) *Mukesh R Kapadia*

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition / transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
Transfer of Equity Shares from joint holding of Shobha Mukesh Kapadia and Mukesh R Kapadia	March 25, 1989(1)	100	10	0.00	Cash	Negligible	[●]
Further issue	March 25, 1989	2,400	10	10.00	Cash	0.01	[●]
Further issue	November 10, 1989	42,961	10	10.00	Cash	0.22	[●]
Further issue	February 18, 1992	13,584	10	10.00	Cash	0.07	[●]
Bonus Issue in the ratio of 2 Equity Shares for 3 existing Equity Shares held.	September 18, 1993	39,366	10	NA	NA	0.20	[●]
Bonus Issue in the ratio of 2 Equity Shares for 1 existing Equity Shares held.	August 11, 1998	196,822	10	NA	NA	1.02	[●]
Bonus Issue in the ratio of 1 Equity Share for 1 existing Equity Share held.	August 19, 1999	295,233	10	NA	NA	1.54	[●]
Acquisition of Equity Shares from Spectra Tek UK Limited	October 12, 2007	391,995(2)	10	36.24	Cash	2.04	[●]
Transfer by way of gift to Nisha Vineet Jain	February 1, 2011	(24,550)	10	NA	Gift	(0.13)	[●]
Transfer by way of gift to Monali Mukesh Kapadia	February 1, 2011	(24,550)	10	NA	Gift	(0.13)	[●]
Transfer to GE Pacific (Mauritius) Limited (as a nominee of GE Mauritius Infrastructure Holdings Limited)(3)	June 1, 2012	(1)	10	331.83	Cash	(Negligible)	[●]
Transfer to GE Mauritius Infrastructure Holdings Limited(4)	June 1, 2012	(633,698)	10	331.83	Cash	(3.30)	[●]
Nisha Vineet Jain transferred the gifted shares back	June 1, 2012	14,550(5)	10	NA	Gift	0.08	[●]

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition / transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
Acquisition of Equity Shares by way of gift from Nisha Vineet Jain	January 23, 2014	10,000	10	NA	Gift	0.03	[●]
Preferential issue	December 22, 2017	500,000	10	10.00	Cash	2.60	[●]
Acquisition of Equity Shares from D.I. Netherlands B.V.	December 29, 2017	708,249	10	1.00	Cash	3.68	[●]
Buy-back of Equity Shares	March 26, 2020	(131,000)	10	326.00	Cash	(0.68)	[●]
Bonus Issue in the ratio of 5 Equity Shares for 1 existing Equity Shares held.	September 11, 2024	7,007,305	10	NA	NA	36.44	[●]
Transfer of (i) 500 shares to Acharya Raj D; (ii) 12,000 shares to Arpita Shah; (iii) 24,000 shares to Rishabh Software Private Limited; (iv) 12,000 shares to Ketan Krishnakant Parikh K. Parikh and Sujata Ketan Parikh; (v) 6,000 shares to Ashita Sanjay Shah; (vi) 2,400 shares to Kamlesh Mahendra Shah and Mona Kamlesh Shah; (vii) 50,000 shares to Shirish Madhukar Adi; (viii) 17,900 shares to Meghdoot Leisure LLP; (ix) 4,750 shares to Saurabh Lalit Kanoria; (x) 4,750 shares to Metro Foods Private Limited; (xi) 4,750 shares to Vivek Kumar Duggal; (xii) 5,450 shares to Devang Dave; (xiii) 24,000 shares to Anil Raika and Ambika Anil Raika	October 09, 2024	(480,500)	10	208.00	Cash	(2.50)	[●]

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition / transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
in their capacity as the trustees of Anil Raika Family Trust; (xiv) 24,000 shares to Sanjay Jhanwar; (xv) 288,000 shares to Vikas Vijaykumar Khemani							
Transfer of 4,000,000 shares to Mukesh R Kapadia jointly with Shobha Kapadia in their capacity as the trustees of Kapadia Family Trust	December 6, 2024	(4,000,000)	10	NA	Gift	(20.80)	[●]
Total		**3,928,266**				**20.43**	

(1) We are unable to trace the share transfer form for transfer of 100 Equity Shares from the joint holding of Shobha Mukesh Kapadia and Mukesh R Kapadia to the single holding of Mukesh R Kapadia on March 25, 1989. Accordingly, we have relied on the register of share transfer of our Company to determine the date of transfer.

(2) The Board resolution dated October 5, 2007 approving the transfer incorrectly mentions that 388,674 Equity Shares were transferred to Mukesh R Kapadia. However, the share transfer form correctly mentions that 391,995 Equity Shares were transferred to Mukesh R Kapadia.

(3) We are unable to trace the share transfer form for transfer of 1 Equity Share from Mukesh R Kapadia to GE Pacific (Mauritius) Limited (as a nominee of GE Mauritius Infrastructure Holdings Limited) on June 1, 2012. Accordingly, we have relied on the register of share transfer of our Company and the form FC-TRS filed in relation to this transfer to determine the date of the transfer.

(4) We are unable to trace the share transfer form for transfer of 633,698 Equity Shares from Mukesh R Kapadia to GE Mauritius Infrastructure Holdings Limited on June 1, 2012. Accordingly, we have relied on the register of share transfer of our Company and the form FC-TRS filed in relation to this transfer to determine the date of the transfer.

(5) Nisha Vineet Jain had undertaken a transfer of 14,550 Equity Shares to Mukesh R Kapadia on May 08, 2012. Pursuant to a letter bearing no FE.CO.FID.No.26443/10.21.281/2011/12 dated May 8, 2012, the Reserve Bank of India rejected the transfer due to contravention of Regulation 4 of FEMA 20/2000 -RB dated May 03, 2000. Subsequently, the transfer was approved by RBI and 14,550 Equity Shares were transferred to Mukesh R Kapadia on June 1, 2012.

(ii) *Umed Amarchand Fifadra*

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition / transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
Initial Subscription to Memorandum of Association	March 16, 1988	100	10	10.00	Cash	Negligible	[●]
Further issue	March 25, 1989	2,400	10	10.00	Cash	0.01	[●]
Further issue	November 10, 1989	42,962	10	10.00	Cash	0.22	[●]
Further issue	February 18, 1992	13,583	10	10.00	Cash	0.07	[●]

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition / transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
Bonus Issue in the ratio of 2 Equity Shares for 3 existing Equity Shares held.	September 18, 1993	39,366	10	NA	NA	0.20	[●]
Bonus Issue in the ratio of 2 Equity Shares for 1 existing Equity Shares held.	August 11, 1998	196,822	10	NA	NA	1.02	[●]
Bonus Issue in the ratio of 1 Equity Share for 1 existing Equity Share held.	August 19, 1999	295,233	10	NA	NA	1.54	[●]
Acquisition of Equity Shares from Spectra Tek UK Limited	October 12, 2007	391,995(1)	10	36.24	Cash	2.04	[●]
Transfer by way of gift to Chirag Umed Fifadra	February 1, 2011	(24,550)	10	NA	Gift	(0.13)	[●]
Transfer by way of gift to Roshni Umed Fifadra	February 1, 2011	(24,550)	10	NA	Gift	(0.13)	[●]
Transfer to GE Mauritius Infrastructure Holdings Limited(4)	June 1, 2012	(658,249)	10	331.83	Cash	(3.42)	[●]
Chirag Umed Fifadra transferred the gifted equity shares back	June 1, 2012	19,550(2)	10	NA	Gift	0.10	[●]
Roshni Umed Fifadra transferred the gifted equity shares back	June 1, 2012	19,550(3)	10	NA	Gift	0.10	[●]
Acquisition of Equity Shares by way of gift from Chirag Umed Fifadra	January 23, 2014	5,000	10	NA	Gift	0.03	[●]
Acquisition of Equity Shares by way of gift from Roshni Umed Fifadra	January 23, 2014	5,000	10	NA	Gift	0.03	[●]
Preferential allotment	December 22, 2017	500,000	10	10.00	Cash	2.60	[●]
Acquisition of Equity Shares from D.I. Netherlands B.V.	December 29, 2017	708,249	10	1.00	Cash	3.68	[●]

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition / transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
Buy-back of Equity Shares	March 26, 2020	(131,000)	10	326.00	Cash	(0.68)	[●]
Bonus Issue in the ratio of 5 Equity Shares for 1 existing Equity Shares held.	September 11, 2024	7,007,305	10	NA	NA	36.44	[●]
Transfer of (i) 7,200 shares to Bharat Narsidas Ghelani and Aruna Bharat Ghelani; (ii) 7,200 shares to Aruna Bharat Ghelani and Bharat Narsidas Ghelani; (iii) 7,200 shares to Binal Hemal Ghelani and Hemal Bharat Ghelani; (iv) 6,000 shares to Maurya Mihir Ghelani; (v) 6,000 shares to Grishma Mihir Ghelani; (vi) 12,000 shares to Swati Rajendra Shah; (vii) 4,800 shares to Ajit Prabhudas Shah and Smita Ajit Shah; (viii) 4,800 shares to Smita Ajit Shah and Ajit Prabhudas Shah; (ix) 4,800 shares to Sahil Ajit Shah and Ajit Prabhudas Shah; (x) 4,800 shares to Urvil Ajit Shah and Ajit Prabhudas Shah; (xii) 7,200 shares to Ramesh P Shah and Sunanda R Shah; (xiii) 6,000 shares to Chhaya Paresh Mehta; (xiv) 6,000 shares to Paresh Babulal Mehta HUF; (xv) 6,000 shares to Jennie Vatsal Bavishi and Vatsal Jasmin Bavishi; (xvi) 12,000 shares	October 9, 2024	(473,300)	10	208.00	Cash	(2.46)	[●]

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition / transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
to Jay Janak Upadhyaya; (xvii) 24,000 shares to Karan Kamlesh Shah and Kamlesh Mahendra Shah; (xviii) 12,000 shares to Kalpana Laxman Sanghvi; (xix) 12,000 shares to Laxman Sanghvi; (xx) 12,000 shares to Varsha Haresh Lathiya and Haresh Nyalchand Lathiya; (xxi) 7,200 shares to Chandrika Haren Gandhi and Haren Purshottamdas Gandhi; (xxii) 12,000 shares to Angana Sunil Vakil; (xxiii) 4,800 shares to Desai Ajit G and Desai Padmini; (xxiv) 4,800 shares to Daksha Ashwin Kumar Mehta and Ashiwnkumar Mehta; (xxv) 4,800 shares to Ninad Dhiren Kothari HUF; (xxvi) 4,800 shares to Vishal Mahendra Sheth; (xxvii) 6,000 shares to Varsha Dilip Kumar Ghelani and Dilip Kumar Narsidas Ghelani; (xxviii) 6,000 shares to Dilip Kumar Narsidas Ghelani; (xxix) 4,800 shares to Hemen Kishorkant Kothari and Nalini Hemen Kothari; (xxx) 2,400 shares to Sanjay Jain; (xxxi) 6,000 shares to Advance Chemicals Private							

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition / transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
Limited; (xxxii) 2,400 shares to Dipen Visanji Gada; (xxxiii) 48,000 shares to MAIQ Growth Scheme Long Only; (xxxiv) 192,000 shares to India Ahead Venture Fund; (xxxv) 4,800 shares to Amit Mahendrakumar Parikh; (xxxvi) 500 shares to Acharya Raj D							
Transfer of 7,200 shares to Hemal Bharat Ghelani and Bharat Narisdas Ghelani	October 10, 2024	(7,200)	10	208.00	Cash	(0.04)	[●]
Transfer of 4,000,000 shares to Umed Amarchand Fifadra jointly with Usha Umed Fifadra on behalf of Fifadra Family Trust	December 3, 2024	(4,000,000)	10	NA	Gift	(20.80)	[●]
Total		**3,928,266**				**20.43**	

[1] The Board resolution dated October 5, 2007 approving the transfer incorrectly mentions that 395,314 Equity Shares were transferred to Umed Amarchand Fifadra. However, the share transfer form correctly mentions that 391,995 Equity Shares were transferred to Umed Amarchand Fifadra.

[2] Chirag U Fifadra had undertaken a transfer of 19,550 Equity Shares to Umed Amarchand Fifadra on May 08, 2012. Pursuant to a letter bearing no FE.CO.FID.No.26443/10.21.281/2011/12 dated May 8, 2012, the Reserve Bank of India rejected the transfer due to contravention of Regulation 4 of FEMA 20/2000 -RB dated May 03, 2000. Subsequently, the transfer was approved by RBI and 19,550 Equity Shares were transferred to Umed Amarchand Fifadra on June 1, 2012.

[3] Roshni Umed Fifadra had undertaken a transfer of 19,550 Equity Shares to Umed Amarchand Fifadra on May 08, 2012. Pursuant to a letter bearing no FE.CO.FID.No.26443/10.21.281/2011/12 dated May 8, 2012, the Reserve Bank of India rejected the transfer due to contravention of Regulation 4 of FEMA 20/2000 -RB dated May 03, 2000. Subsequently, the transfer was approved by RBI and 19,550 Equity Shares were transferred to Umed Amarchand Fifadra on June 1, 2012.

[4] We are unable to trace the share transfer form for transfer of 658,249 Equity Shares from Umed Amarchand Fifadra to GE Mauritius Infra Structure Holding Limited on June 01, 2012. Accordingly, we have relied on the register of share transfer and form FC-TRS filed in relation to this transfer to determine the date of the transfer.

(iii) *Shobha Mukesh Kapadia*

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition / transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
Initial Subscription to Memorandum of Association	March 16, 1988	100	10	10.00	Cash	Negligible	[●]
Transfer of Equity Shares to Mukesh R Kapadia[(1)]	March 25, 1989	(100)	10	0.00	Cash	(Negligible)	[●]
Total		**0[*]**				**(Negligible)**	

[*] *Mukesh R Kapadia and Shobha Kapadia in their capacity as trustees of Kapadia Family Trust hold 4,000,000 Equity Shares of our Company aggregating to around 20.80% of the paid-up share capital of our Company.*
[(1)] *We are unable to trace the share transfer form for transfer of 100 Equity Shares from the joint holding of Shobha Mukesh Kapadia and Mukesh R Kapadia to the single holding of Mukesh R Kapadia on March 25, 1989. Accordingly, we have relied on the register of share transfer of our Company to determine the date of transfer.*

(iv) *Usha Umed Fifadra*

Usha Umed Fifadra is neither a current shareholder nor has held any Equity Shares of our Company since the date of incorporation of our Company. However, Umed Amarchand Fifadra and Usha Umed Fifadra in their capacity as the trustees of Fifadra Family Trust hold 4,000,000 Equity Shares of our Company aggregating to around 20.80% of paid-up share capital of our Company.

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

d. All Equity Shares held by our Promoters are in dematerialized form as on the date of this Draft Red Herring Prospectus.

e. None of the Equity Shares held by our Promoters are pledged or otherwise encumbered as on the date of this Draft Red Herring Prospectus. Further, none of the Equity Shares being offered for sale through Offer for Sale are pledged or otherwise encumbered as on the date of this Draft Red Herring Prospectus.

f. Except as disclosed above in the '*Capital Structure – Details of Shareholding of our Promoters and members of the Promoter Group in our Company*' on page 99, none of our Promoters or the members of the Promoter Group or their relatives have purchased or sold any securities of our Company during the period of 6 months immediately preceding the date of this Draft Red Herring Prospectus. Except as disclosed in the '*Our Management - Shareholding of Directors in our Company*' on page 237, none of our Directors or their relatives have purchased or sold any securities of our Company during the period of 6 months immediately preceding the date of this Draft Red Herring Prospectus.

g. Except as set forth below, no member of the Promoter Group holds Equity Shares in our Company:

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)
1.	Bharat Narsidas Ghelani jointly with Aruna Bharat Ghelani	7,200	0.04
2.	Dilip Kumar Narsidas Ghelani	6,000	0.03
3.	Chandrika Haren Gandhi jointly with Haren Purshottamdas Gandhi	7,200	0.04
4.	Mukesh R Kapadia and Shobha	4,000,000	20.80

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)
	Kapadia in their capacity as trustees of Kapadia Family Trust		
5.	Umed Amarchand Fifadra and Usha Umed Fifadra in their capacity as trustees of Fifadra Family Trust	4,000,000	20.80
Total		**8,020,400**	**41.71**

h. There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives have financed the purchase, by any other person of securities, of our Company during the period of 6 months immediately preceding the date of this Draft Red Herring Prospectus.

14. **Details of shareholding of the Promoter Selling Shareholders**

The shareholding of the Promoter Selling Shareholders and the number of Offered Shares being offered in the Offer for Sale by each of the Promoter Selling Shareholder is set out below:

Sr. No.	Name of the Promoter Selling Shareholder	No. of Equity Shares (A)	Percentage of the pre-Offer Equity Share capital	Maximum number of Offered Shares (B)	Residual number of Equity Shares (A-B)	Percentage of the post-Offer Equity Share capital (%)
1.	Mukesh R Kapadia	3,928,266	20.43	763,750	3,164,516	[●]
2.	Umed Amarchand Fifadra	3,928,266	20.43	763,750	3,164,516	[●]
Total		**7,856,532**	**40.86**	**1,527,500**	**6,329,032**	**[●]**

15. **Details of shareholding of our Directors, Key Managerial Personnel and Senior Management**

Other than as disclosed below, none of our Directors, Key Managerial Personnel and Senior Management hold any Equity Shares as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Director, Key Managerial Personnel and Senior Management*	Number of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)
1.	Shirish Madhukar Adi	50,000	0.26
2.	Parikh Amit	4,800	0.02
3.	Dave Devang	5,450	0.03
Total		**60,250**	**0.31**

* *Excludes Promoters*

16. **Details of acquisition of Equity Shares in the preceding 3 years by our Promoters, the members of our Promoter Group, Promoter Selling Shareholders and Shareholders with right to nominate Directors or other rights in the last 3 years preceding the date of this Draft Red Herring Prospectus**

Save and except for below, our Promoters, the members of our Promoter Group, and the Promoter Selling Shareholders have not acquired any specified securities in the last 3 years preceding the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Date of Acquisition	Number of Equity Shares Acquired	Face Value (in ₹)	Acquisition price per Equity Share*
Promoters					

Sr. No.	Name of the Shareholder	Date of Acquisition	Number of Equity Shares Acquired	Face Value (in ₹)	Acquisition price per Equity Share*
1.	Mukesh R Kapadia**	September 11, 2024	700,305	10.00	Nil
2.	Umed Amarchand Fifadra**	September 11, 2024	700,305	10.00	Nil
3.	Shobha Mukesh Kapadia(1)	-	Nil	NA	NA
4.	Usha Umed Fifadra(2)	--	Nil	NA	NA
Promoter Group					
1.	Bharat Narsidas Ghelani jointly with Aruna Bharat Ghelani	October 9, 2024	7,200	10.00	208.00
2.	Dilip Kumar Narsidas Ghelani	October 9, 2024	6,000	10.00	208.00
3.	Chandrika Haren Gandhi jointly with Haren Purshottamdas Gandhi	October 9, 2024	7,200	10.00	208.00
4.	Mukesh R Kapadia jointly with Shobha Kapadia on behalf of Kapadia Family Trust	December 6, 2024	4,000,000	10.00	Nil
5.	Umed Amarchand Fifadra jointly with Usha Umed Fifadra on behalf of Fifadra Family Trust	December 3, 2024	4,000,000	10.00	Nil
Other Shareholders with special rights - Nil					

* *As certified by CNK & Associates LLP, Statutory Auditors, pursuant to a certificate dated February 6, 2025.*

** *Also, Selling Shareholders*

(1) *Mukesh R Kapadia and Shobha Mukesh Kapadia, in their capacity as trustees of Kapadia Family Trust hold 4,000,000 Equity Shares in Kapadia Family Trust. However, Shobha Mukesh Kapadia does not hold any Equity Shares in her individual capacity.*

(2) *Umed Amarchand Fifadra and Usha Umed Fifadra, in their capacity as trustees of Fifadra Family Trust hold 4,000,000 Equity Shares in Fifadra Family Trust. However, Usha Umed Fifadra does not hold any Equity Shares in her individual capacity.*

17. **Details of Promoters' contribution and lock-in**

a. Pursuant to Regulation 14 and Regulation 16 of SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by the Promoters shall be locked-in for a period of 18 months as minimum promoter's contribution from the date of Allotment (**Minimum Promoters' Contribution**) in the Offer and our Promoters' shareholding in excess of 20% shall be locked-in for a period of 6 months from the date of Allotment.

b. The details of the Equity Shares held by our Promoters, which shall be locked-in for a period of 18 months from the date of Allotment is set out in the following table:

Name of Promoter	No. of Equity Shares locked-in	Date of allotment / acquisition and when made fully paid up	Nature of transaction	Face value (₹)	Offer / acquisition price per Equity Share (₹)	Percentage of pre-Offer paid-up capital (%)	Percentage of post-Offer paid-up capital (%)	Date up to which Equity Shares are subject to lock-in
Mukesh R Kapadia	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

Name of Promoter	No. of Equity Shares locked-in	Date of allotment / acquisition and when made fully paid up	Nature of transaction	Face value (₹)	Offer / acquisition price per Equity Share (₹)	Percentage of pre-Offer paid-up capital (%)	Percentage of post-Offer paid-up capital (%)	Date up to which Equity Shares are subject to lock-in
Umed Amarchand Fifadra	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

To be updated at Prospectus stage.

c. Our Promoters have given their consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Issue Equity Share capital of our Company as Minimum Promoter's Contribution, subject to lock-in requirements as specified under Regulation 14 of the SEBI ICDR Regulations. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Minimum Promoter's Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted in accordance with the SEBI ICDR Regulations.

d. The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Minimum Promoters' Contribution under Regulation 15 of the SEBI ICDR Regulations. For details of the build-up of the share capital held by our Promoter, see '*-Build-up of the Promoters' shareholding in our Company*' on page 99. In this regard, we confirm that:

   i. the Equity Shares offered as part of the Minimum Promoters' Contribution do not comprise Equity Shares acquired during the immediately 3 preceding years:

      - for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or

      - resulting from a bonus issue out of revaluation reserves or unrealised profits, or against Equity Shares that are otherwise ineligible for computation of Minimum Promoters' Contribution;

   ii. The Minimum Promoters' Contribution does not include Equity Shares acquired during the immediately preceding 1 year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

   iii. Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm, and, consequently, the Minimum Promoters' Contribution does not include Equity Shares issued pursuant to conversion of partnership firm or a limited liability partnership firm; and

   iv. The Equity Shares held by our Promoters and offered as part of the Minimum Promoters' Contribution are not subject to any pledge or any other encumbrance.

Details of Equity Shares held by other Shareholders which will be locked-in for 6 months

In terms of Regulation 17 of the SEBI ICDR Regulations, the entire pre-Offer Equity Share capital held by persons other than our Promoters will be locked-in for a period of six months from the date of Allotment in the Offer, except for Offered Shares, and Equity Shares held by any other category of shareholders which are exempted under Regulation 17 of the SEBI ICDR Regulations.

Any unsubscribed portion of the Offer for Sale will also be subject to the lock-in of 6 months from the date of Allotment.

18. **Lock-in Requirements**

a. Pursuant to the SEBI ICDR Regulations, the entire pre-Offer capital of our Company shall be locked-in for a period of 6 months from the date of Allotment, except for (i) the Equity Shares Allotted pursuant to the Offer for Sale; (ii) any Equity Shares held by a VCF or Category I AIF or Category II AIF or FVCI, as applicable, provided that such Equity Shares shall be locked in for a period of at least 6 months from the date of purchase by such shareholders; and (iii) as otherwise permitted under the SEBI ICDR Regulations. Further, any unsubscribed portion of the Offered Shares will also be locked in, as required under the SEBI ICDR Regulations.

19. **Lock-in of Equity Shares Allotted to Anchor Investors**

50% percent of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment and the remaining portion shall be locked-in for a period of 90 days from the date of Allotment.

20. **Recording on non-transferability of Equity Shares locked-in**

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

21. **Other requirements in respect of lock-in**

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoter and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

a. With respect to the Equity Shares locked-in for 6 months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

b. With respect to the Equity Shares locked-in as Minimum Promoters' Contribution for 18 months from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer.

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

In accordance with Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoter and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the SEBI Takeover Regulations.

Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoters prior to the Offer and locked-in for a period of 6 months, may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in with the transferee and compliance with the provisions of the SEBI Takeover Regulations.

22. **Employee Stock Option Plan**

Our Company in the past had a Phantom Stock Scheme, 2022 (**Scheme 2022**), pursuant to which phantom shares were vested in the Key Managerial Personnel of the Company, which was pre-closed on June 21, 2024 and the phantom shares vested in the Key Managerial Personnel were settled based on the valuation formula prescribed as per the Scheme 2022 as on the pre-closure date, i.e., ₹ 307 per Equity Share. Further, our Company has formulated an employee stock option plan namely Advanced Sys-Tek Employee Stock Option Plan 2024 (**ESOP Scheme**) as approved by our Board on September 11, 2024 and our shareholders on November 26, 2024.

The maximum number of Equity Shares that may be issued pursuant to the exercise of options granted to participants under the ESOP Scheme shall not exceed 500,000 Equity Shares of the Company. The employee stock options in terms of the ESOP Scheme shall only be, issued to the eligible employees of our Company, from time to time, in accordance with the prevailing applicable laws.

The ESOP Scheme has been framed in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (**ESOP Regulations**) as certified by M/s CNK & Associates LLP through a certificate dated February 6, 2025.

As on the date of this Draft Red herring Prospectus, our Company has not granted any options under the ESOP Scheme.

23. Our Company, our Directors and the BRLMs have no existing buyback arrangements and or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

24. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. All Equity Shares transferred pursuant to the Offer shall be fully paid-up at the time of Allotment, failing which no Allotment shall be made.

25. As on the date of this Draft Red Herring Prospectus, the BRLMs and its associates (as defined in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. However, the spouses of the designated partners of Sowilo Capital Advisors LLP, hold 154,200 Equity Shares aggregating 0.80% of the pre-Offer Equity Share capital of our Company, through Princely Multitrading LLP, an associate of Sowilo Capital Advisors LLP. The said spouses are the designated partners of Princely Multitrading LLP.

26. The BRLMs and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company and/or our Subsidiary, for which they may in the future receive customary compensation.

27. We confirm that the Book Running Lead Managers are not associates of the Company as per Regulation 21A of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992. The BRLMs and its associates (as defined in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) are not directly/indirectly related to the Shareholders as on the date of this Draft Red Herring Prospectus. However, the spouses of the designated partners of Sowilo Capital Advisors LLP, hold 154,200 Equity Shares aggregating 0.80% of the pre-Offer Equity Share capital of our Company, through Princely Multitrading LLP, an associate of Sowilo Capital Advisors LLP. The said spouses are the designated partners of Princely Multitrading LLP.

28. None of our Promoters or the members of our Promoter Group will participate in the Offer except to the extent of their participation in the Offer for Sale.

29. Neither the (i) BRLMs or any associate of the BRLMs (other than mutual funds sponsored entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs or AIFs sponsored by the entities which are associates of the BRLMs or FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associates of the BRLMs); nor (ii) any person related to the Promoter or Promoter Group can apply under the Anchor Investor Portion.

30. Other than the grant of options and issuance of Equity Shares pursuant to the ESOP Plan, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded on account of non-listing, under-subscription etc, as the case may be.

31. Our Company will ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

32. No person connected with the Offer shall offer any incentive, whether direct or indirect, in any manner whatsoever, whether in cash or kind or service or otherwise, to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

SECTION IV: PARTICULARS OF THE OFFER

OBJECTS OF THE OFFER

The Offer comprises the Fresh Issue and an Offer for Sale by the Promoter Selling Shareholders.

Offer for Sale

The Offer for Sale comprises up to 1,527,500 Equity Shares aggregating up to ₹ [●] million.

Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds. Each Promoter Selling Shareholder will be entitled to proceeds from the Offer for Sale to the extent of their respective portion of the Offered Shares, after deducting their respective proportion of Offer related expenses and relevant taxes thereon, in accordance with the Offer Agreement.

Sr. No.	Name of the Promoter Selling Shareholders	Date of Consent Letter	Date of board resolution for authorisation to participate in Offer for Sale	Maximum number of Equity Shares offered in Offer for Sale
1.	Mukesh R Kapadia	November 13, 2024	Not applicable	Up to 763,750 Equity Shares
2.	Umed Amarchand Fifadra	November 13, 2024	Not applicable	Up to 763,750 Equity Shares

Fresh Issue

The Fresh Issue comprises an offer of up to [●] Equity Shares aggregating up to ₹ 1,150.00 million. The proceeds of the Fresh Issue, after deducting Offer related expenses, are estimated to be ₹ [●] million (**Net Proceeds**).

Requirement of Funds

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

1. Funding capital expenditure requirement for

    a. Setting up fabrication shed; and

    b. Purchase of solar roof tops

    (collectively '**Capital Expenditure**')

2. Funding our long term working capital requirement; and

3. General Corporate Purposes.

(collectively, referred to herein as the '**Objects**')

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges and enhancement of our Company's visibility and brand image and creation of a public market for our Equity Shares in India.

The main objects clause and objects incidental and ancillary to the main objects as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities proposed to be funded from the Net Proceeds.

Appraising Agency

None of the Objects of the Offer for which the Net Proceeds will be utilized have been appraised by any agency.

Net Proceeds

The details of the Net Proceeds of the Offer are summarized in the table below:

(in ₹ million)

Particulars	Amount
Gross Proceeds from the Fresh Issue(1)	1,150.00
(Less) Fresh Issue related expenses(1)(2)	[●]
Net Proceeds(1)	**[●]**

(1) *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.*
(2) *The Offer related expenses shall vary depending upon the final offer size and the allotment of Equity Shares. For further details, please refer to heading titled 'Objects of the Offer - Offer Related Expenses' on page 124.*

Utilisation of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details provided in the below table:

(in ₹ million)

Sr. No.	Particulars	Amount to be funded from the Net Proceeds
1.	Funding our Capital Expenditure requirement	93.09
2.	Funding our long term working capital requirement	700.00
3.	General corporate purposes(1)	[●]
Total(1)(2)		[●]

(1) *To be finalised upon determination of Offer Price and updated in the Prospectus. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds from the Fresh Issue.*
(2) *In the event that the estimated utilisation of the Net Proceeds in a scheduled Fiscal year is not completely met, the same shall be utilised in the next Fiscal year, as may be determined by our Board, in accordance with applicable laws.*

Schedule of implementation and deployment of Net Proceeds

Our Company proposes to deploy the Net Proceeds for the Objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(in ₹ million)

Sr. No.	Particulars		Amount to be funded from the Net Proceeds	Estimated deployment during Fiscal 2026
1.	Funding Capital Expenditure requirement for	Setting up fabrication shed	84.24	84.24
		Purchase of solar roof tops	8.85	8.85
2.	Funding our long-term working capital requirement		700.00	700.00
3.	General corporate purposes (1)		[●]	[●]
Total(1)			[●]	[●]

(1) *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. In compliance with Regulation 7(2) of the SEBI ICDR Regulations, the amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the offer.*

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, prevailing market conditions and other commercial and technical factors. However, such fund requirements and deployment of funds have not been appraised by any bank, or financial institution. For further details see '*Risk Factor - The objects of the Offer for which funds are being raised have not been appraised by any bank or financial institution and are based on management estimates.*' on page 57. We may have to revise our funding requirements and deployment on account of a variety of factors such as financial and market conditions, macro-economic factors, change in government policy, changes in business and strategy, competition, incremental pre-operative expenses and other external factors such as changes in the business environment and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws. For further details, please see, '*Risk Factor - Any variation in the utilisation of proceeds from the Fresh Issue shall be subject to applicable law'.* on page 58.

In the event that the estimated utilisation of the Net Proceeds in a scheduled fiscal year is not completely met, due to factors such as (i) the timing of completion of the Offer; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, then such unutilised amounts shall be utilised (in part or full) in the next fiscal year, as may be determined by our Company, in accordance with applicable laws. Subject to applicable law, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of funding means available to us, including from internal accruals and any additional equity and/or debt arrangements. Further, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used towards general corporate purposes, provided that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with Regulation 7(2) of the SEBI ICDR Regulations.

Means of finance

Our Company proposes to fund the requirements of the Objects of the Offer from the Net Proceeds. Accordingly, there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable internal accruals, as required under Regulation 7(1)(e) of the SEBI ICDR Regulations. Further, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used towards general corporate purposes, provided that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with Regulation 7(2) of the SEBI ICDR Regulations. Please also see, '*Risk Factor - Any variation in the utilisation of proceeds from the Fresh Issue shall be subject to applicable law.'* on page 58.

Details of the Objects of the Fresh Issue

Our Board at its meeting held on February 6, 2025 approved the proposed Objects and the respective amounts proposed to be utilized from the Net Proceeds for each Object.

1. **Funding our Capital Expenditure requirement**

Our Company intends to utilise the space available at our Registered and Corporate Office for setting up a fabrication shed along with a solar roof top. The fabrication shed, once set up, will be utilised for manufacturing large metering skid which will have the annual capacity as set out below:

Sr. No.	Particular	Quantity	
		Existing Capacity	Increased Capacity
1.	Large size metering skids – DIA.12"	Nil	Up to 15 Nos.
2.	Medium size metering skids – DIA.12" to 10"	Nil	Up to 25 Nos
3.	Small size metering skids – DIA up to 4"	Nil	Up to 100 Nos

This will enable our Company to manufacture small, medium and large skids/solutions/products and capitalize on the opportunities available in the market. In house manufacturing will bring complete control over the manufacturing process providing best in class quality products/skids/solutions to our customer. Setting up new metering skid is a fabrication heavy work which typically involve civil / construction work, development of peripheral site which involves building *inter alia* manhole chambers, inspection chambers, developing reinforced cement concrete roads and setting up mechanical, electrical and fire protections. In addition to the setting up solar roof top at the fabrication shed, our Company intends to set up another solar roof top which will be utilised towards operations of our Registered and Corporate Office and our existing Manufacturing Facility.

Estimated Cost

The total estimated cost towards our Capital Expenditure is ₹ 93.09 million.

Accordingly, based on the current estimates, we propose to utilise an aggregate of ₹ 93.09 million towards (i) setting up fabrication shed and (ii) purchase of solar roof tops.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds towards our Capital Expenditure requirements are based on our management estimates, current and valid quotations from vendor, and other commercial and technical factors and the vendors have been approved pursuant to a resolution dated February 6, 2025 passed by our Board. However, such total estimated cost and related fund requirements have not been appraised by any bank or financial institutions.

Set out below is a break up of the estimated cost:

(*in ₹ million*)

Capital Expenditure	Amount proposed to be funded from Net Proceeds	Schedule of implementation in Fiscal 2026
Setting up fabrication shed	84.24	84.24
Purchase of solar roof tops	8.85	8.85

Break up of estimated cost

Set out below is a detailed break up of each element of Capital Expenditure.

i. *Setting up fabrication shed*

The estimated expenditure setting up fabrication shed, along with civil / construction work and development of peripheral site which we propose to deploy from the Net Proceeds is ₹ 84.24 million. Set out in the table below is a break-up of the estimated cost across various aspects of setting up fabrication shed:

Sr. No.	Nature of work	Quantity	Cost per Unit (in ₹ million)	Total Cost (in ₹ million)	Details in relation to Quotations Obtained		
					Name of the Vendor	Date of Quotation / Purchase Order	Validity of the Quotation / Purchase Orders
1	Building Unit cost (civil works)	LOT	-	50.52*^	Nachiket Procon Private Limited	October 26, 2024	8 Months
2	Peripheral site development	LOT	-	7.82*^	Nachiket Procon Private Limited	October 26, 2024	8 Months
3	MEPF Service	LOT	-	19.46*^	Nachiket Procon Private Limited	October 26, 2024	8 Months
4	Design fees, electricity, site complexity and liasoning	LOT	-	4.49*^	Nachiket Procon Private Limited	October 26, 2024	8 Months
5	Supply of Solar PV Module and Inverter	50	0.04*	1.80*	Katwala Power Solutions	October 10, 2024	May 30, 2025
6	Supply, Installation, Testing and Commission	50	0.00*	0.00*	Katwala Power Solutions	October 10, 2024	May 30, 2025
7	Supply, Testing, Installation of meters and modem	1	0.15*	0.15*	Katwala Power Solutions	October 10, 2024	May 30, 2025
Total				**84.24**			

* *Excluding GST*

^ *Excluding BOCW Fees*

As certified by Rameshchandra V Vaghela, Chartered Engineer, pursuant to a certificate dated February 3, 2025.

ii. *Purchase of solar roof tops*

The estimated expenditure towards purchase of solar roof tops which we propose to deploy from the Net Proceeds is ₹ 8.85 million. Set out in the table below is a break-up of the estimated cost towards purchase of solar roof tops:

Sr. No.	Nature of work	Quantity	Cost per Unit (in ₹ million)*	Total Cost (in ₹ million)*	Details in relation to Quotations Obtained^		
					Name of the Vendor	Date of Quotation / Purchase Order	Validity of the Quotation / Purchase Orders
1.	Supply of Solar PV Module and Inverter	175	0.03	5.25	Katwala Power Solutions	October 10, 2024	May 30, 2025
2.	Supply, Installation, Testing and Commissioning	175	0.00	0.00	Katwala Power Solutions	October 10, 2024	May 30, 2025
3.	Design, Supply, Fabrication and Installation of MS Structure	23	0.15	3.45	Katwala Power Solutions	October 10, 2024	May 30, 2025
4.	Supply, Testing, Installation of meters and modem	1	0.15	0.15	Katwala Power Solutions	October 10, 2024	May 30, 2025
Total				**8.85**			

* *Excluding GST*

As certified by Rameshchandra V Vaghela, Chartered Engineer, pursuant to a certificate dated February 3, 2025.

All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. However, we are yet to place any orders for such capital expenditure. We have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the equipment/machinery or provide the service at the same costs. No second-hand or used equipment/machinery are proposed to be purchased out of the Net Proceeds. If there is any increase in the costs of equipment, the additional costs shall be paid by our Company from its internal accruals. The quantity of equipment/machinery to be purchased is based on the present estimates of our management. Our Company shall have the flexibility to deploy such equipment in relation to the capital expenditure or such other equipment/machinery as may be considered appropriate, according to the business requirements, subject to the total amount to be utilized towards purchase of such new equipment/machinery not exceeding ₹ 93.09 million.

2. Funding our long term working capital requirement

Our Company funds a majority of its working capital requirements in the ordinary course of business from banks and internal accruals. As on September 30, 2024, our Company has an aggregate sanctioned limit of working capital facilities of ₹ 1,600.00 million comprising ₹ 200.00 million of fund-based limits, and ₹ 1,400.00 million of non-fund based limits. For further details, see '*Financial Indebtedness*' on page 326.

We propose to utilise ₹ 700.00 million from the Net Proceeds to fund the long-term working capital requirements of our Company in Fiscal 2026. The details of our Company's working capital as at 6 month ended September 30, 2024 and at Fiscal 2024, Fiscal 2023, and Fiscal 2022, derived from the standalone financials of our Company, and source of funding of the same are provided in the table below:

(*in ₹ million*)

Particulars	As on			
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Current Assets:				
(a) Inventories				
(i) Raw Materials	175.18	198.49	64.94	27.20
(ii) Work-in-progress	23.34	17.63	12.99	20.02
(iii) Goods-in-Transit	10.72	39.07	14.43	-
(iv) Stock-in-Trade	61.98	32.04	30.34	48.14
Total of Inventories	**271.22**	**287.23**	**122.70**	**95.36**

Particulars	As on			
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
(b) Financial assets				
(i) Trade receivables	1,206.91	1,176.98	1,043.88	1,038.40
(iii) Other financial assets	43.99	34.63	27.66	21.42
(c) Current Tax Assets (Net)	4.18	3.54	0.67	-
(d) Other current assets	199.17	212.21	150.40	29.89
Total Current Assets (A)	**1,725.47**	**1,714.59**	**1,345.31**	**1,185.07**
Current Liabilities:				
(a) Financial Liabilities				
(i) Trade payables	408.20	603.07	306.62	370.42
(iii) Other Financial Liabilities	-	-	1.45	3.09
(b) Other Current Liabilities	75.74	94.98	71.12	23.57
(c) Provisions	59.55	68.52	77.46	75.37
(d) Current tax liabilities (net)	10.16	-	-	4.08
Total Current Liabilities (B)	**553.65**	**766.57**	**456.65**	**476.53**
Net working Capital Requirements (A-B)	**1,171.82**	**948.02**	**888.66**	**708.54**
Existing Funding Pattern:				
A. Borrowings from banks, financial institution and non-banking financial companies (including bill discounting)	-	-	-	-
B. IPO Proceeds	-	-	-	-
C. Internal accruals/net worth	1,171.82	948.02	888.66	708.54
Total (A+B+C)	**1,171.82**	**948.02**	**888.66**	**708.54**

Expected Working Capital Requirements

On the basis of existing and estimated working capital requirement of our Company, on a standalone basis, and assumptions for such working capital requirements as approved by the Board pursuant to its resolution dated February 6, 2025, the proposed funding of the working capital requirements are set out below:

(in ₹ million)

Particulars	March 31, 2025	March 31, 2026
Current Assets:		
(a) Inventories		
(i) Raw Materials	267.63	394.99
(ii) Work-in-progress	26.22	38.22
(iii) Goods-in-Transit	29.97	43.68
(iv) Stock-in-Trade	47.58	63.22

Particulars	March 31, 2025	March 31, 2026
Total of Inventories	**371.40**	**540.11**
(b) Financial assets		
(i) Trade receivables	1,775.45	2,493.94
(ii) Other financial assets	35.29	41.74
(c) Current Tax Assets (Net)	-	-
(d) Other current assets	334.69	432.31
Total Current Assets (A)	**2,516.83**	**3,508.10**
Current Liabilities:		
(a) Financial Liabilities		
(i) Trade payables	591.65	825.32
(ii) Other Financial Liabilities	-	-
(b) Other Current Liabilities	110.63	139.51
(c) Short Term Provisions	60.21	66.93
(d) Current tax liabilities (net)	-	-
Total Current Liabilities (B)	**762.49**	**1,031.76**
Net working Capital Requirements (A-B)	**1,754.34**	**2,476.34**
Existing Funding Pattern:		
A. Borrowings from banks, financial institution and non-banking financial companies (including bill discounting)	150.00	150.00
B. IPO Proceeds	-	700.00
C. Internal Accruals/Equity	1,604.34	1,626.34
Total (A+B+C)	**1,754.34**	**2,476.34**

Note: As certified by CNK & Associates LLP, Statutory Auditors, pursuant to a certificate dated February 6, 2025.

The table below contains the details of the holding levels (in number of days as applicable) considered and is derived from the Restated Consolidated Financial Information for the 6 month period ended September 30, 2024, and for Fiscal 2024, Fiscal 2023, and Fiscal 2022, and the projected holding period for Fiscal 2025 and Fiscal 2026 and the assumptions based on which the working capital requirements have been approved by our Company's Board of Directors through resolution dated February 6, 2025:

Particulars	Holding levels on the basis of	For the Six months period ended September 30, 2024	For the Fiscal ended March 31, 2024 (Actual)	For the Fiscal ended March 31, 2023 (Actual)	For the Fiscal ended March 31, 2022 (Actual)	For the Fiscal ended March 31, 2025 (Projected)	For the Fiscal ended March 31, 2026 (Projected)
Trade Receivable Days	Revenue from Operations	205	228	271	278	243	243
Inventories Days							
Raw Materials	Purchase of Raw Material	66	68	35	18	68	68
Work-in-progress	Cost of Raw material and Project related supplies	8	7	7	13	7	7
Goods-in-Transit	Cost of Raw material and Project related supplies	4	15	8	-	8	8

Particulars	Holding levels on the basis of	For the Six months period ended September 30, 2024	For the Fiscal ended March 31, 2024 (Actual)	For the Fiscal ended March 31, 2023 (Actual)	For the Fiscal ended March 31, 2022 (Actual)	For the Fiscal ended March 31, 2025 (Projected)	For the Fiscal ended March 31, 2026 (Projected)
Stock-in-Trade	Purchase of Traded Products	71	45	55	59	45	45
Other Financials Assets	Revenue from Operations	7	7	7	6	5	4
Current tax Assets (Net)	Revenue from Operations	1	1	-	-	-	-
Other Current Assets	Revenue from Operations	34	41	39	8	46	42
Trade Payables days	Total Expense	91	152	103	127	105	105
Provisions	Revenue from Operations	10	13	20	20	8	7
Other Current Liabilities	Revenue from Operations	13	18	18	6	15	14
Current Tax Liabilities	Revenue from Operations	2	-	-	1	-	-

Note: As certified by CNK & Associates LLP, Statutory Auditors, pursuant to a certificate dated February 6, 2025

Key assumptions for working capital projections made by our Company:

Sr. No.	Particulars	Assumptions & Justifications
1	Inventories Days	
	(a) Raw Material	The Company procures specialised equipments, Printed Circuit Boards, Electronic Circuits etc., which are designed as per the Company requirements. Some of these materials are imported and therefore have longer lead time. With an increase in the operations of the Company, the Company will be required to maintain sufficient inventory of these materials to ensure uninterrupted production of manufactured goods and project execution. In the current fiscal the Company has high order booking, and the trend is expected to continue in future. The fiscal year 2023, the inventory days for raw materials were 35 days of the purchase of materials. However, this metric increased to 68 days in fiscal year 2024 and is projected to remain at the same level of 68 days for fiscal years 2025 and 2026.
	(b) Work-in-progress	The work-in-progress category of inventory represents the stock of manufactured products of the Company such as Batch Controllers, Smart Ground Detector, Card Reader etc. which are in the various stages of the production. These products are usually completed based on the specifications of the customers before dispatch of the final product to the customer. The Company expects to maintain the similar levels of work-in-progress days in

Sr. No.	Particulars	Assumptions & Justifications
		future years as well. In fiscal year 2023 and fiscal 2024, the inventory days for work-in-progress were 7 days of the cost of raw materials and project related supplies and is projected to remain at the same level of 7 days for fiscal years 2025 and 2026.
	(c') Goods-in-Transit	The Company procures material usually on ex-works basis and the Company is required to deliver the material at customer location free of cost i.e. freight and insurance during the transit. With increased operations, to cater to the timeline of the project execution, the Company will be required to maintain continuous movement of material from vendor works and factory to site. As a result, in the recent past as well as in future years, the Company expects to maintain similar levels of inventory in the nature of Goods-in-Transit. A high day of Goods-in-Transit for the year 2024 was due to unplanned dispatch of material by vendor at the year-end which did not reach the customer location. This was one of an occurrence and not expected to repeat in future. The Company believes that the Goods-in-Transit inventory for Fiscal 2023 of 8 days of the cost of raw materials and project related supplies. The company expects to continue to maintain the Inventory Goods-in-Transit Days level of 8 days for Fiscal 2025 and Fiscal 2026
	(d) Stock-in-Trade	The Company trades in equipment such as Control Valves, Meters, Cables and other spares required for maintenance of the systems supplied by it. With an increase in operations of the Company, there would be a need to maintain an inventory for such equipment to achieve operational efficiency and economies of scale. The Company does not foresee any major change in the inventory levels of such equipment. The Company had in fiscal year 2023, 55 days and in fiscal 2024 45 days of Purchase of Traded Products The Company expects to continue to maintain the Stock-in-Trade inventory of 45 days each for Fiscal ended March 31, 2025 March 31, 2026 respectively.
2	Trade Receivables	The inherent nature of the business of the Company entails a high level of trade receivable days. Historically with an increase in sales especially during the last quarter of the fiscal year, there has been high receivable days. The Company receives payment from the customer based on milestones completed for a project. A portion of the invoice amount raised by the Company remains unpaid / not due till the completion of the final milestone and further on an average around 35% to 45% of the amount of the trade receivables are in the form of amounts not due or in the form of retention amount receivable from customer as per the contractual payment terms. However, an improvement is expected over years with an increased focus on collection, site closures and focus on exports. The Company had 271 days of Revenue from Operations in Fiscal 2023 and 228 days of Revenue from Operations in Fiscal 2024 as Trade Receivables. The drop in FY 24 was mainly attributable to collection of approximately ₹ 60.00 million on submission of bank guarantee of equivalent amount for release of retention amount held back by the customer. The Company expects to have trade receivable days at level of 243 days of Revenue from Operations for Fiscal 2025 & Fiscal 2026 respectively.
3	Trade Payables	The Company procures equipment and materials from various domestic as well as multinational companies. The Company generally enjoys credit period of 90-120 days from its vendors. However, in case of vendors of critical equipment like Tank Guaging System, Mass Flow Meters, Control Valves, the

Sr. No.	Particulars	Assumptions & Justifications
		Company has to pay advance to the vendors. Further, in case of procurement of materials and services from MSME vendor, the Company ensures payment within 45 days. The Company had overall 103 trade payable days of Total Expenses in Fiscal 2023, and 152 days of Total Expenses as Trade Payable in Fiscal 2024 Trade Payable days increased in FY 24 due to high purchases at the end of the year and most of the vendor bills were not due as per the agreed payment terms as on the balance sheet date. The Company will maintain trade payables at level of 105 days of Total Expenses for Fiscal 2025 and Fiscal 2026.
4	Other Current Assets	Other Current Assets mainly includes advances to the supplier, balance with government authorities, contract assets as per IND AS 115. The increase in Current assets are resultant of the increased operations. No major movement is expected in the number of days holding of Other Current Assets. The Company had 39 days of Revenue from Operations in Fiscal 2023 and 41 days of Revenue from Operations in Fiscal 2024 as Other Current Assets respectively. The Other Current Assets are estimated at 46 days of Revenue from Operations for the Fiscal 2025 and 42 days of Revenue from Operations for the Fiscal 2026.
5	Other Current Liabilities	Other current liabilities mainly includes contract liability, statutory dues and salary/wages payable. An increase in revenue from projects will increase the Contract liabilities. Statutory dues payable are in the nature of Provident Fund Payable, ESIC payable, Income Tax TDS payable, GST payable. All these payables are for the last month of the year shall be outstanding and are directly related to increased salary cost, sales and purchase of material and services. The Company does not expect any major change in the number of holding days. The Other Current Liabilities were 18 days of Revenue from Operations for the Fiscal 2023 and Fiscal 2024. The Other Current Liabilities are expected to be at 15 and 14 days of Revenue from Operations for the Fiscal 2025 and 2026 respectively.
6	Other Financials Assets	Other Financial Assets includes security deposits with agencies like Electricity Board, Weights and Measure, Labour related and VAT / GST related deposits. Such deposits are not expected to increase substantially. The other component of Other Financial Assets is Unbilled Revenue of Annual Maintenance Contracts. The said revenue is not expected to increase in the same proportion as revenue from operations and hence this will lead to decrease in days of Other Financial Assets The Company had 7 days of Revenue from Operations as other financial assets for Fiscal 2023 and 2024 and the Company expects to reduce the days to 5 and 4 of Revenue from Operations during Fiscal 2025 and Fiscal 2026 respectively.
7	Current tax Assets / Liabilities (Net)	Current tax Assets / Liabilities (Net) represent the net balance of the Income Tax for the year/ period reduced by advance tax and tax deducted at source.

Sr. No.	Particulars	Assumptions & Justifications
8	Provisions	Provisions represent employee related provisions such as gratuity and leave encashment and customer related provisions such as provision for liquidated damages and provision for warranty. The Company does not expect any proportionate increase in the employee-related costs when compared with the increase in revenue. Also, through better project management, provision for liquidated damages and warranty provision is not expected to increase significantly over increase in project revenue. Considering the above, provisions as number of days to Revenue from Operations are set to reduce from 20 days in Fiscal 2023 and 13 days in Fiscal 2024 to 8 days in Fiscal 2025 to 7 days in Fiscal 2026
9	Other Financial Liabilities	Other financial liabilities include interest on dues of micro and small enterprises. The same has not be forecasted for the future period.

3. General Corporate Purpose

We propose to utilise up to ₹ [●] million of the Net Proceeds towards general corporate purposes and the business requirements of our Company as approved by the Board, from time to time, subject to such utilisation for general corporate purposes not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations.

The general corporate purposes for which our Company proposes to utilise the Net Proceeds include strategic initiatives, development of products, components, software both within the Company and through third parties, upgrade existing IT infra-structure including implementing an integrated ERP and purchasing new computer equipment, marketing taking part in international exhibitions, as may be approved by our Board or a duly constituted committee thereof from time to time, subject to compliance with applicable law, including provisions of the Companies Act. However, our Company will not utilise the funds earmarked towards general corporate purposes raised through the Fresh Issue for any of the Objects, for which the funds are raised through the Fresh Issue. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount available under this head and the business requirements of our Company, from time to time. Our Company's management shall have flexibility in utilising surplus amounts, if any. In the event that we are unable to utilise the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilise such unutilised amount(s) during the subsequent fiscal. Further, our Company will utilise the amount in accordance with applicable law.

Offer related expenses

Except for (i) listing fees which shall be solely borne by our Company, and (ii) fees for respective counsel to the Promoter Selling Shareholders, which shall be solely borne by the respective Promoter Selling Shareholders, all costs, fees and expenses with respect to the Offer shall be shared by the Promoter Selling Shareholders, on a pro rata basis, in proportion to the number of Equity Shares offered and sold by each of the Promoter Selling Shareholders through the Offer for Sale. All expenses incurred in effecting the Offer, shall be borne by our Company and the Promoter Selling Shareholders on a pro rata basis, in proportion to the number of Equity Shares offered and sold by each of the Promoter Selling Shareholders through the Offer for Sale, in accordance with Applicable Law, including in case of failure of the Offer. All the expenses relating to the Offer shall be paid by our Company in the first instance. Each Promoter Selling Shareholder shall, severally and not jointly, reimburse our Company for any expenses in relation to the Offer paid by our Company on behalf of the respective Promoter Selling Shareholder. Each Promoter Selling Shareholder will bear the securities transaction tax in accordance with Applicable Law on their respective Equity Shares sold in the Offer for Sale, which will be deducted from the Public Offer Account. For any Offer related expenses that are not paid from the Public Offer Account, our Company shall pay the expenses, and such expenses will be reimbursed by the Promoter Selling Shareholders for their respective portion of such costs. The applicable securities transaction tax in relation to the Offered Shares shall be deducted from the proceeds of the Offer for Sale for the purpose of onward depositing with the Indian revenue authorities in such manner as may be set forth in the Share Escrow Agreement, or the cash and sponsor bank agreement, or as may be directed by the Book Running Lead Managers in writing.

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expenses of this Offer include, among others, listing fees, underwriting fees, selling commission, fees payable to the Book Running Lead Managers, fees payable to legal counsel, fees payable to the Registrar to the Offer and Sponsor Bank(s), Escrow Collection Bank to the Offer, processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to the Registered Brokers, Collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses, fees paid to SEBI, Stock Exchanges, Depositories and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The break-up for the estimated Offer expenses is as follows:

Sr. No.	Activity	Estimated amount(1) (in ₹ million)	As a % of total estimated offer Expenses(1)	As a % of Offer Size(1)
1.	BRLMs fees and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
2.	Brokerage, selling commission, bidding charges, processing fees for the Members of the Syndicate, Registered Brokers, SCSBs, RTAs and CDPs, Sponsor Banks, (2)(3)(4)(5)(6)(7)(8)	[●]	[●]	[●]
3.	Fees payable to the Registrar to the Offer	[●]	[●]	[●]
4.	Fees payable to other advisors to the Offer	[●]	[●]	[●]
5.	Other expenses:			
	(i) Listing fees, SEBI filing fees, upload fees, BSE and NSE processing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
	(ii) Printing and stationery	[●]	[●]	[●]
	(iii) Advertising and marketing expenses	[●]	[●]	[●]
	(iv) Fee payable to legal counsel, the statutory auditor, independent chartered accounts, independent chartered engineers	[●]	[●]	[●]
	(v) Miscellaneous^	[●]	[●]	[●]
Total estimated Offer Expenses		[●]	[●]	[●]

^Includes fee payable to independent company secretary, monitoring agency etc.

(1) Offer expenses include applicable taxes, where applicable. Offer expenses will be finalised on determination of Offer Price and

(2) incorporated at the time of filing of the Prospectus. Offer expenses are estimates and are subject to change.

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

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

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

Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

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

*(4) **Processing fees payable to the SCSBs** on the portion for RIBs, and Non-Institutional Bidders (excluding UPI bids) which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:*

*Portion for RIBs**	*₹[●] per valid application (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹[●] per valid application (plus applicable taxes)*

** The processing fees payable to the SCSBs for capturing Syndicate Member/ Sub-syndicate (Broker)/ Sub-broker code on the ASBA Form for Non Institutional Investors and QIBs with Bids above ₹ 0.50 million would be ₹[●] plus applicable taxes, per valid Bid cum Application Form*

SCSBs provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

(5) ***Brokerage, selling commission and processing/ uploading charges** on the portion for RIBs , Non-Institutional Investors (excluding UPI Bids) which are procured by Members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts-linked online trading, demat & bank account provided by some of the Registered Brokers which are Members of the Syndicate (including their sub-Syndicate members) would be as follows:*

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

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

The selling commission payable to the Syndicate/sub-Syndicate members will be determined (i) for RIIs, NIIs (up to ₹0.5 million) on the basis of the application form number/series, provided that the application is also bid by the respective Syndicate/sub-Syndicate member. For clarification, if a Syndicate ASBA application on the application form number/series of a Syndicate/sub-Syndicate member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate/sub-Syndicate member; (ii) for NIIs (above '₹0.5 million), Syndicate ASBA Form bearing Syndicate Member code and/or sub-Syndicate code of the application form submitted to SCSBs for blocking of the fund and uploading on the exchanges platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / sub-Syndicate member, is bid by an SCSB, the selling commission will be payable to the Syndicate / sub-Syndicate members and not the SCSB.

(6) ***Bidding charges payable to members of the Syndicate (including their sub-Syndicate members) on the applications made using 3-in-1 accounts** would be ₹[●] plus applicable taxes, per valid application bid by the Syndicate (including their sub- Syndicate members). Bidding charges payable to SCSBs on the QIB Portion and NIIs (excluding UPI Bids) which are procured by the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSBs for blocking and uploading would be ₹[●] per valid application (plus applicable taxes).*

Bidding charges payable on the application made using 3-in-1 accounts will be paid on pro-rata basis for portion of RIBs and NIIs, as applicable.

(7) ***The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs** will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE Selling commission/ bidding charges payable to the Registered Brokers on the portion for RBIs and NIIs which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:*

*Portion for RIBs**	*₹[●] per valid application (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹[●] per valid application (plus applicable taxes)*

** Based on valid applications*

(8) ***Bidding charges /Processing fees for applications made by UPI Bidders** using the UPI Mechanism would be as under:*

Members of the Syndicate / RTAs / CDPs	*₹ [●] per valid application (plus applicable taxes)*
Sponsor Bank	*₹ [●] per valid application (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws*

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

Pursuant to SEBI ICDR Master Circular, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate Member/ sub-Syndicate member shall not be able to Bid the Application Form above ₹0.50 million and the same Bid cum Application Form need to be submitted to SCSB for blocking of the funds and uploading on the Stock Exchange bidding platform. To identify bids submitted by Syndicate Member/ sub-Syndicate Member to SCSB a special Bid-cum application form with a heading / watermark “Syndicate ASBA” may be used by Syndicate/ sub-Syndicate Member along with SM code and broker code mentioned on the Bid cum Application Form to be eligible for brokerage on allotment. However, such special forms, if used for Retail Individual Investor and Non-Institutional Investor Bids up to ₹0.50 million will not be eligible for brokerage. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI ICDR Master Circular.

Interim use of Net Proceeds

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company will, in accordance with applicable law, temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934, for the necessary duration, as may be approved by our Board. Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge Loan

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

Monitoring of Utilization of Funds

Since the Fresh Issue size is in excess of ₹ 1,000 million, our Company will appoint a credit rating agency registered with SEBI for monitoring the utilisation of the Gross Proceeds, in terms of Regulation 41 of the SEBI ICDR Regulations. Our Audit Committee and the monitoring agency will monitor the utilisation of the Net Proceeds and submit the report required under Regulation 41(2) of the SEBI ICDR Regulations, on a quarterly basis, specifying the purpose for which Gross Proceeds have been utilised, until such time as the Gross Proceeds have been utilised in full.

Our Company will disclose the utilisation of the Gross Proceeds, including interim, use under a separate head in our balance sheet for such Fiscals as required under applicable law, specifying the purposes for which the Gross Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable fiscals, provide details, if any, in relation to all such Gross Proceeds that have not been utilised.

Pursuant to the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. The Audit Committee will make recommendations to our Board for further action, if appropriate. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Further, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the Objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the Objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

Variation in Objects of the Offer

In accordance with Sections 13(8) and 27 of the Companies Act, and Regulation 59 and Schedule XX of the SEBI ICDR Regulations, any material deviation in the Objects of the Offer will require our Company to obtain the approval of the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (**Postal Ballot Notice**) shall specify the prescribed details and be published in accordance with the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Bengali, the vernacular language of the jurisdiction where our Registered Office is situated. Pursuant to the Companies Act, our Promoters will be required to provide an exit opportunity to the Shareholders who do not agree to such material deviation of the Objects, subject to the provisions of the Companies Act and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act and provisions of Schedule XX of the SEBI ICDR Regulations.

Other Confirmations

No part of the Net Proceeds will be utilized by our Company as consideration to our Promoters, members of our Promoter Group, our Directors, our Group Company, Key Managerial Personnel or Senior Management. Our Company has not entered into or is not planning to enter into any arrangement/ agreements with our Directors, our Promoters, the members of our Promoter Group, Key Managerial Personnel, Senior Management or our Group Company in relation to the utilization of the Net Proceeds of the Offer. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects of the Fresh Issue as set out above.

BASIS FOR THE OFFER PRICE

The Price Band and the Offer Price will be determined by our Company, in consultation with the Book Running Lead Managers, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and the quantitative and qualitative factors as described below and is justified in view of these parameters. The face value of the Equity Shares is ₹ 10 each and the Floor Price is [●] times the face value and the Cap Price is [●] times the face value. Investors should also refer to "*Risk Factors*", "*Our Business*", "*Restated Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 29, 196, 258 and 330, respectively, to have an informed view before making an investment decision.

Qualitative factors

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

- Domain expertise in the Industrial Automation sector and petroleum, oil and lubricants (**POL**) storage and distribution terminal;
- Long standing relationship with marquee customers anchored by strong project execution capabilities;
- Experienced promoters and management team; and
- Track record of growth in revenue and profitability.

For further details, see '*Our Business –Strengths*' on page 199.

Quantitative factors

Some of the information presented below relating to our Company is derived from the Restated Consolidated Financial Information. For details, please refer to the section titled *'Restated Consolidated Financial Information'* on page 258.

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

1. Basic and Diluted Earnings Per Equity Share (EPS), as adjusted for change in capital:

As per our Restated Consolidated Financial Information:

Fiscal / period ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
Financial year ended March 31, 2024	10.20	10.20	3
Financial year ended March 31, 2023	7.00	7.00	2
Financial year ended March 31, 2022	3.71	3.71	1
Weighted Average*	8.05	8.05	-
6 months period ended September 30, 2024^	6.32	6.32	-

Notes:

i. *EPS has been calculated in accordance with the Indian Accounting Standard 33 – 'Earning per share' notified under the Companies (Indian Accounting Standards) Rules, 2015. The above statement should be read with significant accounting policies and notes on Restated Consolidated Financial Statements.*

ii. *Basic EPS amounts are calculated by dividing the profit for the year attributable to equity Shareholders of the Company by the weighted average number of Equity shares outstanding during the year.*

iii. *Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders of the Company and adjusting the profit or loss for the effects of all dilutive potential ordinary share by the weighted average number of Equity shares plus the weighted average number of shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares.*

Weighted Average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights.

^ Not Annualised

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

Particulars	P/E at lower end of the Price Band	P/E at higher end of the Price Band	P/E at Offer Price (no. of times)
Based on basic EPS as per the Restated Consolidated Financial Statements for the year ended March 31, 2024	[●]	[●]	[●]
Based on diluted EPS as per the Restated Consolidated Financial Statements for the year ended March 31, 2024	[●]	[●]	[●]

3. Industry Peer Group P/E ratio*

Particulars	P/E ratio
Highest	117.94
Lowest	73.98
Average	**95.96**

Notes:

i. *The highest and lowest industry P/E shown above is based on the peer set provided below under "Comparison of accounting ratio with listed industry peers".*

ii. *The industry average has been calculated as the arithmetic average P/E of the peer set provided below.*

iii. *Peer Group includes Honeywell Automation India Limited and ABB India Limited. P/E Ratio has been computed based on the closing market price of equity shares on December 31, 2024 on www.nseindia.com, divided by the Diluted EPS as on March 31, 2024 as disclosed in audited consolidated financials submitted by the respective entity with the stock exchange for the financial year ended March 31, 2024.*

4. Return on Net Worth (RoNW)

Fiscal/period ended	RoNW* (%)	Weight
Financial year ended March 31, 2024	10.27	3
Financial year ended March 31, 2023	10.36	2
Financial year ended March 31, 2022	6.13	1
Weighted Average**	9.61	-
6 months period ended September 30, 2024^	6.13	-

^ Not Annualised

** RoNW is calculated as Profit after tax divided by Net Worth*

*** The weighted average is a product of RoNW and respective assigned weight dividing the resultant by total aggregate weight.*

Net Worth represents the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

5. Net Asset Value per Equity Share ("NAV")

As on March 31, 2024 as per the Restated Consolidated Financial Information	₹ 99.30* per Equity Share
As on September 30, 2024 as per the Restated Consolidated Financial Information	₹ 103.08* per Equity Share
After the Offer as per Restated Consolidated Financial Information**	
At the Floor Price	[●]
At the Cap Price	[●]
At the Offer Price	[●]

** Net Asset Value per Share represents Net Asset Value per Equity Share as per Restated Financial Information. It is calculated as Net Worth as of the end of relevant period/year divided by number of equity used in calculating earnings per shares.*

*** Offer Price per Equity Share will be determined on conclusion of the Book Building Process.*

6. Comparison of accounting ratios with listed industry peers

Following is the comparison with our peer group companies listed in India and engaged in the same line of business as our Company:

Name of Company	Standalone / Consolidated	Face value (in ₹)	Closing price*	Total Income (in ₹ million)	EPS (₹ per share)		PAT	NAV (₹ per share)	P/E	RonW (%)
					Basic	Diluted				
Advanced Sys-Tek Limited	Consolidated	10	-	1,921.51	10.20	10.20	192.17	99.30	N.A	10.27
Peer group										
Honeywell Automation India Limited	Consolidated	10	41,956.05	42,010	567.10	567.10	5,014.00	4,078.49	73.98	13.90
ABB India Limited	Consolidated	2	6,912.25	107,482	58.61	58.61	12,421.00	280.54	117.94	23.10

* *As on December 31, 2024*

Source:

1. *All the financial information for the Company mentioned above is based on the Restated Consolidated Financial Information for the year ended March 31, 2024.*
2. *All the financial information for listed industry peers mentioned above is on a consolidated basis and is sourced from CARE Report.*

* *Closing prices are unadjusted for corporate action if any and directly taken from NSE Website.*

Notes:

For Advance Sys-Tek Limited

I. *Net Asset Value per Share represents Net Asset Value per Equity Share as per Restated Financial Information. It is calculated as Net Worth as of the end of relevant period/year divided by number of equity used in calculating earnings per shares.*
II. *P/E Ratio has been computed based on the closing market price of equity shares on December 31, 2024 on www.nseindia.com, divided by the Diluted EPS as on March 31, 2024.*
III. *RoNW is computed as net profit after tax and minority interest divided by closing net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus. In case the net worth is negative for a particular year, the same has not been considered.*
IV. *Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation*

For further details, see '*Industry Overview - Peer Comparison*' on page 146.

7. Key Performance Indicators (KPIs) and Accounting Ratios

The table below sets forth the details of our Key Performance Indicators that our Company considers have a bearing for arriving at the basis for Offer Price. The Key Performance Indicators set forth below have been approved by our Audit Committee pursuant to the resolution at its meeting dated February 6, 2025. Further, our Company's Audit Committee has on February 6, 2025 taken on record that other than the Key Performance Indicators set out below, our Company has not disclosed any other Key Performance Indicators during the 3 years preceding the date of this Draft Red Herring Prospectus to its investors.

Additionally, the Key Performance Indicators have been certified by the Statutory Auditors of our Company, CNK & Associates LLP, Chartered Accountants, pursuant to a certificate dated February 6, 2025, who hold a valid certificate issued by the Peer Review Board of the ICAI. The Statutory Auditors certificate dated February 6, 2025 has been included in the section '*Material Contracts and Documents for Inspection*' of this Draft Red Herring Prospectus.

The KPIs disclosed below have been used historically by our Company to understand and analyse the operational and the financial performance, which in result, helps it in analysing the growth of various verticals in comparison to its listed peers, and other relevant and material KPIs of the business of our Company that have a bearing on arriving at the Basis for Offer Price have been disclosed below.

The Bidders can refer to the below-mentioned Key Performance Indicators, being a combination of financial and operational Key Performance Indicators, to make an assessment of our Company's performances and make an informed decision.

A list of our Key Performance Indicators for 6 months ended September 30, 2024 and for Fiscal 2024, Fiscal 2023 and Fiscal 2022 is set out below:

(*amounts in ₹ million*)

Particulars	6 month ended September 30, 2024^	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
Revenue from Operations	1,058.43	1,882.32	1,404.23	1,356.01
Year on Year growth rate (%)	-	34.05	3.56	-
2-year CAGR (%) of revenue from operations between Fiscal 2022 and Fiscal 2024	-			17.82
Earnings before Interest, Taxes, Depreciation and Amortization Expenses (EBITDA)	146.88	235.53	174.18	182.35
2-year CAGR (%) of EBITDA		-		13.65
EBITDA Margin %	13.88	12.51	12.40	13.45
Profit after tax (**PAT**)	121.54	192.17	131.71	69.89
2-year CAGR of PAT between Fiscal 2022 and Fiscal 2024	-			65.82
Year on Year Growth Rate of PAT (%)	-	45.91	88.44	-
PAT Margin (%)	11.48	10.21	9.38	5.15
Return on Capital Employed (%)	9.13	17.43	15.99	21.61
Current ratio	3.96	3.13	3.27	2.94
Interest Coverage Ratio*	NA	NA	NA	NA
Total debt to equity (in times)	NA	NA	NA	NA
Net debt to equity	NA	NA	NA	NA
Return on Equity (%)	6.31	12.23	10.93	6.32
Working capital days	199	184	231	188
Order Book	2,679.11	2,034.15	1,799.89	1,630.59
Order Intake	1,668.00	2,092.50	1,503.01	1,906.29

* *There is no debt in Company.*

^Not annualised

Notes:

i. Revenue from Operations means the revenue from operations as appearing in the Restated Financial Information.

ii. Year on year growth rate is calculated by subtracting the value of the previous year from the current year's value, then dividing by the previous year's value.

iii. Compound Annual Growth Rate (CAGR) is computed by dividing the value as at the year-end by its value at the beginning of that period, raise the result to the power of one divided by the period length, and subtract one from the subsequent result [(End Value / Start Value) ^ (1 / Periods) – 1)].

iv. EBITDA is calculated as profit/ (loss) for the year less exceptional items and other income plus finance costs, depreciation and amortisation, and total income tax expenses

v. EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.

vi. PAT is restated Profit/ (Loss) or the period/ year as appearing in the Restated Financial Information.

vii. PAT Margin refers to the percentage margin derived by dividing Profit after Tax by Revenue from Operations.

viii. Return on Capital Employed (ROCE) is calculated as earnings before interest and taxes divided by Average Capital Employed for the period/year.

- Earnings before interest and tax is calculated as restated profit / (loss) for the period /year plus total tax expense / (credit) plus finance costs.
- Average Capital Employed is calculated as the average of Total Equity plus total debt plus deferred tax liability.

ix. Current Ratio is Calculated as Current asset divided by Current Liabilities.

x. Return on Equity (ROE) refers to restated profit for the year/period attributable to equity shareholders of our Company divided by average Equity for the period/year.

xi. Working Capital Days are calculated by dividing the number of days in the year/period by the Operating Working Capital Turnover Ratio based on Consolidated Financial Data

xii. The Operating Working Capital Turnover Ratio is determined by dividing the revenue from operations by the operating working capital

xiii. Order book reflects the total backlog of the Company calculated as Opening Backlog add Orders Intake during the year / period Less Sales during the year / period.

xiv. Order Intake reflects the new orders received and booked during the year / period.

For reconciliation in relation to the Gross Profit, Gross Margin, EBITDA, EBITDA Margin, Return on Equity, Return on Capital Employed, PAT Margin and Gross Fixed Asset Turnover Ratio, see '*Other Financial Information*' on page 324.

Explanation for KPI metrics

Sr. No.	KPI	Explanation
1.	Revenue from operations	Revenue from operations represents the total turnover of the business
2.	Year on Year growth rate (%)	Year on Year growth rate provides information regarding the year over year growth of our Company.
3.	2 year CAGR (%) of revenue from operations between Fiscal 2022 and Fiscal 2024	2 year CAGR of revenue from operations provides information regarding 2 year compounded growth rate of revenue of the business.
4.	EBITDA	EBITDA provides information regarding the operational efficiency of the business of our Company.
5.	2 year CAGR (%) of EBITDA	2 year CAGR of EBITDA provides information regarding 2 year compounded growth rate of EBITDA of the business.
6.	EBITDA margin (%)	EBITDA margin is an indicator of the operational profitability of our business before interest, depreciation, amortization, and taxes in percentage.
7.	Profit after tax (**PAT**)	PAT represents the profit / loss that our Company makes for the financial year or during a given period. It provides information regarding the overall profitability of our business.
8.	2 year CAGR of PAT between Fiscal 2022 and Fiscal 2024	2 year CAGR of PAT between Fiscal 20222 and Fiscal 2024 provides information regarding 2 year compounded growth rate of PAT of the business between Fiscal 2022 and Fiscal 2024.
9.	Year on Year Growth Rate of PAT (%)	Year on Year growth rate provides information regarding the year over year PAT growth of our Company.
10.	PAT Margin (%)	PAT margin is an indicator of the overall profitability of our business in percentage.
11.	Return on Capital Employed (%)	Return on Capital Employed represents how efficiently our Company generates earnings before interest & tax from the capital employed.
12.	Current Ratio	Current Ratio indicates the Short Term Liquidity and measures the ability of the Company to pay off its short term obligations.
13.	Return on equity (%)	Return on Equity represents how efficiently our Company generates profits from our shareholders funds.
14.	Total debt to equity (in times)	Debt to equity is a measure of the extent to which our Company can cover our debt and represents our debt position in comparison to our equity position. It helps evaluate our financial leverage.
15.	Net debt to equity	Net Debt to equity is a measure of the extent to which our Company can cover our net debt and represents our net debt position in comparison to our equity position. It helps evaluate our financial leverage.
16.	Working capital days	Working Capital Days measures how efficiently our company manages its working capital by indicating the average number of days it takes to convert working capital into revenue.
17.	Order Book	The order book represents the total outstanding orders at a given time, calculated by adding new orders and subtracting sales during the period from the operating backlog.
18.	Order Intake	Order Intake represents the value of new orders received and confirmed during the period.

Our Company shall continue to disclose the Key Performance Indicators disclosed above, on a periodic basis, at least once in a year (or for any lesser period as determined by our Company), for a duration that is at least the later of (i) one year after the listing date or period specified by SEBI; or (ii) till the utilization of the Net

Proceeds. Any change in these Key Performance Indicators, during the aforementioned period, will be explained by our Company. The ongoing Key Performance Indicators will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

For details of our other operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see '*Our Business*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' on pages 196 and 330, respectively.

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

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

Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business.

Comparison with listed industry peers

***A.* Brief profiles of the peers**

Advanced Sys-Tek Limited	Honeywell Automation India Limited (HAIL)	ABB India Limited
Advanced Sys-tek Limited is an established Indian player that specializes in the terminal automation market. Advanced Sys-tek Limited was incorporated as Advanced Spectra-Tek Private Limited, is a Software Developer and Industrial Solutions provider, offering a wide range of services, products and solutions in the field of Software, Engineering and Automation, which includes Terminal Automation System, Liquid & Gas Fiscal Metering Systems, Diesel Exhaust Fluid System, Magnetic Locking Needle, Pulse Transmitters, Over-spill Detectors etc. The company is based out of Gujarat. Their business is primarily focussed on Industrial Automation Solutions (IA Solutions) and they specialize in setting up completely automated metering systems in oil and gas terminals and upgrading existing manually operated oil and gas terminals.	Honeywell Automation India Limited was incorporated in India and provides integrated automation and software solutions which includes process solutions and building solutions. It has a wide product portfolio in environmental and combustion controls, and sensing and control, and also provides engineering services in the field of automation and control to global clients. It has presence across India in cities namely Pune, Bangalore, Hyderabad, Mumbai, Chennai, Gurgaon, Kolkata, Jamshedpur and Vadodara.	ABB India Limited is a subsidiary of ABB Group, a multinational corporation headquartered in Switzerland. ABB India provides a wide range of products and services in the power and automation sectors. These include transformers, switchgear, circuit breakers, motors, drives, robotics, industrial automation solutions, and grid integration technologies for renewable energy. It serves various sectors such as utilities, industries, infrastructure, and transportation. It has presence across India in cities namely Kochi, Ahmedabad, Coimbatore, Raipur, Kolkata, Jaipur, Mumbai, Nagpur, Pune.

***B.* Comparison of Key Performance Indicators with listed industry peers (₹ in million) are as below:**

Particulars	Advanced Sys-Tek Limited				Honeywell Automation India Limited				ABB India Limited			
	6 month period ended September 30, 2024^	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022	6 month period ended September 30, 2024^	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022	3 month period ended June 30, 2024^	Financial year ended December 31, 2023	Financial year ended December 31, 2022	Financial year ended December 31, 2021
Standalone/Consolidated	**Consolidated**				**Consolidated**				**Consolidated**			
Revenue from Operations	1,058.43	1,882.32	1,404.23	1,356.01	19,843.00	40,582.00	34,476.00	29,483.20	59,112.20	1,04,465.20	85,675.30	69,340.00
Year on Year growth rate (%)	-	34.05	3.56	-	-	17.71	16.93	-	-	21.93	23.56	-

Particulars	Advanced Sys-Tek Limited				Honeywell Automation India Limited				ABB India Limited			
	6 month period ended Septembe r 30, 2024^	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022	6 month period ended Septembe r 30, 2024^	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022	3 month period ended June 30, 2024^	Financial year ended December 31, 2023	Financial year ended December 31, 2022	Financial year ended December 31, 2021
Standalone/Consolidated	**Consolidated**				**Consolidated**				**Consolidated**			
2-year CAGR (%) of revenue from operations between Fiscal 2022 and Fiscal 2024	17.82				17.32				22.74			
Earnings before Interest, Taxes, Depreciation and Amortization Expenses (EBITDA)	146.88	235.53	174.18	182.35	2,832.00	5,948.00	5,214.00	4,364.50	11,076.70	14,940.90	9,641.60	5,647.00
2-year CAGR (%) of EBITDA	13.65				16.74				62.66			
EBITDA Margin %	13.88	12.51	12.40	13.45	14.27	14.66	15.12	14.80	18.74	14.30	11.25	8.14
Profit after tax (**PAT**)	121.54	192.17	131.71	69.89	2,516.00	5,014.00	4,380.00	3,391.30	9,027.80	12,420.50	10,162.30	5,197.10
2-year CAGR of PAT between Fiscal 2022 and Fiscal 2024	65.82				21.59				54.59			
Year on Year Growth Rate of PAT (%)	-	45.91	88.44	-	-	14.47	29.15	-	-	22.22	95.54	-
PAT Margin (%)	11.48	10.21	9.38	5.15	12.68	12.36	12.70	11.50	15.27	11.89	11.86	7.50
Return on Capital Employed %	9.13	17.43	15.99	21.61	9.28	20.27	19.97	17.17	20.03	31.11	31.07	19.72
Current ratio	3.96	3.13	3.27	2.94	3.90	3.72	3.34	3.23	1.91	1.90	1.82	1.66
Interest Coverage Ratio	NA	NA	NA	NA	98.65	60.12	72.23	44.09	125.63	80.98	55.81	24.72
Total debt to equity (in times)	NA	NA	NA	NA	0.02	0.02	0.01	0.02	0.01	0.01	0.01	0.01
Net debt to equity	NA	NA	NA	NA	(0.74)	(0.77)	(0.73)	(0.69)	(0.78)	(0.80)	(0.63)	(0.66)
Return on Equity %	6.31	12.23	10.93	6.32	6.82	14.76	14.54	12.52	14.70	22.82	22.62	13.58
Working capital days	199	184	231	188	58	46	54	60	(3)	(9)	(3)	(4)
Order Book	2,679.11	2034.15	1799.89	1630.59	NA*	NA*	NA*	NA*	NA*	NA*	NA*	NA*
Order Intake	1,668.00	2092.50	1503.01	1906.29	NA*	NA*	NA*	NA*	NA*	NA*	NA*	NA*

^KPI is for the period is not annualised.
** Data not available*

8. **Weighted average cost of acquisition (WACA), floor price and cap price**

a. ***Price per share of our Company based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under the ESOP Schemes and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company in a single transaction or multiple transactions combined together over a span of rolling 30 days (Primary Issuances)***

Other than as set out below, our Company has not issued any Equity Shares (excluding bonus shares) or convertible securities or employee stock options during the 18 months preceding the date of this certificate, where such issuance is equal to or more that 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Offer capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days:

Date of transaction	Number of Equity Shares allotted	Face value per Equity Share (in ₹)	Issue price per Equity Share (in ₹)	Nature of transaction	Nature of consideration	Total consideration (in ₹ million)
March 18, 2024	401,756	10	1,070.30	Preferential Allotment	Cash	430.00
Total	**401,756**	-	-	-	-	**430.00**

b. ***Price per share of our Company based on secondary sale or acquisition of Equity Shares or convertible securities (excluding gifts) involving any of the Promoters, members of the Promoter Group, the Promoter Selling Shareholder or Shareholders with special rights during the 18 months preceding the date of filing of the DRHP/ RHP, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company, in a single transaction or multiple transactions combined together over a span of rolling 30 days (Secondary Transactions)***

Other than as set out below, there have been no secondary sale/ acquisitions of Equity Shares or any convertible securities, where our Promoter or the members of our Promoter Group are a party to a transaction, during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days:

Date of transaction	Number of Equity Shares allotted	Face value per Equity Share (in ₹)	Issue price per Equity Share (in ₹)	Nature of transaction	Nature of consideration	Total consideration (in ₹ million)
October 9, 2024	953,800	10	208	Share Transfer	Cash	198.39
October 10, 2024	7,200	10	208	Share Transfer	Cash	1.50
Total	**961,000**	-	-	-	-	**199.89**

For further details in relation to the share capital history of our Company, see '*Capital Structure*' on page 89.

Based on the above transactions, below are the details of the weighted average cost of acquisition, as compared to the Floor Price and the Cap Price:

Past Transactions	Weighted average cost of acquisition (in ₹)	Floor Price (i.e. ₹ *[●]*)	Cap Price (i.e. ₹ *[●]*)
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above	1,070.30	[●] times	[●] times
Weighted average cost of acquisition of primary / new issue as per paragraph 8(b) above	208.00	[●] times	[●] times

As certified by CNK & Associates LLP, Statutory Auditors, by way of certificate dated February 6, 2025.
**To be updated at Prospectus Stage*

9. Justification for Basis for the Offer Price

Detailed explanation for Offer Price/Cap Price being [●] times of WACA of past 5 primary issuances /secondary transactions of Equity Shares (as disclosed above) along with our Company's Key Performance Indicators and financial ratios for the 6 months ended September 30, 2024 and the Fiscal 2024, Fiscal 2023 and Fiscal 2022 and in view of the external factors which may have influenced the pricing of the offer, if any.

[●]*

**To be included upon* finalisation *of Price Band*

10. The Offer Price will be [●] times of the face value of the Equity Shares

The Offer Price of ₹ [●] has been determined by our Company, in consultation with the BRLMs, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters. Investors should read the above information along with '*Risk Factors*', '*Our Business*', '*Restated Consolidated Financial Information*' and '*Management's Discussion and Analysis of Financial Conditions and Results of Operations*' on pages 29, 196, 258, and 330. The trading price of the Equity Shares could decline due to the factors mentioned in '*Risk Factors*' or any other factors that may arise in the future and you may lose all or part of your investments.

11. Disclosure of KPIs

Our Company shall continue to disclose the KPIs disclosed above on a periodic basis, at least once in a year (or a lesser duration, as our Company may determine) for a duration that is at least the later of (i) 1 year after the listing date or the period specified by SEBI; (ii) till the utilisation of the Net Proceeds. Any changes in these KPIs in the aforementioned period, will be explained by our Company. The ongoing KPI will continue to be certified by a member of an expert body as specified under the SEBI ICDR Regulations.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,
The Board of Directors,
Advanced Sys-Tek Limited ***(Formerly known as Advanced Sys-Tek Private Limited)***
299/300, GIDC Makarpura,
B/H Novino Battery, Vadodara,
Gujarat, India, 390010

Inga Ventures Private Limited
1229, Hubtown Solaris, NS Phadke Marg
Opp. Telli Galli, Andheri (East)
Mumbai 400 069
Maharashtra, India

And

Sowilo Capital Advisors LLP
Unit no. 514, Corporate Annexe,
Sonawala Road, Near Udyog Bhavan,
Goregaon (East), Mumbai 400 063,
Maharashtra, India.

(Inga Ventures Private Limited and Sowilo Capital Advisors LLP are hereinafter individually referred to as **Book Running Lead Manager/BRLM** and collectively referred to as **Book Running Lead Managers/BRLMs**).

Sub: Proposed initial public offering of equity shares (Equity Shares) by Advanced Sys-Tek Limited (Company) through a fresh issue of Equity Shares and an offer for sale of the Equity Shares by Selling Shareholders (Offer).

Dear Sirs,

We, M/s CNK & Associates LLP, Chartered Accountants (Firm Registration Number: 101961W/W-100036), the statutory auditor of the Company, hereby confirm that the enclosed statement in the Annexure prepared by the Company and initialled by us and the Company for identification purpose (**Statement**) is true and correct and sets out the possible special tax benefits available to the Company, and its shareholders identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, under direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 1961, as amended by the Finance Act, 2023, read with rules, circular and notification issued thereunder (**Act**) i.e., applicable for the Financial Year 2023-24 relevant to the assessment year 2024-25, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, (**GST Act**) read with Rules, Circulars, and Notifications, Customs Act, 1962 and the Customs Tariff Act, 1975 and Foreign Trade Policy 2015-2020 (**FTP**) as amended by the Finance Act, 2023, i.e., applicable for the Financial Year 2023-24 relevant to the Assessment Year 2024-25, presently in force in India (collectively the **Taxation Laws**) read with the rules, regulations, circulars and notifications issued thereon, as applicable to the assessment year 2024-25 relevant to the financial year 2023-24.

Several of these benefits are dependent on the Company and its shareholders, as the case may be, fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company and its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its shareholders face in the future, the Company and its shareholders may or may not choose to fulfil.

This statement of possible special tax benefits is required as per Schedule VI (Part A) (9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (**SEBI ICDR Regulations**). While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company and its shareholders the same would include those benefits as enumerated in the statement. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.

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.

The benefits discussed in the enclosed statement cover the possible special tax benefits available to the Company and its shareholders do not cover any general tax benefits available to them. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

The benefits stated in **Annexure 1 and Annexure 2** of this certificate, for possible special tax benefits available to the Company and its shareholders are not exhaustive and the preparation of the contents stated is the responsibility of the Company. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the distinct nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the Offer and we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of this statement. Also, any tax information included in this written communication was not intended or written to be used, and it cannot be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency.

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

a. The Company and its shareholders will continue to obtain these benefits in the future;

b. The conditions prescribed for availing of the benefits have been/would be met with; and

c. The revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law.

No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our Firm or any of partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority / otherwise within or outside India arising from the supply of incorrect or incomplete information of the Company.

We hereby consent to the extracts of this certificate being used in the draft red herring prospectus to be filed with the Securities and Exchange Board of India (**SEBI**), the BSE Limited (**BSE**) and the National Stock Exchange of India Limited (**NSE** and together with the BSE, the **Stock Exchanges**), and the red herring prospectus and the prospectus to be filed with the Registrar of Companies, Gujarat at Ahmedabad (**RoC**) and submitted to the SEBI and the Stock Exchanges in connection with the Offer, and submission of this certificate as may be necessary, to any regulatory, statutory, judicial or governmental authorities, and in any other material used in connection with the Offer and for disclosure on the website of the Company in connection with the Offer and/or for the records to be maintained by the Book Running Lead Manager in connection with the Offer and in accordance with applicable law. We also consent to this certificate to be uploaded on the website, repository and, or, the database of the Stock Exchanges.

We have conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes' (Revised 2016) issued by the Institute of Chartered Accountants of India (**ICAI**) which requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI. We hereby confirm that while providing this certificate we have complied with the Code of Ethics issued by the ICAI. We have also 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.

We confirm that the information in this certificate is true and correct and there is no untrue statement or omission which could render the contents of this certificate misleading in its form or context. We hereby consent to this certificate being disclosed by the Book Running Lead Managers, if required (i) by reason of any law, regulation, order or request of a court or by any governmental or competent regulatory authorities or (ii) in seeking to establish a defence in connection with, or to avoid any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation related to any matter regarding issuance and listing of the equity shares of the Company.

We undertake to update you, in writing, of any change in the above-mentioned disclosures which we are aware of until the Equity Shares allotted, pursuant to the Offer, are listed and commence trading on the Stock Exchanges. In the absence of any such communication from us, the above information should be considered as updated information until the Equity Shares commence trading on the Stock Exchanges, pursuant to the Offer.

This certificate may be relied on by the Book Running Lead Manager, its affiliates and the legal counsel in relation to the Offer and to assist the Book Running Lead Manager in the context of due diligence procedures that the Book Running Lead Manager has to conduct and the documents in relation of their investigation of the affairs of the Company in connection with the Offer.

All capitalized terms not defined herein bear the meaning ascribed to them in the Offer Documents.

Yours sincerely,
For M/s CNK & Associates LLP
Chartered Accountants
Firm Registration No: 101961W/W-100036

Rachit Sheth
Partner
Membership No.: 158289
Date: February 6, 2025
Place: Vadodara

UDIN: 25158289BMHZQN9893
Certificate No: CNKBRD/522/2024-25

Cc:

Legal Counsel to the Offer

Bharucha & Partners
13th Floor, Free Press House,
Free Press Journal Marg,
Nariman Point,
Mumbai, Maharashtra 400021

STATEMENT OF TAX BENEFITS

ANNEXURE 1 TO THE STATEMENT OF POSSIBLE TAX BENEFITS (DIRECT TAX)

The information provided below sets out the possible special tax benefits available to Advanced Sys-Tek Limited (Formerly known as Advanced Sys-Tek Private Limited) (the "Company") and the Equity Shareholders under Income Tax Act, 1961 as amended by the Finance Act, 2023, read with rules, circular and notification issued thereunder (Act) i.e., applicable for the Financial Year 2023-24 relevant to the assessment year 2024-25 (Referred as "Direct Tax Laws") 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.

A. Special tax benefits available to the Company

1. Lower corporate tax rate under Section 115BAA of the Act:

a. As per Section 115BAA of the Act, with effect from Financial Year 2019-20 [i.e. Assessment Year ('AY') 2020 21], a domestic company has an option to pay income tax in respect of its total income at a concessional tax rate of 22% (plus surcharge of 10% and cess) subject to satisfaction of certain conditions.

b. In case a company opts for Section 115BAA of the Act, provisions of MAT under Section 115JB of the Act would not be applicable and MAT credit of the earlier year(s) will not be available.

c. The option needs to be exercised on or before the due date of filing the tax return by filing Form 10-IC on income tax e-filing. Once the option has been exercised for any previous year, it cannot be subsequently withdrawn for the same or any other previous year.

d. The Company has opted for the provisions of Section 115BAA of the Act for AY 2021-22 onwards and hence, the beneficial tax rate of 22% (plus surcharge of 10% and education cess of 4%) is applicable.

B. Special tax benefits available to the Shareholders

The Shareholders of the Company are not entitled to any special tax benefits under the Act.

Notes:

a) The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

b) The above Statement covers only certain relevant benefits under the Act read with relevant rules, circulars and notifications and does not cover any indirect tax law benefits or benefit under any other law.

c) The above Statement of possible tax benefits is as per the Act read with relevant rules, circulars and notifications relevant for the assessment year ended March 31, 2024.

d) This Statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

e) In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant double tax avoidance agreements, if any, between India and the country in which such non-resident is a tax resident of.

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

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft offer documents/ documents.

C. Special tax benefit available to the Material Subsidiary

Not applicable - As the company does not have any Material Subsidiary.

ANNEXURE 2 TO THE STATEMENT OF POSSIBLE TAX BENEFITS (INDIRECT TAX)

The information provided below sets out the possible special tax benefits available to **Advanced Sys-Tek Limited *(Formerly known as Advanced Sys-Tek Private Limited)*** (the "Company") and the Equity Shareholders under the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, (GST Act) read with Rules, Circulars, and Notifications, Customs Act, 1962 and the Customs Tariff Act, 1975 and Foreign Trade Policy 2015-2020 (FTP) as amended by the Finance Act, 2023, i.e., applicable for the Financial Year 2023-24 relevant to the Assessment Year 2024-25 (Collectively referred as "Indirect Tax Laws") 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.

A. *SPECIAL TAX BENEFITS TO THE COMPANY*

1. The Company does not avail any special tax benefits under the GST Act except as stated in below;

   Letter of Undertaking (LUT) under section 54 of CGST ACT 2017**:**

   Refund of unutilized ITC of Zero-rated supplies made without payment of tax under export under LUT of section 54 of CGST Act 2017. The company is currently availing this tax benefit and will continue to avail the same on full filling the conditions stipulated under the said act.
2. Benefits of Duty Drawback scheme under Section 75 of the Customs Act, 1962:

   As per Section 75 of the Customs Act, the Central Government is empowered to allow duty drawback on export of goods, where the imported materials are used in the manufacture of such goods. The Company avails duty drawback benefit equal to or less than the duty paid, as applicable, on imported material when it undertakes export of goods.
3. Scheme of Remission of Duties and Taxes on Exported Product

   Duty credit scrips under Merchandise Export from India Scheme ("MEIS") covered in Chapter 3 – as extended till September 30, 2022. New scheme "RoDTEP" comes into force from January 1 2021, and replaces MEIS. However, benefit under this scheme is not extended to Exported Oriented Units. The scheme will ensure that the exporters receive the refunds on the embedded taxes and duties previously non-recoverable. The scheme was brought about with the intention to boost exports which were relatively poor in volume previously. The rate of duty of remission for the products under RoDTEP scheme has been notified by the Government of India and it ranges from 0.5% to 4%

B. *SPECIAL TAX BENEFITS TO THE SHAREHOLDER*

The Shareholders of the Company are not entitled to any special tax benefits under the GST Act.

Notes:

a) The above Statement of Indirect Tax benefits sets out the special tax benefits available to the Company, and its shareholders under the Indirect Tax Laws mentioned above.

b) The above Statement covers only above-mentioned tax laws benefits and does not cover any income tax law benefits or benefits under any other law.

c) 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.

d) This Statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft offer documents / documents.

C. SPECIAL TAX BENEFIT AVAILABLE TO THE MATERIAL SUBSIDIARY

Not applicable - As the company does not have any Material Subsidiary.

SECTION V: ABOUT THE COMPANY

INDUSTRY OVERVIEW

Unless otherwise indicated, the industry and market data used in this section has been obtained or extracted from the report titled 'Industry Report on Industrial Automation and Terminal Automation' dated February, 2025 prepared and issued by CARE, appointed by us pursuant to engagement letter dated April 01, 2024, and exclusively commissioned and paid for by us in connection with the Offer has been reproduced in full. No material information has been left out while extracting the CARE Report. Unless otherwise indicated, all financial, operations, industry and other related information derived from the CARE Report and included herein with respect to any particular year, refers to such information for the relevant calendar year. CARE was appointed by our Company and is not connected to our Company, our Directors, our Promoters, our Key Managerial Personnel, Senior Management or the BRLMs. A copy of the CARE Report is available on the website of our Company at https://www.advancedsystek.com/industry_reports.php. The data used in industry sources and publications may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. The data used in the industry sources and publication involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the 'Risk Factors' on page 29. Accordingly, investors should not place undue reliance on, or base their investment decision on this information. Industry sources and publications may also base their information on estimates, projections, forecasts, and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The investors should not construe any of the contents set out in this section as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

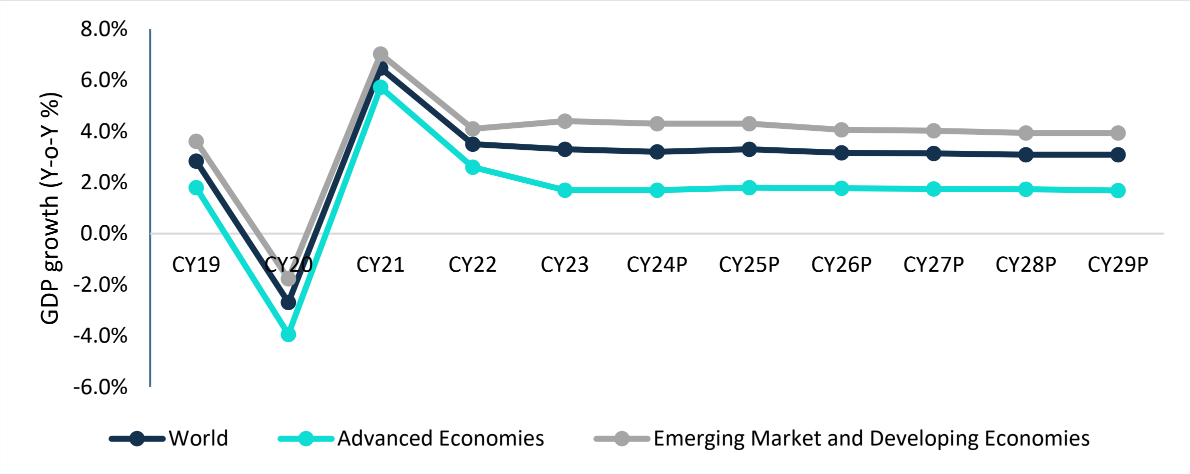
(*Remainder of this page has been intentionally left blank*)

1. Economic Outlook

1.1 Global Economy

Global growth, which stood at 3.3% in CY23, is anticipated to fall to 3.2% in CY24 and then bounce back again to 3.3% in CY25. The CY24 forecast has remained same compared to the April 2024 World Economic Outlook (WEO) Update, and increased by 0.1 percentage point compared to the January 2024 WEO. Despite this, the expansion remains historically low, attributed to factors including sustained high borrowing costs, inflation woes, reduced fiscal support, lingering effects of Russia's Ukraine invasion, Iran–Israel War, sluggish productivity growth, and heightened geo-economic fragmentation.

Chart 1: Global Growth Outlook Projections (Real GDP, Y-o-Y change in %)



Notes: P-Projection; Source: IMF – World Economic Outlook, July 2024

Table 1: GDP growth trend comparison - India v/s Other Economies (Real GDP, Y-o-Y change in %)

	Real GDP (Y-o-Y change in %)									
	CY20	CY21	CY22	CY23	CY24P	CY25P	CY26P	CY27P	CY28P	CY29P
India	-5.8	9.7	7.0	8.2	7.0	6.5	6.5	6.5	6.5	6.5
China	2.2	8.5	3.0	5.2	5.0	4.5	3.8	3.6	3.4	3.3
Indonesia	-2.1	3.7	5.3	5.0	5.0	5.1	5.1	5.1	5.1	5.1
Saudi Arabia	-3.6	5.1	7.5	-0.8	1.7	4.7	4.0	3.5	3.0	3.5
Brazil	-3.3	4.8	3.0	2.9	2.1	2.4	2.1	2.0	2.0	2.0
Euro Area	-6.1	5.9	3.4	0.5	0.9	1.5	1.4	1.3	1.3	1.2
United States	-2.2	5.8	1.9	2.5	2.6	1.9	2.0	2.1	2.1	2.1

P- Projections; Source: IMF- World Economic Outlook Database (July 2024)

Advanced Economies Group

Advanced economies are expected to experience a gradual increase in growth, remaining same at 1.7% in CY24 and increasing to 1.8% in CY25. The projection for CY24 and CY25 remains unchanged compared to the April 2024 WEO Update.

The **United States** is expected to see growth rise to 2.6% in CY24, followed by a slight slowdown to 1.9% in CY25. This deceleration is attributed to gradual fiscal tightening and labor market softening, which dampen aggregate demand.

The **Euro Area's** growth is anticipated to rebound from its sluggish growth in CY23 to 0.9% in CY24 and further to 1.5% in CY25. This recovery is driven by stronger household consumption, as the impact of elevated energy prices diminishes and declining inflation bolsters real income growth. Additionally, strong momentum in services, higher than expected net exports, and higher investments have further driven this growth.

Emerging Market and Developing Economies Group

Emerging market and developing economies are forecasted to maintain stable growth at 4.3% in both CY24 and CY25. This forecast has been made on account of stronger activity in Asia, particularly China and India. Growth prospects in economies across the Middle East and Central Asia continue to be weighed down by oil production and regional conflicts. Growth forecast of sub-Saharan Africa has also been revised downward on account of weak economic activity. Low-income developing countries are anticipated to experience a gradual growth uptick, starting at 4.4% in CY24 and climbing to 5.3% in CY25, as certain constraints on near-term growth begin to ease.

The economic forecast for emerging and developing Asia reveals a modest deceleration in growth, with projections indicating a decline from 5.4% in CY24 to 5.1% in CY25. **China's** trajectory reflects a slowdown, transitioning from 5.0% in CY24 to 4.5% in CY25 due to fading post-pandemic stimuli and ongoing property sector challenges. In contrast, **India's** growth remains robust, with anticipated rates of 7.0% in CY24 and 6.5% in CY25, bolstered by resilient domestic demand and a burgeoning working-age populace.

The **Indonesian** economy is expected to register growth of 5.0% in CY24 and 5.1% in CY25 with a strong domestic demand, a healthy export performance, policy measures, and normalization in commodity prices. **Saudi Arabia's** growth in CY24 is predicted to see a revamp in growth rate to 1.7% on account of Vision 2030 reforms that helped advance the country's economic diversification agenda, including through reduced reliance on oil. Going forward, GDP is expected to grow at 4.7% in CY25. On the other hand, **Brazil's** growth is projected to ease to 2.1% in CY24, driven by fiscal consolidation, the lingering impact of tight monetary policies, and reduced contributions from the agricultural sector. Going forward, GDP is expected to grow at 2.4% in CY25 on account of reconstruction following the floods and supportive structural factors.

Despite the turmoil in the last 2-3 years, India bears good tidings to become a USD 5 trillion economy by CY27. According to the IMF dataset on Gross Domestic Product (GDP) at current prices, the nominal GDP has been at USD 3.6 trillion for CY23 and is projected to reach USD 5.3 trillion by CY27 and USD 6.4 trillion by CY29. India's expected GDP growth rate for coming years is almost double compared to the world economy. The Indian economy shows resilience amid global inflation, supported by a stable financial sector, strong service exports, and robust investment driven by government spending and high-income consumer consumption, positioning it for better growth than other economies.

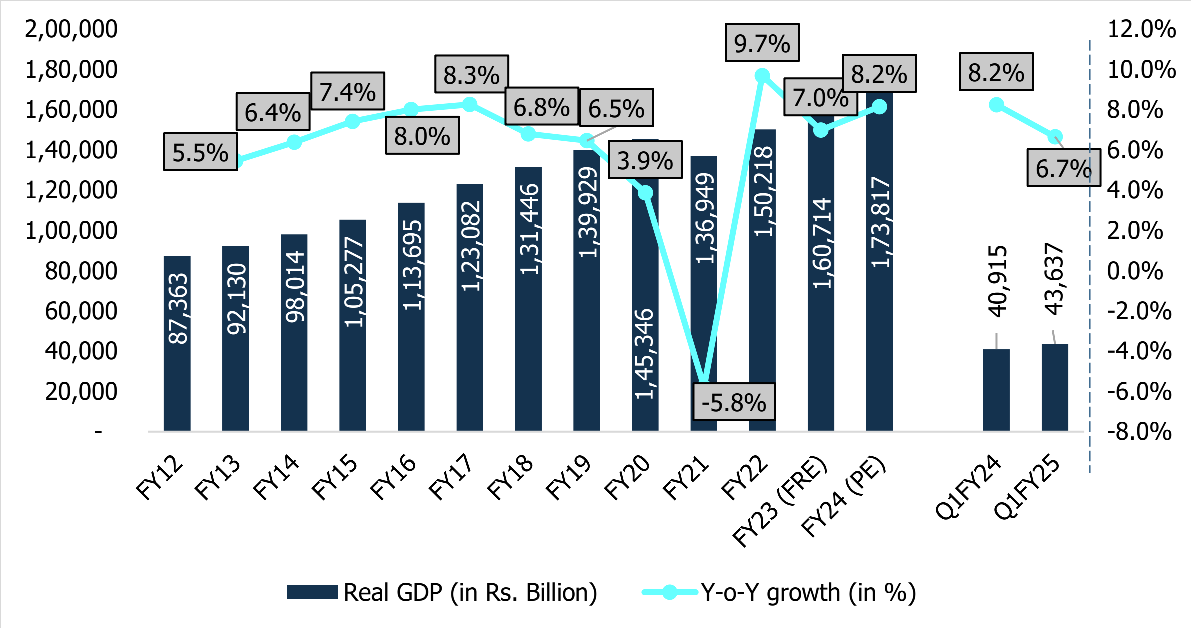
Besides, India stands out as the fastest-growing economy among the major economies. The country is expected to grow at more than 6.5% in the period of CY24-CY29, outshining China's growth rate. By CY27, the Indian economy is estimated to emerge as the third-largest economy globally, hopping over Japan and Germany. Currently, it is the third largest economy globally in terms of Purchasing Power Parity (PPP) with a ~7.6% share in the global economy, with China (~18.7%) on the top followed by the United States (~15.6%).

1.2 Indian Economic Outlook

1.2.1 GDP Growth and Outlook

Resilience to External Shocks remains Critical for Near-Term Outlook

Chart 2: Trend in Real Indian GDP growth rate



Note: FRE – First Revised Estimates, PE – Provisional Estimate; Source: MOSPI

India's real GDP grew by 7.0% in FY23 and stood at ~Rs. 161 trillion, as per the First Revised Estimate, despite the pandemic in previous years and geopolitical Russia-Ukraine spillovers. Real GDP in the year FY24 is estimated to grow at 8.2% at Rs. 173.82 trillion as per provisional estimate of the Ministry of Statistics and Programme Implementation. It is expected that domestic demand, especially investment, to be the main driver of growth in India, amid sustained levels of business and consumer confidence.

In Q1FY25, real GDP grew by 6.7% y-o-y, hitting a 15-month low, as compared to 8.2% y-o-y in the previous quarter. Private consumption, a key driver of the GDP, showed resilience increasing by 7.45% while government spending contracted by 0.24%. This growth was largely driven by elections and extreme summer conditions, which impacted economic activities across several sectors.

GDP Growth Outlook

- Driven by fixed investment and improving global environment, domestic economic activity continues to expand. The provisional estimates (PE) placed real GDP growth at 8.2% for FY24.

- Industrial activity led by manufacturing continues its momentum on the back of strengthening domestic demand, lower input costs, and a supportive policy environment. The purchasing managers' index for both manufacturing and services sector remained elevated in September 2024, indicating a robust expansion.

- Domestic economic activity continues to remain steady. On the supply side, advancing monsoon has boosted kharif sowing and improved agricultural production prospects, while higher reservoir levels and good soil moisture conditions are favorable for the upcoming rabi crop. Additionally, growth in GVA for major non-agricultural sectors like manufacturing, construction, and utilities has stayed above 5% for Q1FY25, indicating expansion. On the demand side, household consumption is bolstered by an upward trend in rural demand while urban demand continues to hold firm. Additionally, improvement in government consumption can also be observed. Moreover, on the global trade front, services exports are supporting overall growth.

- Fixed investment activity is robust, supported by the government's ongoing focus on capital expenditure, healthy balance sheets of banks and corporates, and other policy measures. Private investment is picking up, driven by an increase in non-food bank credit, higher capacity utilization, and rising investment intentions.

Persistent geopolitical tensions, volatility in international financial markets and geo-economic fragmentation do pose risk to this outlook. Based on these considerations, the RBI, in its October 2024 monetary policy, has projected real GDP growth at 7.2% y-o-y for FY25.

Table 2: RBI's GDP Growth Outlook (Y-o-Y %)

FY25P (complete year)	Q2FY25P	Q3FY25P	Q4FY25P	Q1FY26P
7.2%	7.0%	7.4%	7.4%	7.3%

Note: P-Projected; Source: Reserve Bank of India

1.2.2 Concluding Remarks

The major headwinds to global economic growth are escalating geopolitical tensions, volatile global commodity prices, high interest rates, inflation woes, volatility in international financial markets, climate change, rising public debt, and new technologies. Despite the global economic growth uncertainties, the Indian economy is relatively better placed in terms of GDP growth compared to other emerging economies. According to IMF's forecast, it is expected to be 7% in CY24 compared to the world GDP growth projection of 3.2%. The bright spots for the economy are continued healthy domestic demand, support from the government towards capital expenditure, moderating inflation, investments in technology and improving business confidence.

Likewise, several high-frequency growth indicators including the purchasing managers index, E-way bills, bank credit, toll collections and GST collections have shown improvement in FY24. Moreover, normalizing the employment situation after the opening up of the economy is expected to improve and provide support to consumption expenditure.

At the same time, public investment is expected to exhibit healthy growth as the government has allocated a strong capital expenditure of about Rs. 11.11 lakh crores for FY25. The private sector's intent to invest is also showing improvement as per the data announced on new project investments and resilience shown by the import of capital goods. Additionally, improvement in rural demand owing to healthy sowing, improving reservoir levels, and progress in south-west monsoon along with government's thrust on capex and other policy support will aid the investment cycle in gaining further traction.

2. Terminal Automation Industry

India has 13 major ports out of which 12 are Government owned and 1 is privately owned ports and 217 non- major ports as in FY24.The Ministry of Ports, Shipping and Waterways has developed a comprehensive plan to achieve 10,000 MTPA port capacity by 2047 and has identified around 150 initiatives across ports under Maritime India Vision 2030.To achieve this, terminal automations plays a crucial role in the development of ports functioning. Terminal automation systems are instrumental in efficiently, securely, and precisely managing critical industrial processes, particularly in sectors such as oil & gas, logistics, and manufacturing. By automating complex tasks like product loading and unloading, inventory management, and data analysis, terminal automation not only reduces human errors but also speeds up operations, improves safety, and ensures compliance with strict industry regulations. Furthermore, it provides decision-makers with real-time data insights, enabling data-driven strategies and swift responses to dynamic market conditions. In an era prioritizing optimization, sustainability, and safety, terminal automation is essential for industries aiming to enhance competitiveness, minimize environmental impact, and streamline operations.

The automation of the terminals automates processes which are usually done manually specifically load authorization, product movement, product measurement, documentation and reporting. The automated technology of storage and transfer equipment is similar and handles the automation of the inventory of the stock of containers located in the yard and the monitoring of equipment in real time. It is evolving towards the design of handling systems that are increasingly more self-sufficient in operational and economical terms such as those composed by the combination of Automated Lifting Vehicles and Automated Shuttle Carriers. The Oil And Gas Terminal Automation Market is a rapidly growing and competitive industry. There are so many global players like ABB India Limited, Honeywell Automation India Limited, Yokogawa India Limited, Endress+Hauser (India) Pvt. Ltd etc. are present in this segment whereas Advanced Sys-tek is the only established Indian player in this segment. Advanced Sys-tek has over 25 years of experience in providing automation solutions for large and complex terminals as well as small depots. It specializes in upgradation of existing manually operated terminals to completely automated terminals with minimum downtime and loss of productivity.

Capex of Oil Marketing Companies

Oil marketing companies (OMCs) in India are major players in the petroleum and energy sector. These companies are involved in various aspects of the oil and gas industry, including refining, distribution, and marketing of petroleum products. These oil marketing companies play a crucial role in meeting the energy needs of India's growing economy by ensuring the availability and distribution of essential petroleum products across the country.

They operate through a network of refineries, terminals, depots, and retail outlets to serve both industrial and consumer markets. Some prominent oil marketing companies in India include:

Indian Oil Corporation Limited (IOCL): IOCL is the largest oil marketing company in India and operates extensively in refining, distribution, and marketing infrastructure. It owns and operates numerous refineries across India and is involved in the marketing of various petroleum products, including motor fuels, lubricants, and petrochemicals.

	Particulars	Percentage Share	Planned for (FY23-FY24) (INR Mn)
IOCL - Capex Expenditure	Refining	31%	81,613.7
	Pipelines	20%	52,654.0
	Marketing	22%	57,919.4
	Petro chemical	16%	42,123.2
	R&D	5%	13,163.5
	Equity Investments in JVs	3%	7,898.1
	Others	3%	7,898.1
	Total		**2,63,270.0**

Source: Company Annual Report

Bharat Petroleum Corporation Limited (BPCL): BPCL is another leading oil marketing company in India with a significant presence in refining and marketing operations. It operates refineries and markets a wide range of petroleum products, including gasoline, diesel, aviation fuel, and lubricants.

	Particulars	FY23 (INR Mn)	FY24 (Budgeted) (INR Mn)
BPCL - Capex Expenditure	Refineries	26,570.0	16,040.0
	Marketing	53,540.0	35,510.0
	Investments in Exploration	22,000.0	21,500.0
	Investments in Gas	13,840.0	21,060.0
	Others	5,250.0	5,890.0
	Total	**1,21,200.0**	**1,00,000.0**

Hindustan Petroleum Corporation Limited (HPCL): HPCL is a major player in India's oil and gas industry, with operations spanning refining, marketing, and distribution. The company operates refineries and markets petroleum products under various brands.

	Particulars	Percentage Share	(FY24 to FY28) (Budgeted) (INR Mn)
HPCL - Capex Expenditure	Petroleum	52%	4,00,400.0
	Non-Fuel	7%	53,900.0
	Petchem	5%	38,500.0
	Net Zero	6%	46,200.0
	Renewable	8%	61,600.0
	Gas	15%	1,15,500.0
	Biofuels	4%	30,800.0
	EV/Alternate	3%	23,100.0
	Total		**7,70,000.0**

Source: Company Annual Report

Reliance Industries Limited (RIL): RIL is a diversified conglomerate with interests in petrochemicals, refining, and oil marketing. It owns one of the largest refining complexes in the world at Jamnagar, Gujarat, and is involved in the marketing of refined petroleum products.

2.1 New Marketing Terminals Added by Companies

Oil marketing companies in India regularly expand and enhance their marketing terminal infrastructure to improve distribution and reach. These terminals serve as crucial nodes in the supply chain for petroleum products, facilitating storage, blending, and distribution. Here are some recent additions and expansions of marketing terminals by prominent oil companies:

Indian Oil Corporation Limited (IOCL): IOCL has been expanding its marketing terminal network across India. For instance, IOCL inaugurated a new bulk storage terminal at Puducherry to enhance its capacity for storing and distributing petroleum products in the region. IOCL has also invested in modernizing and expanding existing terminals to meet growing demand and improve operational efficiency.

Marketing Terminal Projects

IOCL Project Name	Amount (INR Mn)	
	To be completed in	
	FY24	FY25
Augmentation of Kandla LPG Import Terminal	3,067.2	
POL Terminal at Atchutapuram	2,728.5	
Vizag Terminal Revamping	500.0	1,014.8
Augmentation of Ratlam Terminal Project	2,527.9	
POL Terminal at Atchutapuram	2,331.4	
POL Terminal at Motihari	1,964.0	
TOP at Manmad Terminal	1,494.8	
Arrangements with Adani Ports and Special Economic Zone Limited related to land for a period of 8 years and 2 months for setting up tank farm at Mundra Port, Gujarat for storing crude oil.	Not Specified	
Mumbai Aviation Fuel Farm Facility Private Limited (MAFFFL)	529.2	

Source: Company Annual Report 2022-23

Bharat Petroleum Corporation Limited (BPCL): BPCL has added new marketing terminals in strategic locations to strengthen its distribution network. For example, BPCL has set up new terminals in locations like Bina (Madhya Pradesh) and Nalco Nagar (Odisha) to cater to local demand and improve logistics. BPCL focuses on increasing the capacity and capability of its terminals to handle various petroleum products efficiently.

Marketing Terminal Projects

BPCL Project Name	Amount (INR Mn)
	Ongoing as of March 2023
Common User Facility POL Terminal at Jammu	6,768.9
Common User Facility POL Terminal at Sadashibpur (Meramundali), Odisha	3,935.4
Augmentation of Cryogenic Facilities at Uran LPG Import Terminal	11,646.9
PetroNet LNG Limited (PLL)	987.5
Delhi Aviation Fuel Facility Private Limited (DAFFPL)	1,700.0
BPCL-KIAL Fuel Farm Private Limited (BKFFPL)	500.0
Mumbai Aviation Fuel Farm Facility Private Limited (MAFFFL)	529.2

Source: Company Annual Report 2022-23

Hindustan Petroleum Corporation Limited (HPCL): HPCL has invested in upgrading its marketing terminals and building new facilities. This includes the expansion of terminals in key regions to enhance storage capacity and streamline distribution operations. HPCL's terminal expansion projects aim to support the growing demand for petroleum products in target markets.

Marketing Terminal Projects

HPCL Project Name	Amount (INR Mn)
	To be completed in

<table>
<tr><th></th><th>FY24</th></tr>
<tr><td>LNG Regasification Terminal [in respect of HPCL LNG Limited]</td><td>28,000.1</td></tr>
<tr><td>80 TMT LPG Cavern at Mangalore</td><td rowspan="6">90,000.0</td></tr>
<tr><td>3 LPG plants & Capacity Augmentations</td></tr>
<tr><td>HSD evacuation facilities at various locations</td></tr>
<tr><td>Dahej LPG Import Facility</td></tr>
<tr><td>MSV & TT Loading Facilities</td></tr>
<tr><td>5 new LPG Plants</td></tr>
<tr><td>Two Crude tanks</td><td>1,120.2</td></tr>
<tr><td>Mumbai Aviation Fuel Farm Facility Private Limited (MAFFFL)</td><td>529.2</td></tr>
</table>

Source: Company Annual Report 2022-23

Reliance Industries Limited: Private sector players like Reliance Industries Limited (RIL) has also expanded their marketing terminal infrastructure. RIL, with its massive refining complex in Jamnagar, has enhanced its terminal capacities to efficiently handle and distribute refined products.

2.2 Existing Marketing Terminals

India is home to numerous sizable oil marketing terminals that have a vital function in storing and distributing petroleum products throughout the nation.

As on April 2024, there are total of 313 petroleum, oil and lubricants (POL) terminals/ depots in India.

Period	IOCL	BPCL	HPCL	RIL/ RBML/ RSIL	NEL	Shell	MRPL & Others	Total
April 2024	126	80	81	17	3	-	6	313

Source: PPAC
Note: (*) denotes RBML- Reliance BP Mobility Limited; RSIL-RBML Solutions India Ltd

The key marketing terminals are given below-

1. **Kandla Oil Terminal, Gujarat-**
   - Operated by IOCL
   - Comissioned in 1983
   - Its strategic location on the western coast makes it a key hub for supply chain operations.
2. **Vizag Terminal, Andhra Pradesh-**
   - Operated by HPCL
   - One of the largest on the eastern coast of India, handles both imports and exports.
   - Connected to the Vizag refinery (one of the major refinery in the country).
3. **Mumbai Port Terminal, Maharashtra-**
   - Operated by BPCL and IOCL
   - Has significant storage capacity and handles large volumes of refined products.
4. **Chennai Terminal, Tamil Nadu-**
   - Operated by IOCL
   - Linked to the nearby Chennai refinery.

5. **Paradip Terminal, Odisha-**
   - Operated by IOCL
   - Part of Paradip Refinery Complex.
   - Plays a significant role in the supply chain for eastern and northeastern India.
6. **Mangalore Terminal, Karnataka-**
   - Operated by MRPL
   - Major Distribution point for pretroleum products in south India.
7. **Haldia Terminal, West Bengal-**
   - Operated by IOCL
   - Hub for petroleum distribution in eastern India.
8. **Kochi Terminal, Kerela-**
   - Operated by BPCL
9. **Jamnagar Terminal, Gujarat-**
   - Operated by RIL
10. **Noida- Bijwasan Terminal-**
    - Operated by IOCL

Few of the other terminal details are listed below:

Year	IOCL (Completed Projects)	Amount (Rs. Mn)
2018-2019	Grass Root POL ToP at Una, HP	3,560.0
	Ennore LNG Import Terminal	51,500.0

Source: Company Investor Presentation 2023

Year	BPCL (Completed Projects)	Amount (Rs. Mn)
2018-19	Ennore Coastal Terminal Project	3,930.0
2019-20	POL Terminal with Railway Siding at Pune	2,826.4
2020-21	Resitement of Raichur POL depot to Gulbarga	2,062.6
2022-23	Development of Coastal Terminal with Railway Siding at Krishnapatnam, Andhra Pradesh	5,802.0
	New Petroleum, Oil, and Lubricants (POL) Depot at Radhanagar (Bokaro), Jharkhand	2,471.7

Source: Company Annual Report 2022-23

Year	HPCL (Completed Projects)	Amount (Rs. In Mn)
2018-19	Construction of New Road Fed Depot at Leh	NA
	Construction of a Tank Wagon (TW) Loading gantry at Visakh Black Oil Terminal	740.0
2019-20	Infrastructure Augmentation at Irumpanam terminal, 2019	NA
	The Railway Siding located approx. 1.5 Km away from Kolkata Terminal-I, 2019	NA

Year	HPCL (Completed Projects)	Amount (Rs. In Mn)
	Revamp of Meerut depot, 2019	NA
2020-21	New Railway Siding along with allied facilities at Madurai, 2021	960.0

Source: Company Website, accessed on 7 May 2024

Other major marketing infrastructure projects completed and commissioned by Engineering & Projects department of HPCL incudes-

- **Depot at Kadapa-** POL depot at Kadapa in the state of Andhra Pradesh is constructed with a combined storage facility of a total of 33780 KL for White Oil and Black Oil and 16 bays of Tank Truck (TT) loading facilities. It started its fully automated loading operation in the month of December 2014.

- **Budge Budge Terminal Revamping-** Revamp of Budge Budge-I Terminal is completed and commissioned with state of art safety features and fully compliant to the latest OISD standard and fully automated loading operation in the month of March 2015.

- **Revamping of Jabalpur Depot-** Started operations in July 2017 and has revamped with a storage facility of a total of 16980 KL for White Oil and 8 bays of Tank Truck (TT) loading facilities. The depot receives product by rail movement through a single spur railway siding facility.

- **Construction of New Road Fed Depot at Leh-** HPCL constructed POL depot for winter stocking at Leh region in the UT of Ladakh. At a high altitude of over 11800 feet above MSL, the depot is constructed with a storage capacity of 4460 KL and 4 bays of Tank Truck Gantry for both loading and unloading operations.

The demand for oil is directly impacted by an increase in marketing terminal requirements. Marketing terminals serve as distribution centers for oil products to retailers or end consumers. In order to reduce delays and guarantee that items get at the market on schedule, increased demand calls for a more effective distribution network.

Furthermore, having more terminals dispersed throughout various locations acts as a buffer against events like strikes, natural disasters, or geopolitical unrest that could interrupt the supply chain. In order to avoid any major effects on the market, this becomes more and more crucial as demand increases.

3. Domestic Industrial Automation Industry

3.1 Industry Overview

Industrial automation is the use of robotics, machines and control systems to perform tasks that were traditionally carried out by human workers. Automation can improve productivity, quality and safety in manufacturing and other industrial applications.

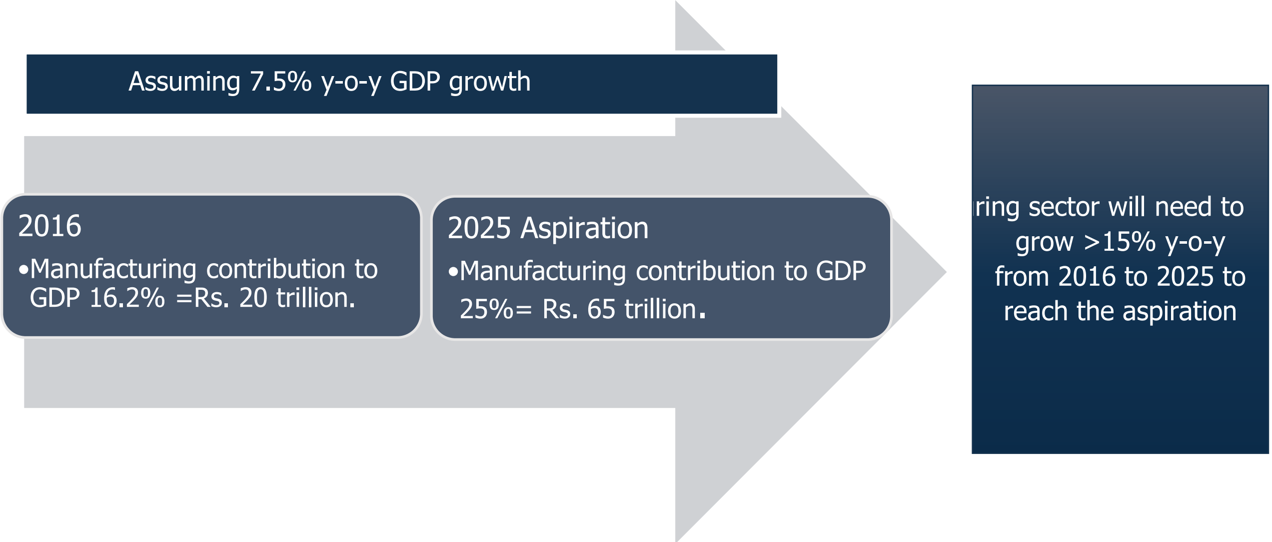
Automation technology includes a wide range of tools and technologies, such as robots, numerical control (NC) machine tools, programmable logic controllers (PLCs), computer numerical control (CNC) systems and industrial sensors. Automation systems can be integrated into existing production lines or stand-alone and can be used to collect data for preventative maintenance of the equipment. Industrial automation offers a number of benefits over traditional manual labour. Automated facilities can work faster and more accurately than human workers, and they can operate around the clock without tiring and can collect data for monitoring the health status of the equipment and reduce waste. Automation can also help to improve safety in hazardous environments.

In recent years, industrial automation has been adopted by a number of industries, including automotive manufacturing, food and beverage processing, pharmaceuticals and electronics assembly. The trend is expected to continue as companies look for ways to improve efficiency and competitiveness.

India's industrial automation industry is still developing but growing at a rapid pace. This is due to increasing foreign direct investment (FDI) and continued growth across industries. Factory automation is becoming very important in the competitiveness among business. The growing manufacturing sector is scaling up the demand for industrial automation technology.

Industrial automation has revolutionized manufacturing processes across various industries, optimizing efficiency, precision, and productivity.

Chart 3: Contribution of manufacturing sector in Indian GDP



Source: SMARTH UDYOG Bharat 4.0

The manufacturing sector in India is expected to contribute to 25% of the GDP which is a CAGR of 15% from 2016 to 2025. The manufacturing sector consists of 17% i.e. Rs. 27 Trillion of the total GDP in FY24. The growth in manufacturing sector is expected to be driven by automation in the sector.

Automation is significantly influencing the Indian economy. Through the enhancement of efficiency and productivity, it is fostering economic expansion. Additionally, it is generating fresh employment prospects, as the need for proficient individuals to oversee and sustain automated systems escalates. Nonetheless, it is important to acknowledge that automation might result in job displacement in specific sectors, presenting a challenge that requires attention. The automation market is expected to grow around 7-9% in the next few years.

The automation market is segmented into **three automation types**: process automation, factory automation, and electric automation.

Process Automation

- Process Automation is the use of software and technologies to automate the business processes and functions in order to accomplish designed organization goals. It typically consists of three functions that are automating processes, centralizing information and reducing the requirement for input from people. It is used to eliminate bottlenecks, reduce errors and loss of data and improving transparency, communication across departments and speed of processing.

Factory Automation

- Factory automation involves applying technology and systems to automate manufacturing processes, aiming to boost productivity and cut costs. The degree of automation can range from individual operation automations to complete end-to-end automation, eliminating human involvement entirely. It can be integrated at any stage of the manufacturing process, spanning from material quantity control to production and assembly, and ultimately to packaging and dispatch.

Electric Automation

- Electrical automation simplifies the control of system functions, enabling electricity, electrical devices, and fixtures to activate and deactivate as instructed. A brief observation of nearly any public area reveals the ubiquitous use of smartphones, GPS devices, tablets, and other wireless components, which contribute to enhancing various aspects of our lives for added convenience.

3.2 Market Drivers

- **Upgradation and digitization of technology**

  Technology advancement and digitalization have been key drivers behind the evolution of Industry 4.0, facilitated by the availability of low-cost hardware and intelligent machines, along with the influx of data. This surge in data volumes has given rise to the concept of "big data," underscoring the growing importance for companies to effectively store, gather, and utilize information.

- **Connectivity**

  Connectivity plays a crucial role in Industry 4.0, with the widespread availability of fast internet and the adoption of technologies like remote database access (RDA) and radio frequency identification (RFID). These advancements support the concept of the Internet of Things (IoT) as a potential global digital infrastructure, enabling seamless collation and distribution of information.

- **Competitive Edge**

  Achieving a competitive edge in the Industry 4.0 era involves leveraging both human expertise and dynamic data analysis. This synergy may pave the way for the development of a digital ecosystem where human decision-making is augmented by algorithms, leading to enhanced production accuracy, reduced time and costs, and optimized manpower utilization.

- **Digital Solutions**

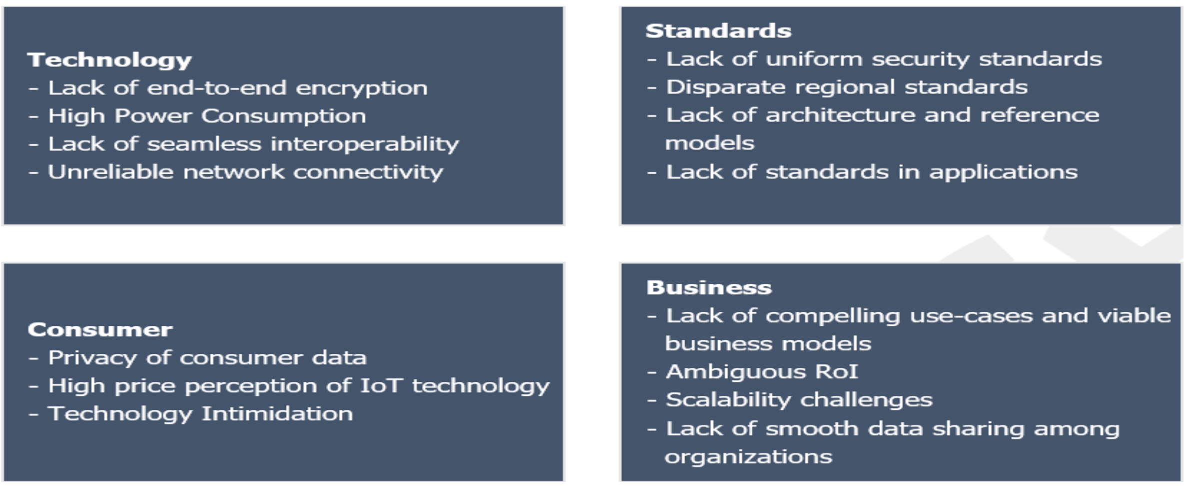
  Digital solutions enable the collection of real-time data from machines, equipment, and production systems through sensors and IoT devices. the digital solutions market drives industry automation by harnessing technologies such as data analytics, AI, IoT, automation, and smart manufacturing platforms. These solutions optimize operational efficiency, enhance quality and reliability, enable agile and responsive manufacturing, and pave the way for sustainable and innovative industrial ecosystems. Digital transformation is revolutionizing traditional manufacturing practices and accelerating the adoption of Industry 4.0 principles across diverse industries.

- **Automation and Digitization**

  Manufacturers are increasingly embracing automation and digitization to meet the growing demand for faster production and improved efficiency. Technologies such as robotics, artificial intelligence (AI), and machine learning are playing pivotal roles in minimizing human intervention, enhancing product quality, and boosting productivity.

3.3 Market Restraints

Market restraints in industrial automation refer to factors that hinder or limit the growth, adoption, or implementation of automation technologies within various industries. These restraints can significantly impact the pace and extent of automation deployment. Here are some key market restraints in industrial automation:



- **High Initial Investment:** One of the primary restraints is the substantial upfront investment required for acquiring and implementing automation technologies such as robotics, control systems, sensors, and software. High initial investment presents a significant challenge for the adoption of industrial automation in India. Many organizations, especially smaller ones, may find the initial costs prohibitive.

  The capital-intensive nature of industrial automation can strain the budgets of businesses, particularly smaller enterprises and startups. The need for specialized equipment and skilled personnel further adds to the overall investment requirements. Moreover, the return on investment (ROI) timeline for automation projects may be longer, which can make decision-makers cautious about committing resources.

  To address the challenge of high initial investment, organizations often explore strategies such as phased implementation, leasing or financing options, and seeking government incentives or subsidies for technology adoption.

- **Complexity and Integration Challenges:** Industrial automation often involves integrating various systems, technologies, and processes, which can be complex and require specialized expertise. Compatibility issues between different systems and legacy equipment can further complicate integration efforts.

  India's industrial ecosystem comprises a wide range of sectors, each with distinct processes, equipment, and operational requirements. Integrating automation solutions across these diverse industries, such as manufacturing, automotive, healthcare, and agriculture, requires tailored approaches and specialized expertise. The compatibility and interoperability of automation systems with different software, hardware, and communication protocols present integration challenges. Ensuring seamless communication and data exchange between disparate systems is crucial for achieving comprehensive automation.

- **Lack of Skilled Workforce:** Automation technologies require specialized skills in robotics, control systems, machine learning, artificial intelligence, and data analytics. However, there is a shortage of professionals with hands-on experience and advanced knowledge in these areas. Automation technologies evolve rapidly, and keeping pace with the latest developments requires continuous learning and upskilling.

  To address the lack of skilled workforce in the Indian automation sector, several measures are taken like Government initiatives, industry associations, and educational institutions collaborating to develop specialized skill development programs focused on automation technologies. These programs should include hands-on training and industry-relevant curriculum.

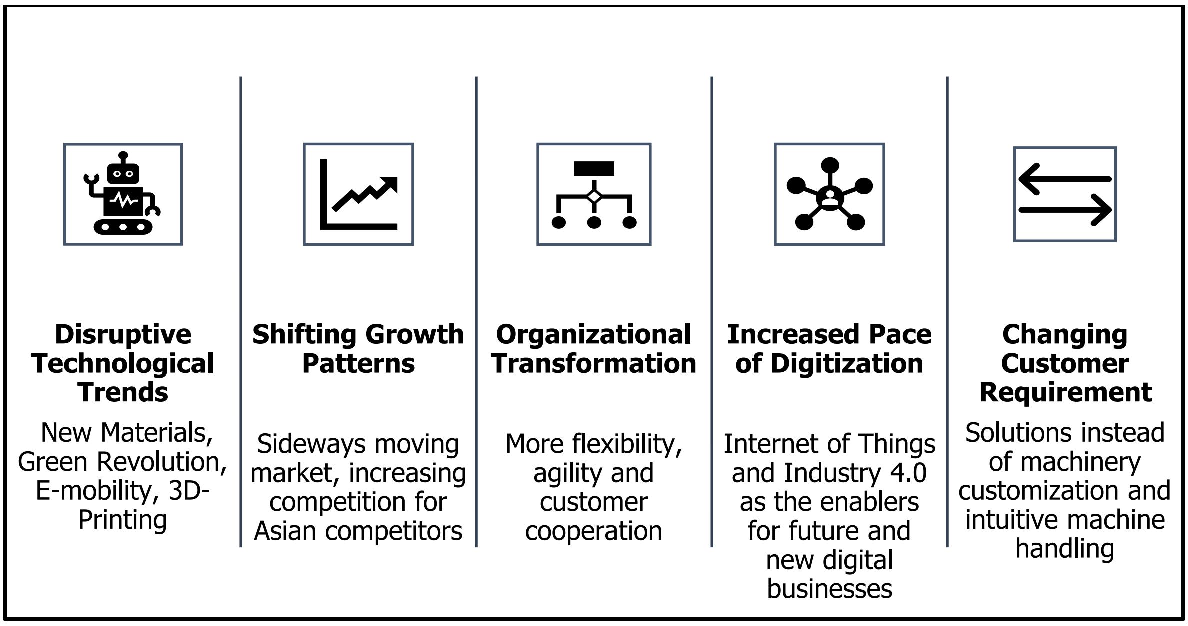
- **Cybersecurity Risks:** The increased connectivity of industrial systems through the Internet of Things (IoT) and cloud-based solutions raises concerns about cybersecurity. Vulnerabilities in automated systems can lead to potential cyber threats, including data breaches, sabotage, and operational disruptions.

  The cyber-risk terrain for the IoT/OT driven systems is also evolving with the evolving automation industry. Cyber-attacks such as ransomware and APTs are inevitable; hence, incident response plays a vital role in the current Indian IA market. However, incident response in the IoT/OT-driven IA space differs starkly from that in the IT sector. Subsequently, it cannot be adapted from an IT incident response playbook.

- **ROI Uncertainty:** Some organizations may be hesitant to invest in automation due to uncertainty about the return on investment (ROI) and the time it takes to realize cost savings and efficiency gains. Automation projects often require significant upfront capital expenditure to acquire technology, upgrade infrastructure, and train personnel. The long payback period associated with these investments can introduce uncertainty about when the benefits will offset the initial costs. Implementing automation systems involves integrating new technologies with existing processes, machinery, and IT systems. This complexity can lead to unexpected delays, cost overruns, and operational disruptions, impacting the projected ROI.

- **Limited Use Cases:** Certain industries or applications may have limited use cases for automation technologies, making it challenging to justify the investment compared to manual processes. IoT deployments often involve complex technology integration and scalability challenges. Developing IoT solutions that can seamlessly integrate with existing infrastructure and accommodate future growth can be difficult, leading to limited use cases.

3.4 Key Industry Developments



The domestic industrial automation industry is undergoing significant developments driven by technological advancements, market trends, and evolving customer demands. Here are key industry developments shaping the domestic industrial automation sector:

- **Adoption of Industry 4.0 Technologies:** The industrial automation industry is embracing Industry 4.0 principles, integrating technologies such as IoT, AI, big data analytics, cloud computing, and digital twins into manufacturing processes. This transformation enables smart factories, predictive maintenance, and data-driven decision-making.

- **Generative Artificial Intelligence (GenAI):** Generative artificial intelligence (GenAI) has surged in importance over the past year, sparking strong interest in industrial applications integrated with this groundbreaking technology. Generative Artificial Intelligence (Generative AI) refers to a type of AI technology that is designed to create or generate new content, such as images, text, music, or even entire videos, based on patterns and examples from existing data. Generative AI systems typically use deep learning architectures, such as Generative Adversarial Networks (GANs) or Variational Autoencoders (VAEs), to learn patterns and relationships within data and then generate new content that resembles the original data. Almost 83% of the automation industry is expected to use GenAI for its operations in 2024.

- **Rise of Collaborative Robotics (Cobots):** Collaborative robots (cobots) are gaining popularity in domestic industrial automation due to their ability to work alongside human operators safely. Cobots enhance productivity, flexibility, and efficiency in manufacturing operations, particularly in small and medium-sized enterprises (SMEs).

- **Focus on Smart Manufacturing:** There is a growing emphasis on smart manufacturing solutions that optimize production processes, enhance quality control, and improve supply chain management. Smart manufacturing platforms integrate automation, data analytics, and connectivity to drive operational excellence.

- **Digital Transformation Initiatives:** Domestic industrial automation companies are undergoing digital transformation initiatives to digitize processes, automate workflows, and enhance connectivity across the production ecosystem. This digitalization improves agility, responsiveness, and competitiveness.

- **Expansion of Internet of Things (IoT) Applications:** The proliferation of IoT devices and sensors in industrial settings enables real-time monitoring, predictive maintenance, and remote asset management. IoT solutions enhance operational visibility, efficiency, and resource utilization.

- **Integration of Artificial Intelligence (AI):** AI technologies such as machine learning and deep learning are being integrated into industrial automation systems to optimize production scheduling, predict equipment failures, and automate decision-making processes. AI enhances efficiency and reduces operational costs.

- **Enhanced Cybersecurity Measures:** With increased connectivity and data exchange in industrial automation, cybersecurity has become a critical focus area. Domestic automation companies are implementing robust cybersecurity measures to protect manufacturing systems and data from cyber threats.

- **Shift towards Modular and Scalable Solutions:** Industrial automation solutions are evolving towards modular and scalable architectures that allow for flexible deployment and expansion. This approach enables companies to adapt quickly to changing production demands and business requirements.

- **Emphasis on Sustainability and Green Technologies:** There is a growing emphasis on sustainability in industrial automation, with a focus on energy efficiency, waste reduction, and eco-friendly manufacturing practices. Green technologies such as renewable energy integration and efficient resource utilization are gaining traction.

4. Automation in Petrochemicals Industry

4.1 Overview of Petrochemical Industry

Petrochemicals are downstream hydrocarbons derived from crude oil and natural gas, which consist of plastic and a host of other chemicals. It is a capital-intensive industry and plays a significant role in driving economic growth. Demand for petrochemicals is driven by end-use sectors such as fertilisers, packaging, tires, detergents, digital devices, medical tools, solar panels, electric vehicles, batteries, etc.

The prices of petrochemicals are determined from the prices of 'Naptha', which is a major feedstock used to make petrochemicals and is derived from crude oil. India is a net importer of petrochemicals. The overall petrochemical production grew at a CAGR of 1.7% during the period FY18- FY23.

Lower crude oil prices supported the petrochemicals export. Amongst the basic petrochemicals, acrylic fibre, nylon filament yarn, and nylon industrial yarn were imported substantially. Similarly, Thailand, Turkey, Germany, Nepal, and Japan accounted for the top five import destinations for petrochemicals during 2020-22.

Production of Major Petrochemicals

The COVID-19-led lockdown adversely impacted the demand for petrochemicals. The demand from non-essential sectors such as construction, automotive, textiles, electronics, and rigid packing experienced a decline in demand. Whereas, the demand for petrochemicals from healthcare and personal care stood up strongly.

Further, the quantum of production of major petrochemicals decreased to 40,657 thousand tonnes during 2022-23 as compared to 44,689 thousand tonnes during the previous year, indicating a decrease of 9%. This was possibly due to increased feedstock prices amid Russia-Ukraine tensions and the quantum of imports.

Between FY18 and FY22, CAGR value for installed capacity in the industry stood positive at 4.8%, indicating an increase in the size and output of the industry. Import and export were relatively favourable, but exports declined by 9% y-o-y in FY23, reflecting a drop in the industry's trade.

4.2 Demand Drivers of Petrochemical Industry

- Rise in certain petrochemical products due to increasing consumption of healthcare products and flexible packaging for consumer goods, food, and e-commerce merchandise.

- Numerous petrochemicals, including ethylene, propylene, and benzene, are needed for the electrification and energy storage systems. Due to its increasing use in storing energy from renewable sources like solar and wind power, the demand for energy storage systems is rising. Batteries and capacitors, two essential parts of energy storage systems, are made of petrochemicals. Opportunities for products generated from petrochemicals are anticipated to arise as this industry advances and the demand for energy storage systems rises.

- The increasing packaging industry is a significant market driver due to its heavy reliance on petrochemical-derived products, particularly plastics. The growth of the packaging sector is closely linked to developments in urbanization and expanding worldwide consumption. The need for packaged goods rises along with the number of people living in cities. Plastics developed from petrochemicals offer a wide variety of affordable and adaptable packaging materials, which makes them the go-to option for industries ranging from consumer products and personal care to food and beverage. Growing worldwide consumption patterns are largely met by responses from the packaging industry, which supports the growth of the petrochemicals business.

- Movements in the price of crude oil on a worldwide scale have a direct impact on the petrochemical industry's pricing and production costs, which in turn affects market expansion. The rising demand for petrochemical goods across a wide range of sectors is also a key driver of market expansion.
- Allocation of resources and promoting innovation via programs such as the National Petrochemical Awards and Centers of Excellence (CoEs).
- As firms are using technology more to stay competitive in the worldwide market, the adoption of automation in the petrochemicals market is undergoing a substantial impact. More companies are projected to recognize the advantages of automation in petrochemicals, leading to a growth in the automation market within this industry.

4.3 Government Policies

The government is taking all the necessary steps to make India a global petrochemical manufacturing hub. Some of the initiatives taken include revised customs duties on petrochemicals, a reduction in the basic customs duty of naphtha, and a new addition to the Barmer Petrochemical Cluster.

Further, the Department of Chemicals and Petrochemicals has made the way for petrochemical infrastructure by implementing schemes under the National Policy on Petrochemicals. Schemes include- the setting up of plastic parks and the setting up of centres of excellence in polymer technology. Under this scheme, the Government of India provides grant funding up to 50% of the project cost, subject to a ceiling of Rs.400 million per project. The remaining project cost is funded by the state government or the State Industrial Development Corporation or similar agencies of the state government, beneficiary industries, and loans from financial institutions. Further, it aims to improve the existing petrochemical technology and research in the country and promote the development of new applications of polymers and plastics.

Moreover, with the implementation of four Petroleum, Chemical and Petrochemical Investment Regions (PCPIRs) in the States of Andhra Pradesh (Vishakhapatnam), Gujarat (Dahej), Odisha (Paradeep), and Tamil Nadu (Cuddalore and Nagapanam), investments are likely to get infused worth Rs. 2.27 trillion. The purpose of establishing PCPIRs is to promote investment and industrial development.

4.4 Automation

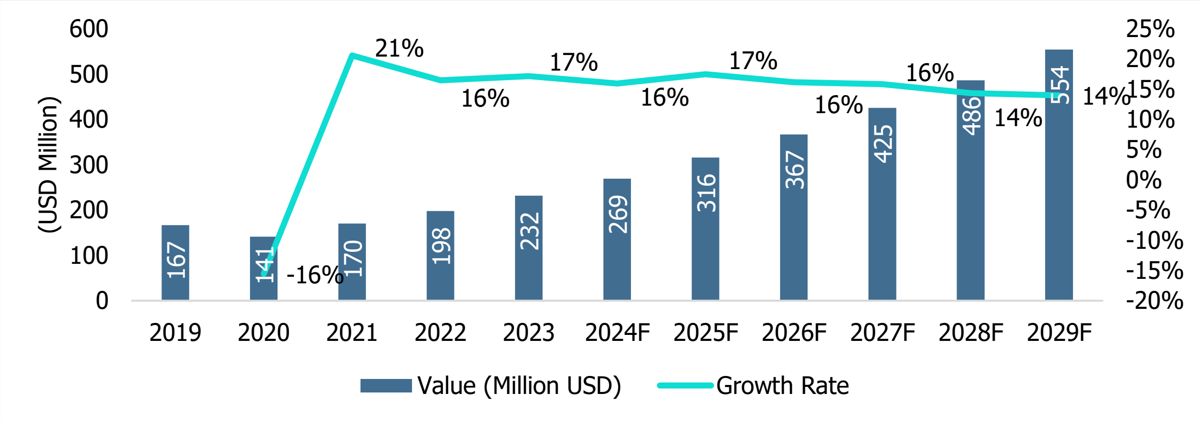
Automation in the Indian petrochemical industry is rapidly changing the way it operates- increasing efficiency, safety, and sustainability. Distributed Control Systems (DCS) and Supervisory Control and Data Acquisition (SCADA) are widely utilized for real-time monitoring and control of petrochemical processes. These solutions support in optimizing operations, decreasing human error, and assuring safety. AI-driven automation will become more prevalent in the future, with machines not just performing jobs but also making decisions, increasing efficiency.

Advanced Sys-tek's Control and Monitoring System (DCS) integrates **High Availability Redundant Computer Platforms** with proprietary software to provide robust and efficient terminal automation. High Availability Redundant Computer Platform’s operation is achieved by implementing redundancy, when individual components fail. Multiple identical components (like servers, storage devices, or network connections) seamlessly takes over in case of a primary component failure, minimizing downtime and ensuring high availability.

4.4.1 Market size for Automation in Petrochemical Sector

Cybersecurity becomes increasingly important as the industry gets more automated and linked. Automated systems are subject to cyber-attacks, which can disrupt operations and cause safety accidents. To mitigate these dangers, businesses are investing in strong cybersecurity systems such as firewalls, encryption, and constant network monitoring. In order for systems to bounce back fast from any possible breaches, resilience building is also a priority.

Chart 4: India Automation Market Size in Petrochemicals



Source: Maia Research

Note: Year mentioned above denotes calender year; (F) stands for forecasted period.

Between CY19 and CY23, the Indian automation market for the petrochemical sector increased at a CAGR of 8.6%. Automation in the Indian petrochemical industry is expected to evolve at CAGR of 15.5% between CY24 and CY29, with ongoing developments resulting in more intelligent, efficient, and sustainable operations. This shift is critical to the industry's worldwide competitiveness.

4.4.2 Major Players in India who have adopted Automation in Petrochemicals

Table 3: List of Players

Company Name	Details
Indian Oil Corporation	IOCL uses automation for refining, petrochemical manufacture, and distribution. The company employs advanced process control (APC) systems and has begun integrating IoT devices to improve monitoring and control.
Reliance Industries	Reliance is considerably invested in automation for its petrochemical and refining businesses. To boost productivity, decrease waste, and increase safety, the company employs modern process control networks, robotics, and AI-driven insights.
Hindustan Petroleum	Hindustan Petroleum Corporation Limited (HPCL) has automated several elements of its petrochemical operations, including retail stores, terminals, supply and distribution. Systems of automation consist of: Centralized pricing adjustments: From one central location, HPCL is able to make almost real-time price adjustments at all of its automated fuel stations. This guarantees that clients are billed the accurate amount. Interlocking systems: HPCL has implemented a central interlocking system that, in response to certain situations, activates and regulates pump operations. Enhancing safety and transparency is the goal of this method. Integrated payment solutions: Automation ensures that clients receive bills for the items they fill out.

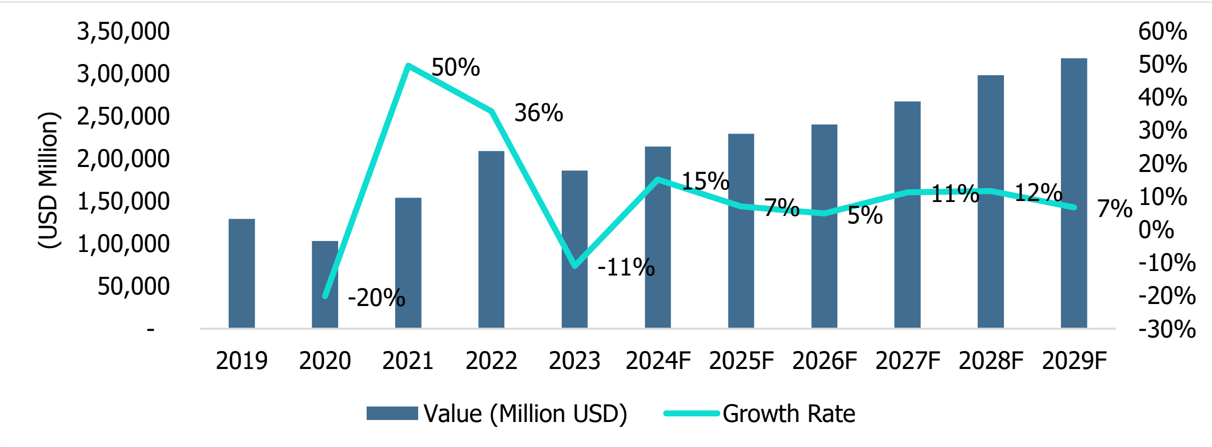
Company Name	Details
Bharat Petroleum	The organization has prioritized the digitization of its logistics and supply chain processes. BPCL has implemented the following automations: 1. The installation of automated systems for process control in refineries. 2. Use of robotics in inspection and maintenance duties. 3. Applying machine learning and AI to optimize operations.
Chennai Petroleum Corporation	CPCL implemented SAP business applications through IOCL. Finance & Controlling, Sales and Distribution, Plant Maintenance, Materials, Projects, Human Resources, and Payroll with ESS (Employee Self Service Portal) constitute some of the several SAP modules that CPCL has put into place. The introduction of SAP has allowed CPCL to smoothly combine the functions of major departments, resulting in a smooth workflow. Similarly, automated invoice creation in SAP for truck transportation was recently deployed.

4.5 Outlook for the Industry

The petrochemical industry in the last few years has done well despite some of the major challenges such as erratic prices of the feedstock in the international market and global container crisis. As the country is recovering from the contraction that took place due to the pandemic, real GDP of the country is expected to register a good growth in the coming period. This is expected to drive the growth of various end-user industries of petrochemicals and hence, benefit petrochemical industry. Further, the growth of this sector will be supported by the PLI scheme and other government initiatives such as Make in India. However, high feedstock price is a key risk that may restrict the growth.

Automation in the petrochemical sector is expected to streamline operations as a result of the rising demand for ethanol blending at oil terminals, which will introduce more steps and complexities in the supply chain and drive the need for increased automation. Automation is preferred in the bending process for precise blending control, monitoring and adjusting in real time, quality assurance and control, and integration of the system with supply chain and logistics.

Chart 5: India Petrochemicals Market Size in Value



Source: Maia Research

Note: Year mentioned above denotes calender year; (F) stands for forecasted period.

India's petrochemical industry is expected to grow at a CAGR of around 8% between CY24 and CY29. This will be driven by end user industries such as- plastics, detergents, medical equipment, and tyres. Other connected industries like textiles, automotive, and construction with highly expected growth will also support the demand for petrochemicals in the near future. Further, 100% foreign direct investment through the automatic route will also drive the demand for this sector.

At the same time, despite the stable demand from the domestic front, operating margins might be impacted by the lower prices and oversupply of petrochemical capacity in China, the US, and the Middle East. Besides, low demand in other international markets suggests that Indian producers might have to deal with the problem of foreign dumping.

The petrochemical segments of all the companies have reported profitability pressures over the last few quarters. This indicates that while Indian demand is likely to remain healthy, the global weakness in demand and oversupply situation will keep the petrochemicals spreads under check for the Indian players as well in the medium term.

The domestic demand for chemicals in India is predicted to remain healthy in 2024, but price expectations are not very high as the market tries to strike the right balance in the face of new production capacities entering the Asian market, shifting trade flows, weak global demand, and unstable upstream prices.

5. Indian Diesel Automotive Industry and Diesel Consumption

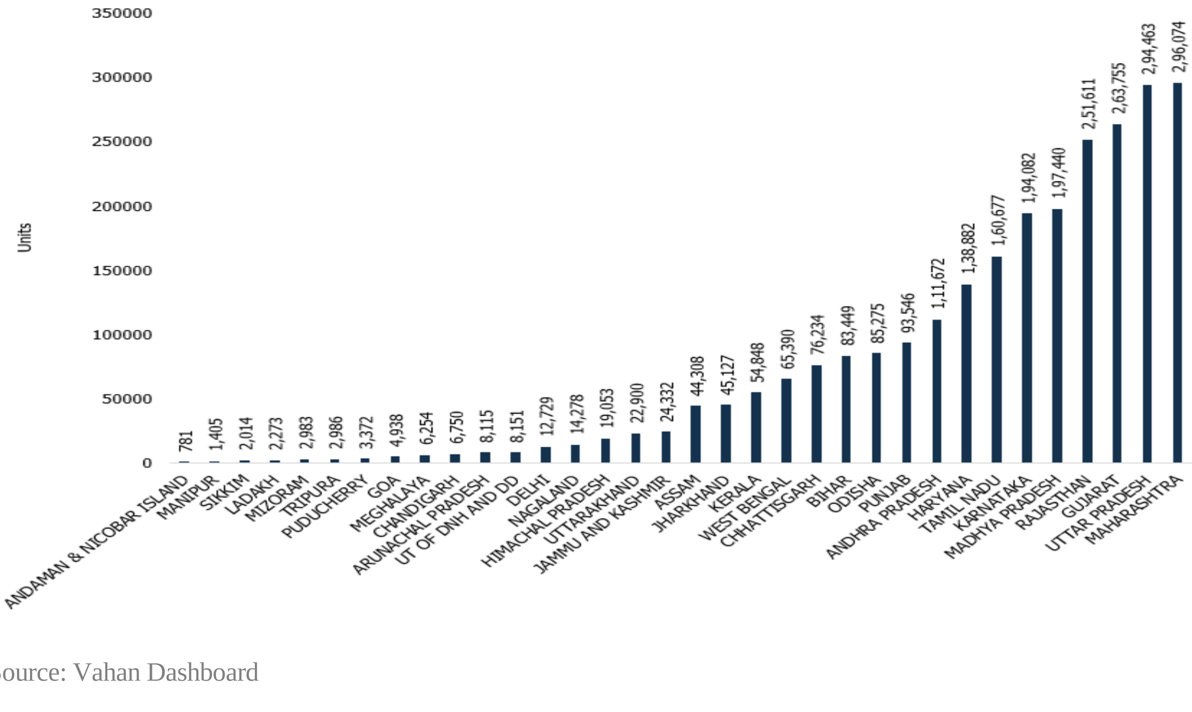
5.1 New Diesel Vehicle Registered State wise

There is increasing government's thrust for adoption of environment friendly alternate fuels such as Electric Vehicles (EVs), CNG in India in the recent years. This has led to most of the auto manufacturers planning to launch EVs in India with some of the players having already launched such vehicles. This creates some uncertainty for both the consumers and manufacturers of automobiles over the demand and supply of diesel-based vehicles which may lead to consumers deferring their purchase plans. However, considering the challenges revolving around EV ecosystem and LNG/CNG terminals, it will be difficult to imagine commercial vehicles without diesel engines at least in the near term.

India has implemented the Bharat Stage Emission Standards (BSES) in phases to reduce vehicle emissions, with different phases going into effect at different times and in different parts of the nation.

Over the last two years, Maharashtra has seen an increase in the registration of diesel vehicles, despite efforts to urge people to switch to cleaner fuels like CNG or electric.

Chart 6 : New Diesel Vehicle Registered- State-wise during FY24'



Source: Vahan Dashboard

5.2 Passenger and Commercial Vehicles Registered (Diesel)

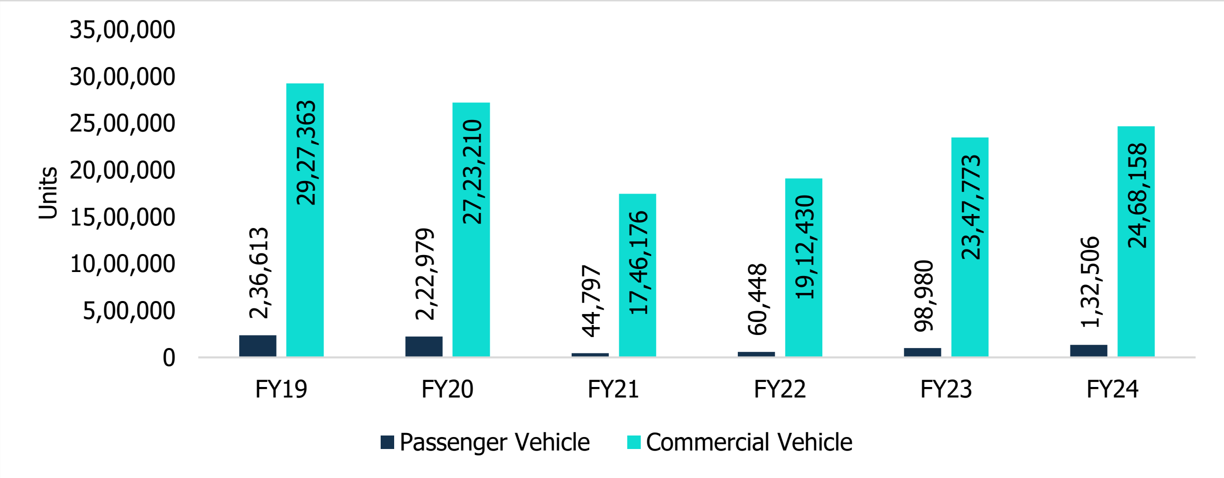
The diesel passenger vehicle (PV) industry domestic sales grew by 34% y-o-y in FY24. The segment's growth trajectory continued for two consecutive fiscal years with improved vehicle availability and an influx of new & refreshed models from various OEMs. This uplift was further supported by enhanced supplies and an increasing variety in the product portfolio, diversifying consumer demand.

The diesel commercial vehicle (CV) segment is considered a lifeline for the economy and the growth of this segment is closely related to the industrial activity in the economy. The commercial vehicle industry's domestic sales growth moderated to 5% in FY24 as compared to FY23. The growth can be attributed to the adequate deployment of funds from the central government towards infrastructure development and the high base of last year. Furthermore, there was a discernible improvement in market sentiment, supporting healthy traction in heavy commercial vehicles (HCVs), buses, and LCVs and signalling a revitalized tourism market. Similarly, customer sentiment has significantly improved in the tipper segment. Whereas fleet utilization continues to be at a healthy level as transporters' profitability remained stable which led to increasing demand in Medium & Heavy Commercial Vehicle segments. In addition, the industry saw a good demand for diesel CVs from the construction, steel, cement, e-commerce, and agri-transportation, among other industries.

Furthermore, the COVID-19 pandemic caused a downturn in the car sector in fiscal year 2021. Due to a strict statewide shutdown aimed at preventing the spread of coronavirus infections, automakers were unable to sell the targeted vehicles.

Still, there were other factors contributing to the auto sector's downturn outside the pandemic. Deeper structural problems that needed to be addressed also beset the industry.

Chart 7 : Market Trend of Passenger and Commercial Vehicles Registered (Diesel)



Source: Vahan Dashboards

5.3 State wise Diesel Consumptions

In India, diesel fuel is the most widely used fuel, making for over 40% of all petroleum product usage. Seventy percent of diesel sales in the nation are accounted for by the transportation industry. Additionally, it is the main fuel used in the agricultural industry, particularly in tractors and harvesters.

September, 2023 saw a decline in diesel sales in India for the second consecutive month as precipitation tempered demand and hindered industrial activity in certain regions of the nation. Rainfall reduces demand for diesel in the agriculture sector, which uses the fuel for transportation, irrigation, and harvesting, hence sales of the fuel usually decline during the monsoon season. Rain also slows down the movement of cars.

According to the IEA, the ongoing, tremendous industrial expansion shows that the single biggest driver of rising oil consumption is diesel/gasoil, which will account for about one-sixth of the total growing oil demand globally through 2030 and over half of the country's demand increase.

Diesel Demand (mb/d)

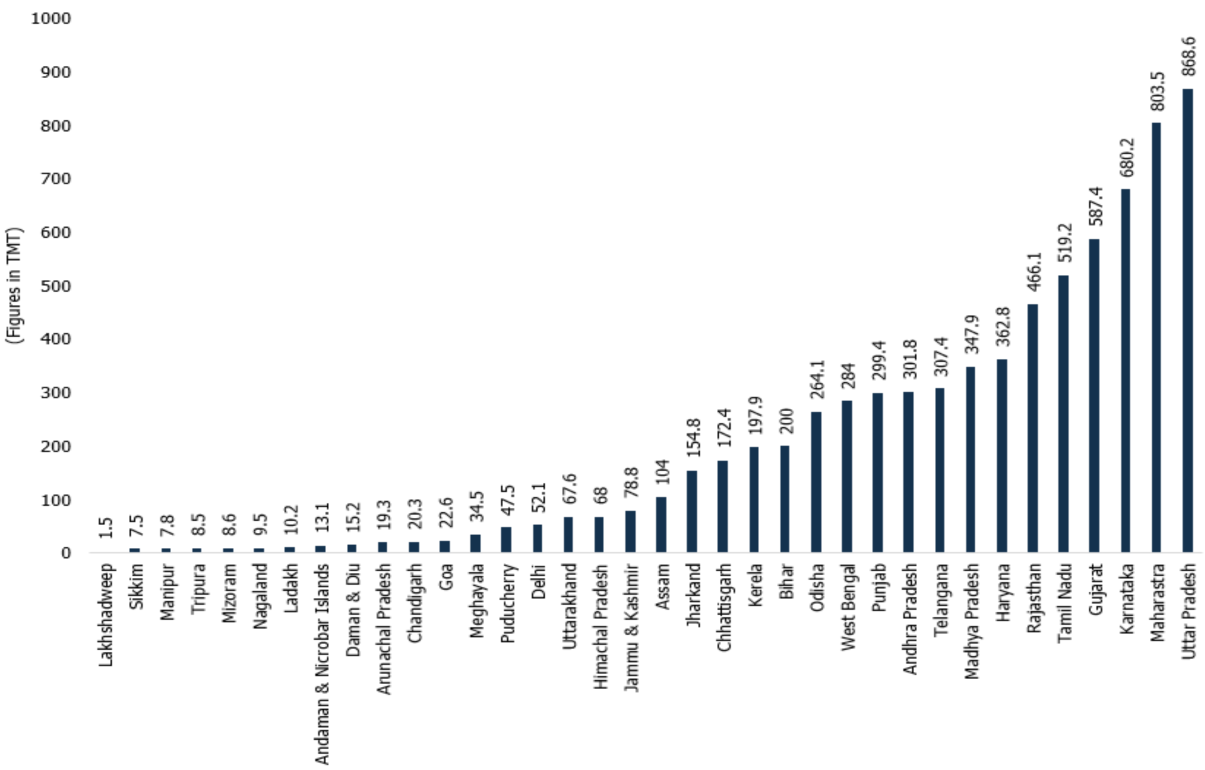
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Global	28.3	26.1	27.5	28.3	28.4	28.5	28.7	28.7	28.8	28.9
India	1.6	1.5	1.5	1.7	1.8	1.8	1.9	2.0	2.1	2.2

Source: IEA

The state of Uttar Pradesh has the highest diesel consumption rate. The increased use of vehicles has resulted in higher diesel consumption in Uttar Pradesh.

Uttar Pradesh is one of India's most populous states in the north with a population of more than 200 million. A significant portion of the state's GDP comes from the service and agricultural sectors. Individuals commute from one location to another using both public and private means.

Chart 8 : State- Wise Diesel Consumption during FY24



Source: PPAC

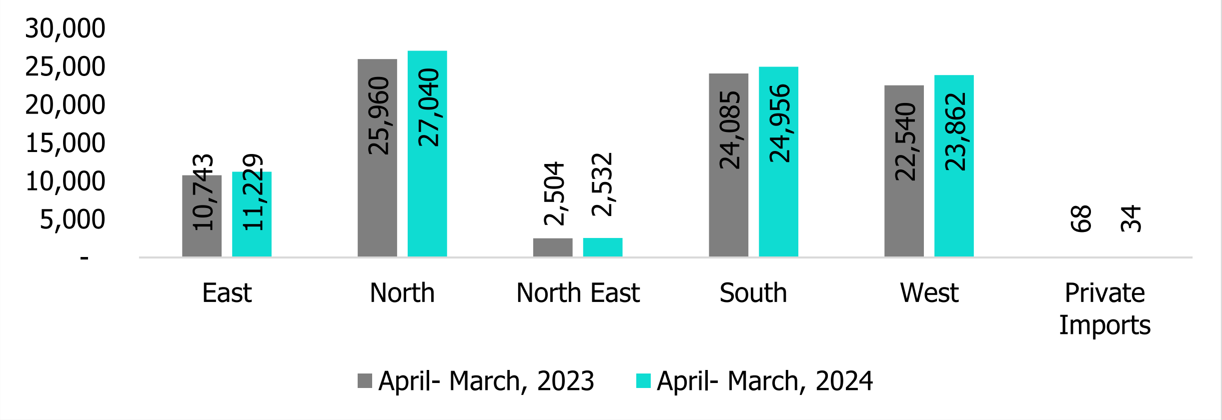
5.4 Region wise Diesel Consumption

The consumption of High-Speed Diesel (HSD Diesel) in 2023–2024 increased by 4.4% to 89.65 MMT from 85.9 MMT the year before. Over the past ten years, the consumption driven by economic activity has increased at a CAGR of 2.7%.

The following are the main causes of HSD intake throughout the year:

- Increase in agricultural demand
- A considerable increase in weddings and related events is driving the hospitality industry's opulent comeback Celebrations following the pandemic are reverberating throughout the industry, indicating a significant shift in behaviors and attitudes and defining a colorful tapestry of changing customs
- Full-fledged mining and industrial operations raised diesel consumption across India

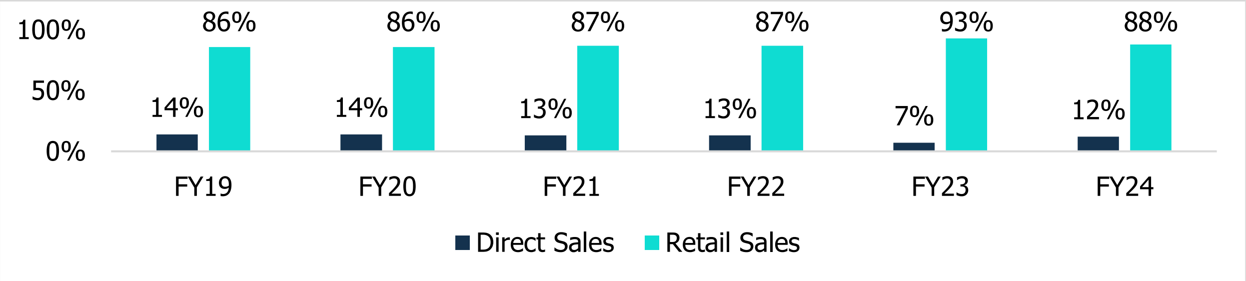
Chart 9 : Region wise HSD Consumption 2023-2024 (Figures in TMT)



Source: PPAC

Retail and Direct are the two ways that HSD is sold. Retail, which accounts for a sizable 88% of diesel sales, is the mainstay. The remainder is sold directly to major buyers such as factories, state road transport organizations, railroads, etc.

Chart 10 : Share of Retail & Direct business (%) in Diesel Consumption



Source: PPAC

5.5 Effect of Vehicles Scrapping Policy on BS VI compliant Diesel Vehicle Manufacture

India's policy on vehicle scrappage helps lower pollution, improve safety, and boost auto sales. The goal of the program, which went into force in April 2022, is to gradually phase out older cars, which should improve the quality of the air and reduce air pollution. By reducing greenhouse gas emissions, the program also contributes to the protection of natural resources and the slowing of climate change.

The auto sector in India has demonstrated its inventiveness. A few automakers released BS VI-certified cars three to four months ahead of April 1, while an established automotive manufacturer introduced its first gasoline vehicle that complied with BS VI regulations in April 2019, almost a full year ahead of schedule. Domestic brands executed the majority of their BS VI research and development work in-house.

Heavy Commercial Vehicles (HCVs) held by the government that are more over 15 years old had to be scrapped as of April 1, 2023. The goal of this stage is to lessen carbon footprints. Older car scrapping can help create a circular economy and lessen India's need on imported rubber and metals like copper and aluminum.

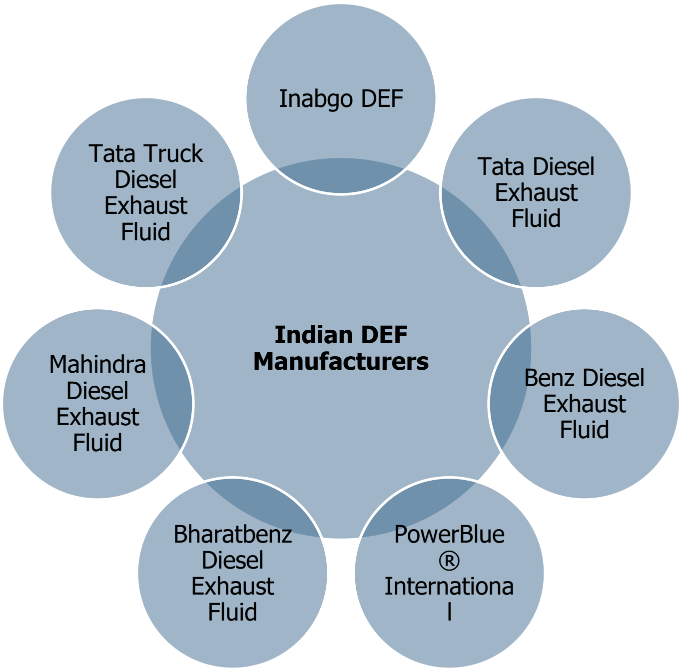
Due to the implementation of BS VI rules, Indian automakers are shifting their focus away from producing small diesel cars, which have lost their commercial appeal. This is because the government no longer provides a diesel fuel subsidy and because BS VI diesel vehicles are more expensive and require more maintenance. Because gasoline vehicles are an appealing and affordable option, the effects of these changes on the value proposition for diesels are most noticeable for those with smaller engines.

5.6 Diesel Exhaust Fluid (DEF) Manufacturer's in India with and without Verband der Automobilindustrie (VDA) Approvals

DEF, also known as Aqueous Urea Solution 32% (AUS 32), is a crucial additive for diesel-powered vehicles (also complied with BS VI norms) and heavy equipment. It's composed of 32.5% urea and 67.5% de-ionized water. These compounds aid in the conversion of nitrous oxide, a dangerous form of exhaust from diesel engines, into nitrogen and water, two common elements that make up our air. In essence, DEF plays a crucial role in initiating the chemical process that prevents harmful gasses released during the operation of diesel engines from entering the environment. DEF helps in reducing the emission of greenhouse gas, NOx into the environment.

This fluid is necessary to make sure that heavy-duty vehicles and equipment run in compliance with federal emissions regulations established by the Environmental Protection Agency (EPA). Because of these specifications, DEF is a common material that is utilized with almost all diesel engines. In the chemical reaction that takes place in selective catalytic reduction (SCR) systems, DEF is the reducing agent.

DEF has a two-year shelf life and is kept out of direct sunlight. Additionally, a few Indian businesses produce DEF-making machinery, such as: ActiveBlue, Ok Water System and MS Manufacturer of Diesel Exhaust Fluid.



In applications involving big combustion engines, Aqueous Urea Solution (AUS) 40, an aqueous high-purity urea solution at a concentration of 40%, is required to run converters with Selective Catalytic Reduction (SCR). Although Marine DEF is mostly employed in maritime applications, it is also being used more and more in rail and other land-based applications.

AdBlue, also known as AUS 32, is a clear, non-toxic urea solution used to lower the pollution emissions of diesel cars. AdBlue that has received VDA approval satisfies strict quality requirements by continuously meeting the necessary levels of concentration and purity. This quality level extends the life of a vehicle's pollution control system in addition to ensuring greater emissions reduction. In every continent of AdBlue manufacture, VDA accreditation is the gold standard for quality and compliance.

In India, companies like - Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL) are VDA approved DEF manufacturers.

DEF Manufacturer's	Volume/ Production Overview

BPCL	In FY23, BPCL Lubes sales through the retail channel reached a sales volume of 35.8 thousand metric tons (TMT), of which 22.9 TMT were in Lubes and 11.9 TMT were in Diesel Exhaust Fluid (DEF). This represents a growth rate of 7.40% for Lubes and a combined growth of 16.58% for DEF and Lubes.
HPCL	HPCL increased commercial production and sales of Diesel Exhaust Fluid (DEF) for the second year in a row, reaching a record high of more than 25 TMT in FY23.

5.7 Impact of EV Vehicles on Diesel Consumption

Under its energy transition plans, India would reduce its oil demand growth by 480,000 b/d between 2023 and 2030 by introducing new electric vehicles and improving energy efficiency. Without these actions, India's oil demand would have grown to 1.68 million barrels per day by 2030 instead of the projected 1.2 million barrels per day growth (IEA projections).

India's industrial growth will make it the main driver of the global oil demand rise between now and 2030, predicts the IEA. However, the country's need for gasoline will only increase by 0.7 percent during this time, compared to a 40% growth in the number of cars in India due to rising EV and biofuel usage.

Notwithstanding an increase in the use of diesel, the analysis projected that by 2030, the electrification of India's car fleet would cut the country's need for oil products by 200,000 b/d. This indicates that up until 2030, electrification will have a significant impact on fuel demand.

5.8 Expected Change in Energy Basket in India in Transport Sector i.e.- Fossil Fuels, EV, Bio- Diesel, Hydrogen, etc.

- **Fossil Fuels & EVs**

Internal combustion engines (ICE) —which are often powered by fossil fuels—remain the backbone of motorized transportation on land, at sea, and in the air. Over one-third of CO2 emissions from end-use sectors are attributed to transportation.

According to the IEA, the Net Zero Scenario calls for a reduction in transportation sector emissions by 2030, despite an increase in transportation demand. Policies must promote the transition to more energy-efficient vehicles, such as electric trucks and cars, as well as less carbon-intensive modes of transportation, like walking, cycling, and public transportation.

Table 4: Passenger Transport Service Demand by Vehicle Type and Fuel (billion passenger-kilometres)

Vehicle Type	Fuel	2020	2025	2030	2035	2040	2045	2050
4W	BEV	2	31	179	533	1,062	1,753	2,564
	ICE*-Oil	329	456	564	632	673	689	679
	ICE-CNG	13	69	147	232	314	390	450
2W	BEV*	38	185	781	1,249	1,565	1,609	1,556
	ICE-Oil	1,073	1,285	1,095	853	522	326	194
3W	BEV	2	12	71	204	287	293	235
	ICE-Oil	404	388	322	208	106	42	16
	ICE-CNG	83	149	197	170	104	47	20
Bus	BEV	0	1	10	52	101	128	131
	ICE-Oil	561	524	407	279	177	113	75

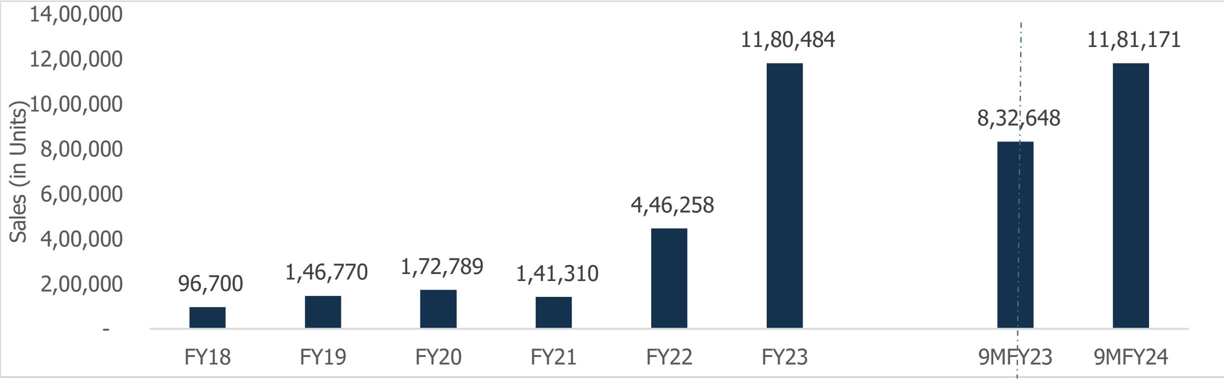
Vehicle Type	Fuel	2020	2025	2030	2035	2040	2045	2050
	ICE-CNG	81	73	91	85	68	53	41

Source: CEEW

Note- (*) ICE stands for Internal Combustion Engine; BEV- Battery Electric Vehicle

The Electric Vehicle (EV) segment in India has been on an upward trend, parallel to the declining domestic sales of Internal Combustion Engine (ICE) vehicles in the last few years, attributed to the slowdown in the economy and consumption demand in FY20, COVID-19 impact, and economic degrowth in FY21. The other factors impacting ICE vehicle sales include increased fuel prices, semiconductor shortages, and rising vehicle prices. Whereas, in FY23, domestic automobile sales grew by 20% across segments, supported by healthy demand in the urban areas, increasing replacement demand, growing demand for utility vehicles in the passenger vehicle segment, vehicle scrappage policy, and higher infrastructure spending. The sales trend of Electric Vehicles in India is depicted below:

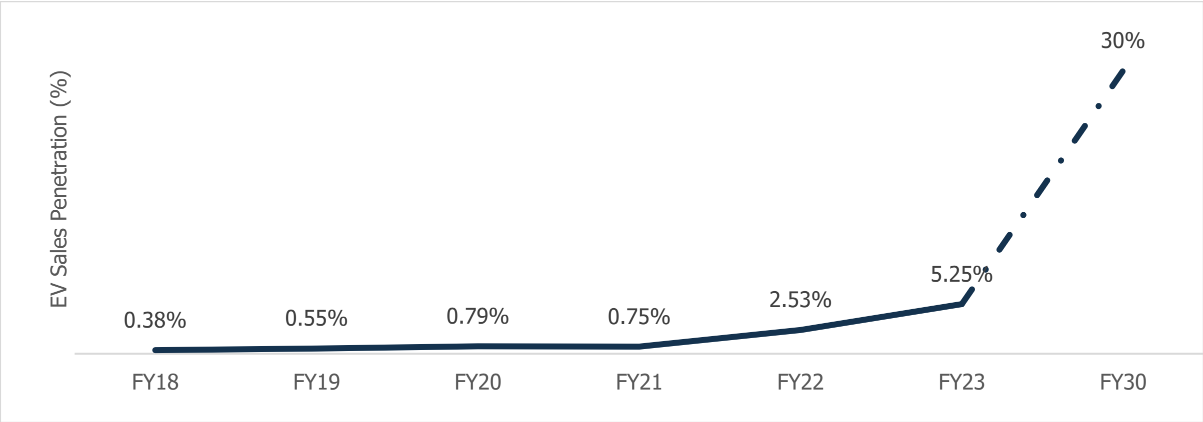
Chart 11: Total Electric Vehicle Sales in India (in Units)



Source: Center for Energy Finance, CareEdge Research

Overall, the penetration of EVs has increased to 6.23% of the total vehicle sales in 9MFY24. This can be aligned to the ambitious targets set by the Government of India at 30% EV penetration by 2030. Accordingly, the growing EV sales in FY23 are accredited to favorable government policies to reduce upfront costs in EVs, expansion of charging infrastructure, rising fuel prices, and shifting consumer preferences.

Chart 12: Overall EV Sales Penetration in India



Source: Center for Energy Finance, SIAM, CareEdge Research

The government's favorable policies are unleashing India's potential to revolutionize the global mobility landscape. The automobile sales are expected to gain traction with the recent announcements in Budget 2023-24 on the Vehicle Scrappage Policy, increased infrastructure spending, lowered direct taxes, and focus on green mobility. In addition, with the growth in sales of electric vehicles (EVs), the auto component industry is witnessing a fast transformation to be an integral part of the EV manufacturing supply chain.

The industry is making steady investments and also acquiring technology companies. Several global firms are looking forward to investing in the Indian auto components industry, given its increased focus on deep localization and the announcements of the PLI schemes by the government on Advanced Chemistry Cell (ACC) Batteries and auto & auto components. Such factors will enable the development of attractive alternative sources of high-end auto components in India.

EV's Impact on DEF-

Diesel exhaust fluid (DEF) demand is significantly impacted by electric cars (EVs), primarily because EV adoption reduces the need for DEF in the transportation sector. DEF usage declines in tandem with a drop in the demand for diesel vehicles as more consumers and industry transition to electric vehicles. In general, the increasing popularity of electric vehicles is anticipated to reduce the need for DEF over time; however, the degree of this effect will vary depending on how quickly and widely EVs are adopted in various industries and geographical areas.

The affect will be gradual rather than immediate as there are several factors that will impact the transition from diesel powered vehicle to electric vehicles- vehicle fleet turnover, infrastructure development, technological maturity, cost considerations and regulatory environment. In conclusion, the demand for DEF will unfold over a longer horizon, mostly after a decade.

6. Distribution of Petroleum Products and Natural Gas Industry

6.1 Overview

Natural Gas is a mixture of hydrocarbon gases and contains substances like - Methane, Ethane, Propane, Butane and some other heavier fractions of gases. When these gases are removed from the gas stream, it is referred to as Natural Gas Liquid (NGL) and when Natural Gas is compacted at a pressure of 250 bars, it is known as Compressed Natural Gas (CNG). This highly flammable gaseous hydrocarbon is used for multiple purposes as it is one of the cleanest and safest energy forms as compared to other energy sources such as - coal. When burned, natural gas produces 30% - 40% less Carbon Dioxide (CO_2) than coal.

Table 5: Fractions of Natural Gas

Fraction	Common Name	Applications
C1	Methane	Fuel and feedstock for urea plants and fuel for power plants.
C2	Ethane	Production of petrochemicals.
C3	Propane	Production of petrochemicals, liquefied petroleum gas (LPG), auto fuels, and industrial fuels.
C4	Butane	Production of LPG.
C5 and heavier	Other Fractions	Production of solvents and pentane.

Source: MCX

6.2 Trend of Natural Gas Consumption in India

Table 6: Natural Gas Consumption in India

Financial Year	(Figure in)	FY19	FY20	FY21	FY22	FY23	FY24
Net Production	MMSCM	32,056	30,257	27,784	33,131	33,664	35,717
(as % of Total Consumption)	%	53%	47%	46%	52%	56%	54%
LNG import	MMSCM	28,740	33,887	33,198	31,028	26,304	30,917
(as % of Total Consumption)	%	47%	53%	54%	48%	44%	46%

Financial Year	(Figure in)	FY19	FY20	FY21	FY22	FY23	FY24
Total Consumption (Net Production + LNG import)	MMSCM	60,796	64,144	60,981	64,159	59,969	66,634

Source: PPAC

The consumption of gas during the year FY24 stood at 66,634 MMSCM, which is 11% higher than consumption of 59,969 MMSCM in FY23. During the year FY23, gas consumption declined by 6.5% from the year FY22. This resulted from high prices making gas less affordable than other fuels. Natural gas prices spiked in February 2022 as a result of the conflict between Russia and Ukraine.

IEA estimates India's import dependence for natural gas to grow in the coming years. The import dependence increased from 20% in 2010 to around 44% in 2022-23. Natural Gas used in buildings have tripled over the last decade and this has been partly offset by the fall in demand in power sector.

6.3 Trend of Import of Liquified Natural Gas

India is highly dependent on the imported LNG to meet its gas demand with imports contributing to around 46% of total consumption in FY24. The trend of import of liquefied natural gas in India is depicted below:

Table 7: Import of LNG

Year	FY19	FY20	FY21	FY22	FY23	FY24	FY25 (P)	FY26 (P)	FY27 (P)	FY28 (P)	FY29 (P)
Units in MMT	21.54	24.42	25.05	23.42	19.85	23.30	24.29	25.50	26.49	27.61	28.68
Units in MMSCM	28,547	32,352	33,198	31,028	26,304	30,917	32,229	33,843	35,153	36,634	38,052

Year	FY19	FY20	FY21	FY22	FY23	FY24	FY25 (P)	FY26 (P)	FY27 (P)	FY28 (P)	FY29 (P)
Units in MMT	21.54	24.42	25.05	23.42	19.85	23.30	24.29	25.50	26.49	27.61	28.68
Units in MMSCM	28,547	32,352	33,198	31,028	26,304	30,917	32,229	33,843	35,153	36,634	38,052

Source: PPAC; CMIE; CareEdge Projections

Note: MMSCMD stands for Million Metric Standard Cubic Meters Per Day

India has been one of the largest importers of natural gas since last many years. With the GoI's vision of making India a gas-based economy, share of natural gas is anticipated to be increased from 6% to 15% by 2030. Following the same, imports of Natural Gas is further expected to rise as there are import terminals under construction. LNG imports are completely dependent on the completion of import terminals. Since the year 2016, India has expanded the list of countries from which it imports LNG. Major countries that supply gas to India are Russia, Qatar and USA. The first LNG shipment from Qatar to India took place in 2004 at the Dahej Terminal.

India is highly dependent on the imported LNG to meet its gas demand with imports contributing to around 46% of total consumption in FY24.

6.4 Natural Gas Infrastructure in India (Import Terminal)

LNG Import Terminal or LNG Terminals are facilities which are used for the purpose of degasifying the LNG shipped in by large LNG tankers from various production zones. These terminals are made to provide services such as -

- Berthing of LNG tankers and unloading or reloading of cargoes,
- Storage of LNG in cryogenic tanks (-160°C),
- Regasification of LNG and Injection of this gas into the transmission grid.

As on May, 2024, there are total seven RLNG terminals operating in the country with varying capacity utilization. India is expected to have new LNG terminals at Chhara and Jafrabad, which are expected to commence operations in the second half of 2024. The existing and potential capacity of LNG regasification terminals in India is presented in the table below:

Table 8: LNG Terminal in India (Operational)

Location	Promoters	Capacity as on 01.05.2024 (MMTPA)	% Capacity utilization (April- March, 2024)
Dahej	Petronet LNG Ltd (PLL)	17.5	95.1
Hazira	Shell Energy India Pvt. Ltd.	5.2	30.3
Dabhol	Konkan LNG Limited	*5	42.7
Kochi	Petronet LNG Ltd (PLL)	5	20.6
Ennore	Indian Oil LNG Pvt Ltd	5	18.3
Mundra	GSPC LNG Limited	5	14.6
Dhamra	Adani Total Private Limited	5	27.4
Total Capacity		**47.7**	
Jafrabad	Swan LNG Terminal	**5 MMTPA	NA (Yet to be commissioned)
Chhara	Chhara LNG Terminal	**5 MMTPA	NA (Yet to be commissioned)
Grand Total Capacity		**57.7 MMTPA**	

Source: PPAC

Note: (*) stands for - To increase to 5 MMTPA with breakwater. Only HP stream of capacity of 2.9 MMTPA is commissioned; (**) stands for- under construction site.

The capacity of RLNG terminals in India is expected to increase assuming all the existing and planned terminals in India would set up as planned. This is to be driven by the expansion of existing facilities on the west coast including Mundra and Dahej and construction of new floating terminals.

6.5 Awards & Projects in Pipeline

Gas Pipeline infrastructure is an economical and safe mode of transporting the natural gas by connecting gas sources to gas consuming markets. Gas pipeline grid determines the structure of the gas market and its development. Therefore, an interconnected National Gas Grid has been envisaged to ensure the adequate availability and equitable distribution of natural gas in all parts of the country. The vast potential that gas offers in India has prompted energy companies to push plans to expand the LNG terminals capacity in India, a move that will expand the clean fuel's reach to relatively smaller pockets of demand where there is limited pipeline access. A brief of major gas pipeline projects which are under construction are-

6.6 Metering Skids Equipment Market in Gas Pipeline Infrastructure Industry

Metering skids equipment in the gas pipeline infrastructure industry in India is a subset of the larger oil and gas equipment market. In order to maintain correct billing, regulatory compliance, precise measurement of gas flow in pipelines, and the effectiveness of the gas distribution network, metering skids are essential.

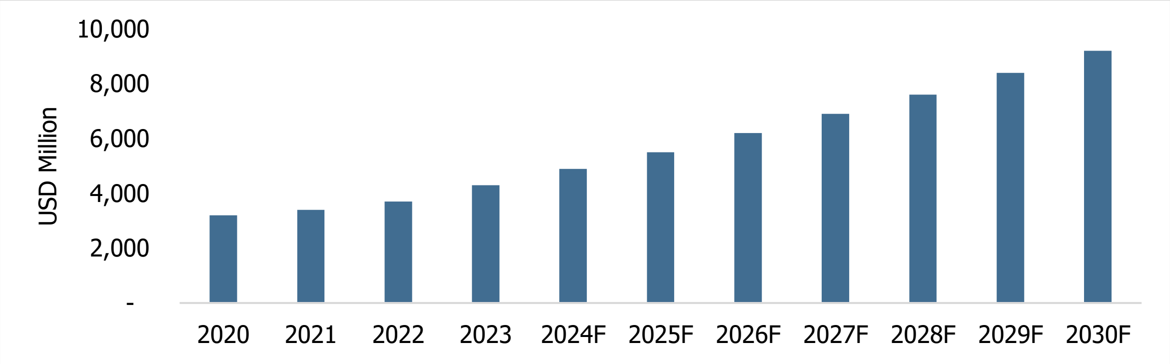
The growing emphasis on natural gas as a cleaner energy source, the expanding gas pipeline infrastructure, and the increasing requirement for precise measurement technology are the main factors driving the market for metering skids in India.

Technological advancements such as ultrasonic and Coriolis meters are increasingly being included into metering skids. These technologies are preferred in today's gas pipeline system because of their high accuracy, dependability, and low maintenance requirements.

6.6.1 Metering Skids Equipment Market in Gas Pipeline Infrastructure Industry in India

India's metering skids equipment market size in gas pipeline infrastructure industry was valued at around 4,300 USD million in 2023. It is expected to increase at a CAGR of 11% from CY24 to CY30. India is seeing increasing opportunities in the market for green hydrogen. The Indian government estimates that by 2030, the country's output of green hydrogen might exceed 5 million metric tons (MMT) annually. To attain this goal, the government intends to invest more than INR 8,000,000 million in green hydrogen production in order to cut greenhouse gas emissions by 50 MMT annually. Accordingly, the businesses can combine blended hydrogen with the assets of the gas network.

Chart 13 : India's Metering Skids Equipment Market Size in Gas Pipeline Infrastructure Industry



Source: Maia Research

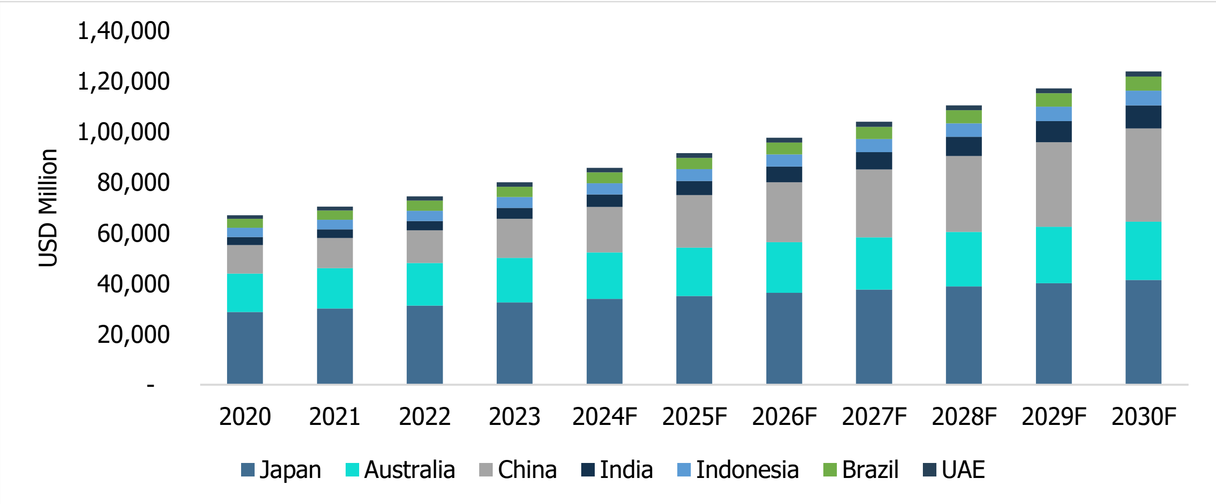
Note: Year mentioned above denotes calender year; (F) stands for forecasted period.

In addition, India is spending an enormous amount of financial resources on its infrastructure of gas pipelines to fulfill its rising energy needs. Metering skids are in high demand due to projects such as the National Gas Grid. The need for efficient metering equipment is rising as a result of government measures to raise the proportion of natural gas in the energy mix and to expand pipeline infrastructure investments.

6.6.2 Metering Skids Equipment Market in Gas Pipeline Infrastructure Industry for Overseas

In the gas pipeline infrastructure sector, Japan topped the metering skids equipment market size, accounting for a total revenue of around USD 32,600 million in 2023. Australia and China market size stood at USD 17,600 million and USD 15,400 million, respectively. On the other hand, India was valued USD 4,300 million.

Chart 14 : Overseas Metering Skids Equipment Market Size in Gas Pipeline Infrastructure Industry



Source: Maia Research

Note: Year mentioned above denotes calender year; (F) stands for forecasted period.

6.6.3 Requirement & Benefit of Metering Skids Equipment

In the oil and gas sector and other industries where accurate monitoring of fluid and gas flow is critical, metering skids are essential equipment. An overview of their prerequisites is provided below:

1. Precision & Accuracy:

Measurements of the flow rate, volume, and quality of the fluids or gases being transported must be made precisely and accurately using metering skids. Billing, custody transfer, and process control all depend on this.

2. Adherence to Standards:

They must adhere to industry standards such as API, ISO, and AGA to ensure accurate and consistent measurements.

3. Personalization:

Metering skids must be adjusted to the specific requirements of the application, taking into account factors such the fluid type (oil, gas, or water), flow rate, and ambient conditions.

4. Robust Construction

Skids must to be built to resist challenging environmental factors like high pressure, temperature swings, and corrosive substances.

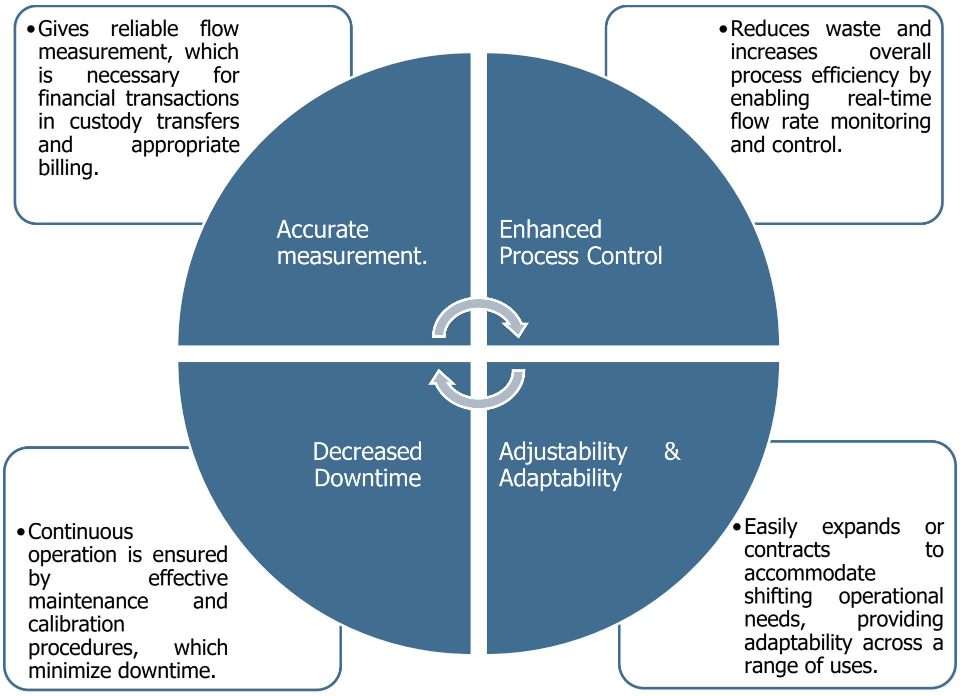
5. Automation System Integration:

For data collecting, control, and real-time monitoring, they ought to be connected with automation systems (like SCADA).

6. Security:

In order to ensure safe operation in dangerous areas, safety elements should be included to handle high-pressure conditions and avoid leaks.

<u>Benefits of Metering Skids Equipment:</u>



6.6.4 Competitive Profile in Metering Skids Equipment Market

1. Pipeline Infrastructure Limited-

Modern features on the pipeline, which runs from Kakinada in the east to Bharuch in the west, provide safety, compliance, tracking, reporting, and—most importantly—smooth transportation via remote operation facilities. The system is made up of a 1375 km long trunk pipeline, 102 km long spur lines with related Mainline Valves (MLVs), Tap-Off Points, Compressor Stations (CS), Metering and Regulating Stations (M&R), Pipeline Operation Control Center (POC), Cathodic Protection System (CP), Supervisory Control and Data Acquisition System (SCADA), Pipeline Integrity Management System (PIMS), Pipeline Application Software (PAS), and a specialized telecommunications system based on optical fiber cable.

2. Enbridge Inc-

Energy infrastructure provider Enbridge Inc. operates in North America, providing services relating to energy distribution, transportation, and handling. In addition to managing a crude oil and liquids pipeline system, the company is active in midstream and natural gas transportation, as well as worldwide energy projects. It provides natural gas utilities to clients in Ontario and Quebec that are residential, commercial, and industrial users. Liquids Pipelines, Gas Transmission and Midstream, Gas Distribution and Storage, Renewable Power Generation, and Energy Services are the five reportable segments that make up Enbridge Inc.'s corporate operations. The US and Canadian terminals and pipelines that export and move crude oil and other liquid hydrocarbons are included in the Liquids Pipelines section.

3. TC Energy Corp-

TC Energy Corp is a company that develops and manages energy infrastructure, including gas storage facilities in both regulated and unregulated markets, power generation, liquids pipelines, and natural gas pipelines. It also offers services related to gas storage. Three reportable segments comprise the company's operations: Natural Gas Pipelines, Liquids Pipelines, and Power and Storage. The Natural Gas Pipeline Network delivers natural gas from supply basins to local distribution companies, industrial facilities, power plants, LNG export terminals, interconnecting pipelines, and other businesses.

6.7 Demand Drivers for Natural Gas Consumption in India

The various factors driving the demand for natural gas consumption in India are discussed below:

1) Increasing demand from various sectors

The Natural Gas has found applications across various industries with majority of demand coming from power, fertilizer, industrial and CGD sectors. The key factors driving the usage of natural gas in various industries are -

Power Sector - Constrained domestic coal supply and rising cost of imported coal makes natural gas a good alternative fuel for power sector. The consumption of natural gas towards power sector has significantly declined from more than 1/3rd in 2012-13 to around 15% in 2022-23 (April- Nov, 2023). The share of power sector in the total natural gas consumption is expected to stay range bound over the medium term. However, with the increasing share of renewables in India's energy mix, natural gas can potentially play a key role in enabling grid stability.

Fertilizer Sector - Natural gas, having the highest hydrogen to carbon ratio, is the most preferred feedstock for the production of fertilizers. The demand for fertilizers is envisioned to increase, considering the agriculture productivity growth in India.

With this, fertilizer production using natural gas as a feedstock in India is expected to grow the highest globally. This, in turn, is likely to increase the consumption of natural gas going.The consumption of natural gas towards fertilizer industry has been steady and has grown from around 25% to around 31% from the year 2012-13 to 2023-2024 (April - Nov, 2023).

Industrial User Segment - Industrial user segment uses natural Gas as a fuel for process heating, combined with heat and power systems, as a raw material (feedstock) to produce chemicals and hydrogen, and as plant fuel. The convenience of being able to adjust process heat temperatures and opportunities to make efficiency gains are advantages of natural gas over other liquid & solid fuels used by industrial users. As a result, industrial users are shifting from pet-coke, furnace oil and coal to natural gas. The key industries that use natural gas include - petrochemical, refineries, sponge iron, steel, etc.

The consumption of natural gas towards industrial sector stood at 35% for the period April - November, 2023).

City Gas Distribution (CGD) - There is Government's thrust to enhance the supply and consumption of natural gas through granting authorization to entities for development of CGD network in new Geographical Areas. This has received significant impetus from the Government's commitment towards clean energy under COP 26 as well.

After completion of 12th CGD bidding round, almost entire part of the country will be covered under the City Gas Distribution network providing access to cleaner cooking fuel to households, other industrial and commercial facilities as well as fuel for transportation. Further, through the Round 11A of CGD Bidding, the CGD network is now expected to cover 295 geographical areas (98% population and 88% area of India). CGD now constitutes around 20% of total natural gas consumption in India.

Out of total natural gas consumption, CGD share of consumption of natural gas stands at 19% for the period April-Nov,2023. With the significant Government impetus and expansion of the CGD network to 295 geographical areas, the natural gas consumption by the CGD segment is likely to grow.

- **Increase in Natural Gas Infrastructure as well as Investments -**

India is in the line to become the second largest user of natural gas in Asia as it has plans to boost the share of the natural gas in the energy mix to 15% by 2030. Over the last decade, the mix of natural gas in India's energy mix has been constrained at around 7% owing to inadequate infrastructure. With the governments' focus on increasing the natural gas consumption, massive investments are expected in developing the natural gas infrastructure. Lot of infrastructural developments are in progress including expansion of LNG import capacity, addition of new gas pipelines, development of City Gas Distribution networks. Around 23,478 km of gas pipelines was operational in India as on June 30, 2023 while 12,037 km of pipelines was under construction.

Some of the other factors that will be driving up the demand are-

- **Investment by Global Firms-**

India has been inviting global firms to invest in the opportunities occurring in the oil and gas sector. Government has been pushing for many attractive investments and opportunities to increase the area under oil and gas exploration.

- **Ongoing Deep-water Development-**

The ongoing deep-water development will soon lead to the increase in the production of India's natural gas. India will also witness an increase in the LNG trade. This will be further driven by the recent addition of the Ennore and Mundra terminals and the expansion of Dahej facility.

- **Government Initiatives**

The government's focus on enhancing the share of natural gas in India's energy mix is a key driver for the growth of gas sector. The government has taken several initiatives to boost the sector such as facilitating development of gas infrastructure including LNG terminals, long-distance transmission pipelines and city gas distribution networks. A total of 1544 Kms of pipelines have been laid as part of the National Gas Grid in 2020. The government launched the Indian Gas Exchange (IGX), first nationwide online delivery-based gas trading platform in 2020. The government's favorable policies will help in driving the gas demand growth over the next decade.

- **Cost Competitiveness**

The natural gas is usually cost competitive as compared to various other fuels which is a key demand driver. For instance, it is usually cheaper as compared to petrol and diesel which has led to its increased usage in automobile sector. Similarly, it competes with LPG for domestic cooking and therefore, there is increased switching of residential customers from LPG to natural gas in the past few years.

- **Metering Business**

The demand for natural gas metering is growing across various domains, driven by the increasing use of natural gas as an energy source, advancements in metering technology, and the expansion of infrastructure. As the country is expanding its distribution network, the demand for natural gas aligns well with the demand for metering services, pipelines, storage facilities.

6.8 Challenges in the Natural Gas Sector

1) Unified Tariff Regulation for natural gas pipeline

The government announced a new unified natural gas pipeline tariff Regulation in 2020 which changed the tariff regime for gas transmission pipelines. As per the earlier policy, the consumers were charged on the basis of their distance from the source of gas and the number of pipelines used. However, the new policy brought out a uniform tariff regime with one tariff for gas transported to consumers within 300km from the source of natural gas and another tariff for consumers beyond 300 km. The objective of this reform is to reduce the cost of gas transportation for consumers farther from sources of gas and make it affordable in all parts of the country. However, this will lead to higher cost for consumers located near the source of gas as they will end up subsidizing the consumers farther from the source of gas.

2) Limited Marketing Exclusivity

The development of CGD network including pipeline network, CNG stations, city gas station is capital intensive and takes some years. The high fixed costs coupled by the low margins owing to competition from alternate fuels result in long payback period for CGD players. The Regulations provide marketing exclusivity to the CGD players for a period of eight years (earlier 5 years) from the date of authorization which restricts entry of new players in the respective Geographical area during this period. However, the effective operating period is lower as it usually takes 2 to 3 years to develop the network. Therefore, post expiry of marketing exclusivity period, players may be exposed to competition risk from new entrants.

3) Other challenges

In the present scenario, India has only limited reserves of natural gas, though further discoveries and infrastructures are being made from recent explorations. As India is import dependent, with volatile geopolitical scenario it may have adverse impact besides exposing to the price risk.

- Extraction of Natural Gas leads to large cavities in the ground. It requires massive complex treatment plants and pipelines for its delivery.
- Constructions of Natural Gas pipelines and import terminals are very expensive. Huge amount of investments is required for the same.

6.9 Outlook Natural Gas

Natural Gas industry in India is expected to witness substantial growth over the next decade. Driven by increasing usage across various end-user customer segments, the Government of India has come up with multiple reforms as they target to raise the share of Natural Gas in the primary energy mix to 15% by 2030 from around 6.5% currently (in 2022-23). This is a CAGR of around 6.4% projected for the period 2021-2030.

Covid-19 global pandemic has impacted both the production and the consumption of Natural Gas. Now, with the return of normalcy, industries have opened up and the production and the consumption have almost reached to the pre- Covid levels.

Major demand for natural gas is expected to come from - fertilizer sector, increase in CNG consumption, expansion of CGD network to around 295 geographical areas post Round 11A of CGD bidding and industries using blast furnaces such as steel, oil refineries, long-haul transport, and heating and cooling requirement. Natural gas has seen an increasing usage in transportation and households as adoption of CNG and PNG gains traction. Further, improved pace of economic development and government's impetus for non-fossil fuel will drive the natural gas demand in coming years.

There is Government's thrust to enhance the supply and consumption of natural gas as there is a growing concern towards environment and climate change. This has received significant impetus from the Government's commitment towards clean energy under COP 28 as well. The pipeline network is expected to expand to around 34,135 Kms over the medium to long term, that would connect all major demand and supply centers in the country. As per Ministry of Petroleum & Natural Gas (MoPNG, Government of India), as of June 30, 2023 - 23,478 kms of natural gas pipelines are operational and 12,037 km of Natural Gas pipeline (including sub-transmission pipeline & tie in connectivity pipeline) are under various stages of construction.

There is Government's thrust to enhance the supply and consumption of natural gas as there is a growing concern towards environment and climate change. This has received significant impetus from the Government's commitment towards clean energy under COP 27 as well. The demand revival will also be supported by the ease in natural gas prices.

7. Indian Defense Sector

7.1 Overview

The aerospace and defence sector involve the manufacturing and supply of various items such as aircraft, helicopters, missiles, radars, satellites, and associated defence equipment or components. In this sector, manufacturers are generally classified into Tier 1 and Tier 2. Tier I manufacturers primarily concentrate on producing final products like aircraft, helicopters, and missiles, while Tier II manufacturers specialize in providing components for these systems.

According to Stockholm International Peace Research Institute (SIPRI), India accounted for 3.4% of the global military expenditure in CY23, securing its position as the world's fourth-largest military spender in constant USD terms. With the government's push on "Make in India" initiative and Atmanirbhar Bharat, the government made it mandatory to procure 75% of annual defence requirement from India in FY24, which was earlier 68% in FY22.

The proportion of defence expenditure relative to GDP has been steadily increasing. It rose from 1.64% in fiscal 2016 to 2.48% in FY23. Notably, defence spending continued to rise even during the pandemic period.

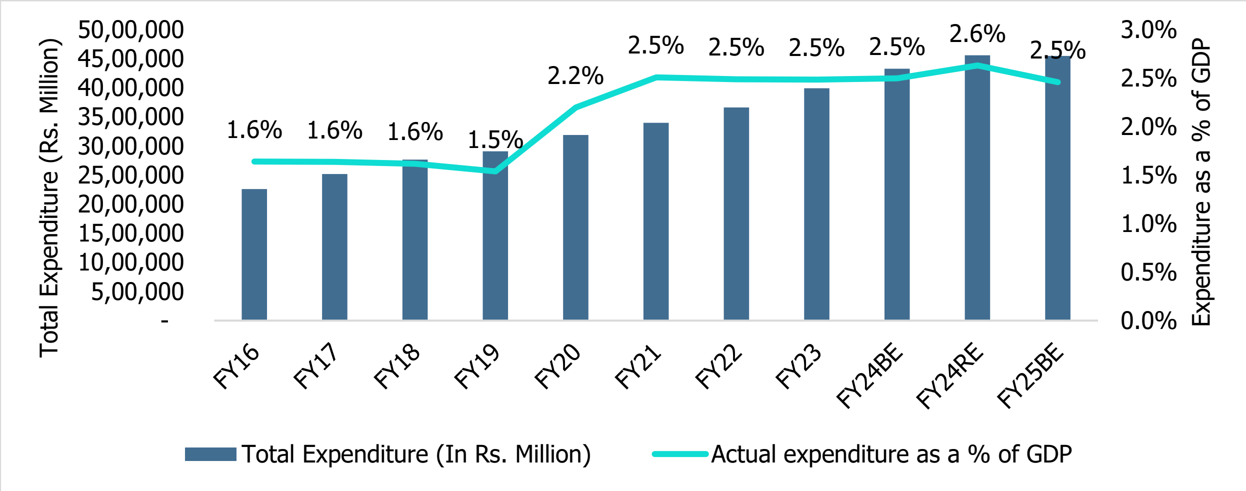
Chart 15: Global Military Spending

Source: SIPRI, CareEdge Research

7.2 Annual Defense Budget expenditure in value as % of GDP and growth rate in defence expenditure

The key growth driver is the government's capex in defence procurement. Over the fiscal years 2016 to 2024, defence spending (both revenue and capex) exhibited a robust 10.8% Compound Annual Growth Rate (CAGR), rising from around Rs 20,10,000 million to Rs. 45,60,000 million. The budgeted outlay for fiscal 2025 stands at around Rs. 45,50,000 million.

Chart 16: Annual defence budget expenditure as a percentage of GDP



Note: 1. Budget expenditure excluding civil and pension

2. GDP for FY25 are projected and FY24 are Revised Estimates

RE – Revised Estimates, BE – Budget Estimates

Source: MOSPI, Union budget documents, CareEdge Research

7.3 Review of defense production for fiscals 2017-2024

In May 2001, the previously state-controlled Defense Industry sector was opened up to 100% participation from the Indian private sector, with Foreign Direct Investment (FDI) capped at 26%, subject to licensing. Subsequently, the Department for Promotion of Industry and Internal Trade, Ministry of Commerce & Industry permitted FDI up to 49% under the automatic route and beyond 49% through the government route, particularly if it promised access to modern technology or for other specified reasons. In May 2020, the Government of India announced a significant reform in the defense sector aimed at enhancing self-reliance. This reform included raising the FDI limit in Defense Production from the existing 49% to 74% under the Automatic Route. It was proposed to allow FDI up to 74% through the Automatic Route for companies applying for new defense industrial licenses, and up to 100% via the Government Route, under specific circumstances such as ensuring access to modern technology or for reasons to be duly recorded. In February 2024, the Ministry of Defense recorded Rs 50,770 million worth of FDI investment in the companies operating in the defense sector.

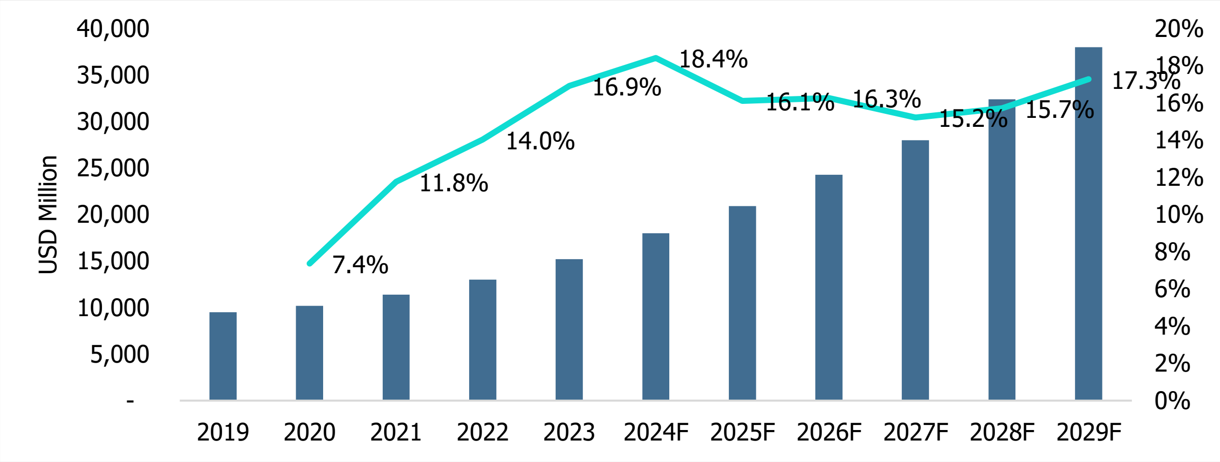
7.4 Automation in Defence Sector

India's defense automation market is growing quickly as the nation strives to modernize its armed forces and lessen its need on foreign technology. This industry's automation market includes a range of technologies, including as robotics, AI, unmanned systems, and sophisticated production techniques.

7.4.1 Market Size of Defence Manufacturing Sector

With a massive medium and long term investment, the Indian defense business is among the biggest and most lucrative in the world. Due to significant reforms intended to promote growth in the enormously promising defence sector, the value of defence output in the nation surpassed Rs. 15,200 USD million in CY2023.

Chart 17: India Defence Manufacturing Market Size



Source: Maia Research

Note: Year mentioned is calender year

Market Dynamics-

1. The Department of Military Affairs and Ministry of Defence have created four positive indigenization lists of 411 products under the Aatmanirbhar Bharat Initiative, which require the products to be manufactured domestically for the defence sector rather than being supplied through imports.

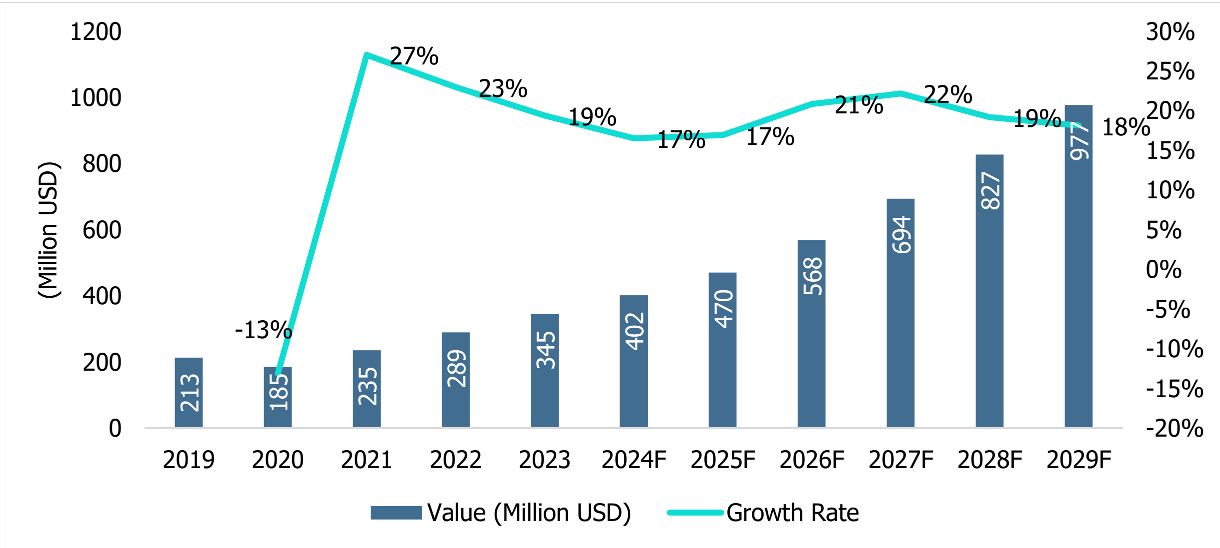
2. To encourage indigenization, the SRIJAN portal was launched. The portal displays 19,509 defense goods for indigenization.

7.4.2 Market Size of Automation in Defence Sector

India has made significant investments in unmanned aerial vehicles (UAVs), unmanned ground vehicles (UGVs), and other robotic systems for surveillance, reconnaissance, and battle. The military forces are integrating these technology more and more in order to improve operational effectiveness and lower personnel dangers.

Furthermore, the indigenization of defense technology is being propelled by the Indian government's "Make in India" initiative. This endeavor greatly benefits from automation, which makes it possible to produce cutting-edge defense equipment domestically, lessens reliance on imports, and promotes national innovation.

Chart 18: India’s Automation Market Size in Defence Sector



Source: Maia Research

Note: Year mentioned above denotes calender year; (F) stands for forecasted period.

With an emphasis on indigenization, growing defense budgets, and government initiatives, the automation industry in India's defense sector is predicted to increase at a CAGR of 19% from CY24 yo CY29. Sustaining this growth trajectory and guaranteeing India's ability to satisfy its defense requirements independently will depend on ongoing investments in R&D and innovation.

7.4.3 Technological advancement in Defence manufacturing process

Automation in the military sector refers to the application of cutting-edge technology to the assembly of weaponry, ammunition, and aircraft parts at generally faster and higher quality rates than manual labor alone. Automation solutions for the military and armaments sector include gantry systems, robots, vision, and conveyors. Automation technology guarantees that parts fulfill stringent requirements for repeatability and quality.

The production of defense equipment makes extensive use of automation technology, which significantly raises the productivity, standard, and safety of weaponry production.

1. Production Line Automation-

One of the main uses of automation technology in the manufacturing of military weapons is automated production lines. Automation is applied throughout the process, from processing raw materials to assembling finished goods, through the use of robots, sensors, and computer control systems.

2. Technologies for Virtual Simulation-

Virtual simulation technology is a technical tool used to validate weapon designs, process analysis, and performance evaluation prior to actual production. It is based on computer models. This technology eliminates the danger of manufacturing line closure and equipment decommissioning because of design flaws or process issues, and it can simulate a variety of harsh environments and wartime circumstances. It can also give equipment performance testing and optimization solution analysis.

3. Autonomous Robotics-

An emerging technology in the manufacturing of defensive weapons is autonomous robots. Autonomous robots has the ability to perceive, make decisions, and carry out a variety of tasks on their own without the need for human assistance. Autonomous robots can perform dangerous, precise, and repetitive jobs including equipment installation, maintenance, and part replacement in the weapons manufacturing industry. The flexibility and responsiveness of the weapons manufacturing industry are increased by autonomous robots since they are highly adaptive and autonomous and can be swiftly deployed and modified in accordance with mission requirements.

8. Brewery Industry

8.1 Overview of Indian Alcoholic Beverages Industry

India's alcohol industry is the third largest in the world with a value of more than $35 billion. Indian alcoholic beverage industry is one of the biggest alcohol industries across the globe only behind from two major countries that is China and Russia. It is also the largest spirits market in the world. The positive demographic factors along with globalization and a growing economy is all set to redefine the alcohol beverage market in India.

Growing demand for alcoholic beverages in India is majorly attributed to the huge young age population base, changing lifestyles as well as rising disposable income is strengthening the industry growth. With population of 1.39 billion, India is one of the largest consumer markets across the globe. It has become a customary tradition for a majority of people residing in India's urban cities to consume alcoholic beverages. It is also demographically one of the youngest with around 25% of its population below the age of 15 and around 40% between the age of 15 to 35 and around 28% between the age of 36 to 64. Most of the alcohol volume is consumed by people between the ages of 18 and 40. Additionally, rapid urbanization of tier-II cities is further fueling the market growth. The sheer size of India's population provides a massive opportunity for growth.

India is the largest consumer of Whisky in the world. The Indian Market is still largely untapped, making it attractive for liquor players. Largely consumed Beer/IMFL drinking states and Union Territories are Daman & Diu, Andaman & Nicobar Islands, Dadra & Nagar Haveli, Arunachal Pradesh, Sikkim and Puducherry, followed by Goa, Andhra Pradesh, Kerala and Karnataka. Alcoholic Beverages are among the top sources of revenue earning across most of the states. Most of the sale of alcohol in India is coming from Tier 1 and Tier 2 cities. Growing income leading to rising spending power mixed with access to alcohol at restaurants and liquor stores is the reason for such a remarkable increase in demand. It has been estimated that the share of the upper middle-income group has increased steadily from 7% to 21% and is also expected to increase to 44% by 2030 in alcohol consumption as per ICRIER.

Emerging Trends in Alcohol Beverages Industry

- **The Growth of Low and No Alcohol**

  Tapping into the health & wellness trend, the low and no alcohol category is likely to see some of the most innovation and evolution across the whole industry, offering consumers more variety, better tasting and higher quality products. The biggest challenge will come to wine producers, who will need to invest in R&D to create an alcohol-alternative that appeals in terms of both quality and taste.

  Other innovation within the health & wellness movement will come from an increasing consumer demand for gluten-free, low- and no- sugar, low calorie and low carbohydrate products; beverages that are light and fresh to drink will also likely see increased uptake, as will products that offer functional wellness.

- **Ecommerce and Technology**

  An increase in the number of multinational companies in India and technology boom has led to a rise in the disposable income and prevalence of western culture of social drinking which will boost alcohol consumption. Rising prominence of cocktail culture in urban cities and emergence of ecommerce platform promoting online sales will escalate demand further.

- **Brand Ethics and Packaging Innovation**

  As consumers become more environmentally aware, there will be increased demand for brands to share consumers' approach to ethical and sustainable living. Sustainability is having an impact on everything from packaging to production methods and ingredient sourcing, with drinks producers looking at activities such as waste reduction, eco-friendly packaging programmes and carbon footprint levels. Products that are organic, vegan, free from additives, and/or that offer label and ingredient transparency, will strive to match consumer ethics as well.

  Within eco-packaging, innovation will come from drinks producers exploring ways of reduced packaging, paper formats, recyclable materials, or even forgoing packaging altogether. Premium packaging poses a key need for innovation, as much of this packaging contains gold and metals that are non-recyclable.

- **Premiumization and the Evolution of Rum**

  The long-running premiumization trend in most global markets will continue. However, the industry should watch out for the premiumization of local national spirits, both in large markets such as China and India, as well as in smaller markets, like the Balkans. These products will pose competition for Western premium spirits already in those countries.

  There is room in the rum category for premiumization and product innovation as well. Premium rum will re-position the spirit as a sipping drink, moving away from a consumer perception of a low-quality party drink.

8.1.1 Regulations in the Alcohol Industry

Alcohol Sale is important to State Governments

Alcoholic Beverages are among the top sources of revenue earning across most of the states. Most states derive around one-fifth of their revenue from alcohol taxation, which is their second largest source of income after sales tax. Each state and union territory have full control of its alcohol legislation and state excise rates, as well as the organization of the production, distribution, and sale of alcohol. There are different policies that govern different aspects of alcohol in each state.

Liquor contributes a considerable amount to the exchequers of all states and Union Territories except Gujarat and Bihar, both of which have enforced prohibition. Generally, states levy excise duty on manufacture and sale of liquor. Some states, for example Tamil Nadu, also impose VAT (value added tax). States also charge special fees on imported foreign liquor; transport fee; and label & brand registration charges. A few states, such as Uttar Pradesh, have imposed a "special duty on liquor" to collect funds for special purposes, such as maintenance of stray cattle.

The sale and production of alcohol is regulated in majority of countries in the world to guard against the harmful uses of alcohol. Some policies include pricing, storage and movement, final consumption, age bar, and control from production. In India, different state ministries and departments regulate various aspects of alcohol. In addition, there are significant changes including change in distribution model, change in excise duties and limiting number of stores selling alcoholic beverages followed by the states leads to loss of revenue to the alcohol beverage industry. In order to cover for revenue loss due to Covid-19, there has been an increase in excise duties in multiple states.

Sale of alcohol is one of the easiest ways for individual states to generate revenues, given the other transactions in goods and services as well as public and private transport will stay limited. Delhi, Uttar Pradesh, Maharashtra, Assam, Karnataka, Chhattisgarh and Rajasthan were among the states that allowed the sale of liquor either across or the state or in select zones, much to the delight of those who were in forced abstinence.

India has a unique system of prohibition, under which an alcohol is not being sold on specific days which are quoted as "Dry Days". These dry days are usually observed on major religious festivals, national holidays and certain occasions. Also, its prerogative of each state governments to decide on its dry days.

State Budgets and Excise Duty on Sale of Alcohol Collections

The alcohol industry is subject to extensive government regulations as well as regulations by a variety of local bodies. Indian states along with seven union territories have adopted different approaches when it comes to regulating and taxing liquor. The state of Gujarat for instance has entirely banned trade and consumption of liquor since 1961. By contrast, Puducherry which is the territory on the Coromandel Coast, earns most of its revenue from alcohol trade. Each state has its own formula of deciding the prices of alcoholic products. The price is determined by two key factors namely- Ex distillery price (EDP) which covers the cost of production and state excise policies which specify duties, license fees, cess and surcharges, retail margin and wholesale margin. The taxes and margin are a percentage of EDP.

All countries have alcohol excise taxes to regulate price of alcoholic beverages. Revenue from alcohol constitutes a major share in total revenue receipts of states in India. More than 60% of revenue of leading alcoholic beverage companies in India constitutes of excise paid directly to the state governments. Moreover, the share of excise in total revenues of leading alcoholic beverage companies in India has shown an increasing trend.

In spite of GST not being levied on liquor, the prices of liquor continue to rise after the rollout of Goods and Services Tax. This is because the inputs used to manufacture liquor were taxed at 12-15% under the VAT regime before GST. However, after the introduction of GST, most of the input raw material now attract 18% GST resulting in increased input cost. This rise in taxes on the inputs is passed on to the end customers. The other reason for the sharp increase in the cost of liquor is the applicability of GST on transportation and freight charges. Previously, transportation and freight attracted a service tax of around 15%. However, post-GST, they are taxed at 18%. The Goods and Service Tax (GST) usually has two components – the central GST and state GST. The central GST, although collected by the state, is transferred to the central government. States also get a share in personal income and corporate taxes that are collected by the Centre.

Many states in India are changing their excise policy to transform the nature of liquor trade in line with the changing nature of the society. This is to improve the standard of customer experience and increasing the revenue of the excise department.

8.2 Overview of Automation in Brewery Industry

Automation is a technology driven approach that aims to streamline processes, improve quality, productivity and efficiency. The primary areas where automation is used in breweries are in the processes of processing raw materials, saccharification, filtration, boiling and brewing, fermentation and storage, and filling and packing.

- **Raw Material Processing** - Automated equipment can automatically mix and grind raw materials such as water, malt, hops, etc.
- **Saccharification** - In the fully automatic craft beer equipment, the saccharification process is controlled by automated temperature control equipment to ensure that the starch in the malt can be effectively saccharified into monosaccharides or disaccharides to form sugar juice.
- **Filtration** - After saccharification, the fully automatic craft beer equipment will automatically start the filter to remove insoluble impurities and solid waste in the sugar juice to ensure the clarity of the beer.
- **Boiling and brewing** - The boiling link is the key stage to complete beer brewing. The fully automatic craft beer equipment heats the beer sugar solution through automated control to promote yeast fermentation.
- **Fermentation and storage** - During the fermentation process, the yeast is fermented through automated temperature control to ensure the quality and taste of the beer. After fermentation, the beer will be automatically transferred to the beer storage tank for storage.
- **Filling and packaging** - The cooperation of robotic arms or conveyor belts enables cans to be automatically sent to the filling position and complete a series of operations such as filling, sealing, and labeling. In

addition, it can also be equipped with a special cleaning and disinfection system to ensure that the glass bottle can be thoroughly cleaned and disinfected before filling.

Technological advances such as automated brewing systems have had a significant and widespread impact on the brewing industry. Automation helps brewers control every stage of the production of liquor, thereby producing high-quality liquor. Automated systems also help streamline operations, reduce labor costs and the time required for processes.

Various Players including public and private players, would have automated different processes in their value chain starting from manufacturing to distribution. However, State owned breweries generally lag behind private breweries in terms of automation. The level of automation also depends on factors like investments, modernization efforts and regional priorities. Few large Private Companies may be having Automated brewing system which control temperature, pressure levels, flavour development etc. but may not have reconciled system which helps in tracking and analysing of what quantity of input was utilized and what should have been the ideal output and whether actually that quanity of alcohol was producted or not.

Automation solutions help in hastle free production, execution and inventory management which helps to complete the orders on time. Various cleaning automated solutions help in reducing time in cleaning cycle without shutting down production. Reducing production losses is essential for lowering production costs and environmental effects. The most significant production losses in the brewery are the extract losses. Owing to the many quantitative measurement methods used in the brewery (volume, concentration, and raw material yield), it is essential to combine these data into a single basis of comparison in order to calculate extract loss. The raw material input, the total volume filled (net production) delivered to the warehouse, the beginning and final stocks of each stage, and the extraction loss are all computed over a certain period of time. Automation solutions help in detailed tracking of extract losses in the brewing and bottling process and also provides information for generation of automated reports in the respective system for breweries.

8.3 key areas where automation is making impact

Automation in the brewery industry has transformed the way beer is produced, improving efficiency, consistency, and scalability. Few key areas where automation is making impact are as below:

1. Brewing Process Control

- **Automatic Brewing Systems:** Modern breweries use automated systems to control brewing parameters such as temperature, pressure, and timing. This ensures consistent quality and reduces the need for manual intervention.
- **Sensors and Data Analytics:** Sensors monitor various aspects of the brewing process, providing real-time data that can be analyzed to optimize production and predict maintenance needs.

2. Ingredient Handling

- **Automated Mashing and Lautering:** Automated systems handle the mixing of malt with water (mashing) and the separation of wort from the grain (lautering), improving efficiency and consistency.
- **Ingredient Dosage:** Automated dosing systems accurately measure and add ingredients like hops, malt, and yeast, ensuring precise recipes.

3. Fermentation Management

- **Controlled Fermentation:** Automated fermentation tanks control temperature, pressure, and other conditions, which are crucial for yeast activity and beer quality.
- **Data Collection:** Continuous monitoring of fermentation parameters allows brewers to track progress and make adjustments as needed.

4. Packaging

- **Automated Bottling and Canning Lines:** Automation in packaging lines improves speed and accuracy, reduces waste, and maintains product integrity.
- **Labeling and Quality Control:** Automated systems ensure that labels are correctly applied and that the final product meets quality standards through inline inspection.

5. **Quality Control and Testing**

- **Automated Testing Equipment:** Automated systems test beer for various quality parameters, such as pH, alcohol content, and carbonation levels, providing consistent results.

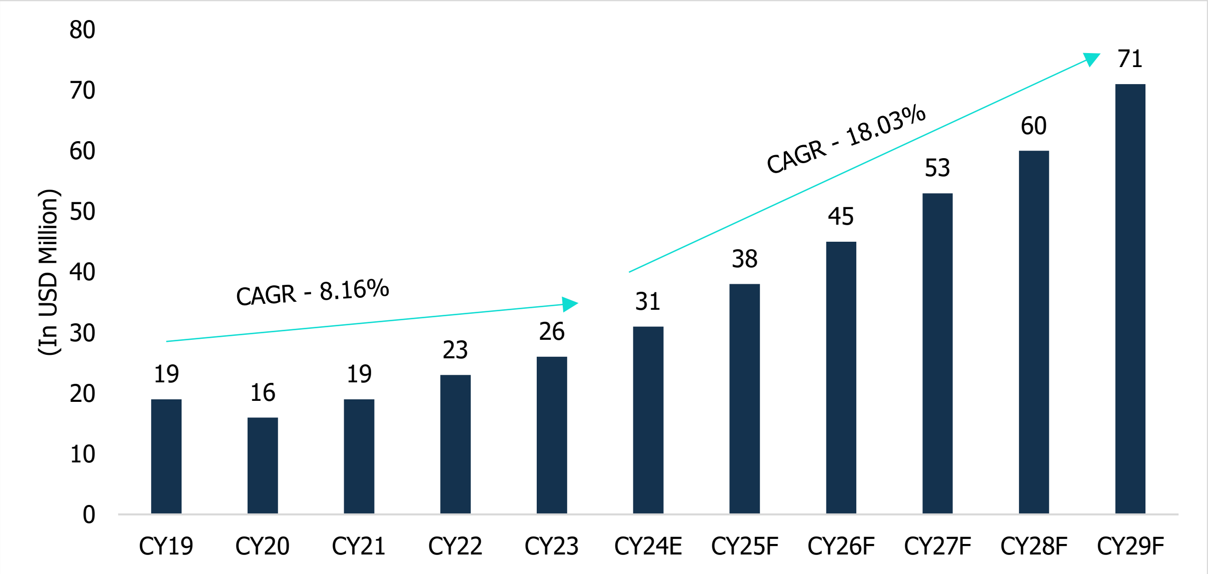
- **Data Integration:** Test results are integrated into production systems for real-time quality monitoring and control.

6. **Other Process –** Other process include Cleaning and Sanitation, Inventory and Supply Chain Management, Energy Management, Integration and Monitoring. Automated systems optimize energy use in brewing operations, such as controlling heating and cooling processes, which helps reduce costs and environmental impact.

8.4 Market Size of Automation in Indian Brewery Industry (CY19-CY29)

The Indian Brewery Automation Industry grew at a CAGR of 8.16% from CY19 to CY23 and reached at USD 26 million, the same is expected to grow at a CAGR of 18.03% from CY24 to CY29 and reach USD 71 million. The increased growth rate is attributable to the increasing adoption of Industry 4.0 technologies, deployment of AI driven services, various government initiatives like "Make in India" and "Digital India". All these factors aim to promote the adoption of advanced technologies, including automation, to strengthen the manufacturing sector and digital infrastructure. The increasing demand for automation in brewery industry is supported by government also, the Rajasthan State Ganganagar Sugar Mills (A Government of Rajasthan Undertaking) had issued tenders for procurement of Fully Automatic and Semi-Automatic Liquor Bottling Line, Labelling Machine.

Chart 19: Trend in Automation in Indian Brewery Industry



Source: CareEdge Research, Maia Research

8.5 Threats and Challenges to Advancef Sys tek Limited and its Product & Services

1. **Technological Changes**

   Technology evolves rapidly, leading to frequent changes in customer preferences and industry standards. Rapid advancements in automation technologies, such as robotics, AI, and IoT, blockchain, and quantum computing can quickly make existing solutions obsolete. Company should invest in research and development to keep up with technological advancements and maintain relevance in the market.

2. **Protecting Intellectual Property (IP) Rights**

   As automation solutions provider, the risk of counterfeit products and piracy of software and hardware components also grows. These threats can diminish market competitiveness and revenue streams, necessitating robust safeguards against intellectual property theft. Moreover, operating in a global market entails navigating diverse intellectual property laws and regulations across different jurisdictions. Understanding and complying with international IP frameworks can be intricate and resource-intensive for automation companies.

3. Cost and Return on Investment

High initial costs associated with implementing automation solutions can be a barrier for adoption, especially for small and medium-sized enterprises (SMEs). Companies need to demonstrate tangible ROI to justify investments in automation technology by comparing upfront costs of automation equipment with long-term benefits such as reduced labor costs, increased throughput, and improved quality.

4. Global Supply chain Disruptions

Dependence on global supply chains for components and parts used in developing automation systems can lead to disruptions. Shortages of semiconductor chips affect the production of automation equipment or delays in delivery of critical components can lead to many problems both for company as well as client. This challenge can be handled by developing contingency plans, maintaining buffer stocks for critical components, and establishing alternative sourcing options in different geographical regions.

5. Adoption of Diesel exhaust fluid (DEF)

The requirement for effective and readily accessible diesel exhaust fluid to satisfy strict emission regulations is one of the main issues. It is logistically difficult to guarantee diesel exhaust fluid supply and quality throughout the nation. It is technically challenging to modify diesel engines so that they can use this fluid efficiently without sacrificing performance. A persistent challenge is weighing the environmental benefits of diesel exhaust fluid against its expense.

6. Highly controlled Beverage Market

The alcohol beverage industry in India is highly regulated by both central and state governments. The existing regulatory complexities can be bifurcated into initial licensing requirements and post-production compliances. Pricing and distribution are also highly controlled, with state governments specifying quotas for each player, limiting the potential to increase market share. Given that state laws differ, the complexity increases with the number of states the business want to establish operations in. The alcohol beverages market is highly competitive, with established players having strong brand portfolios and marketing strategies making it challenging for the new entrant to survive in the industry.

7. India's dependency on LNG imports due to limited domestic gas production

Dependence on Imports: India's heavy reliance on imported LNG makes it vulnerable to supply disruptions caused by geopolitical tensions, natural disasters, or trade conflicts. The security and reliability of the nation's energy supply may be impacted by this dependence.

Competing for LNG Supplies: As other countries strive to obtain LNG supplies to suit their energy demands, India must compete in the global LNG market. Prices may rise as a result of this competition, and obtaining long-term contracts may become more difficult.

9. Peer Comparison

There is no direct competitor for Advanced Sys-tek in terms of products and size. Peer companies offer comparable products in certain areas which again differs from company to company.

9.1 Honeywell Automation Indian Limited (HAIL)

Honeywell Automation India Limited was incorporated in India and provides integrated automation and software solutions which includes process solutions and building solutions. It has a wide product portfolio in environmental and combustion controls, and sensing and control, and also provides engineering services in the field of automation and control to global clients. It has presence across India in cities namely Pune, Bangalore, Hyderabad, Mumbai, Chennai, Gurgaon, Kolkata, Jamshedpur and Vadodara.

Table 9: Consolidated Financials of Honeywell Automation India Limited (Rs. In Million)

Particulars	FY22	FY23	FY24	H1 FY25
Revenue from operations	29,483.20	34,476.00	40,582.00	19,843.00
Revenue growth	-3.10%	16.93%	17.71%	-
Revenue CAGR		17.32%		-
EBITDA	4,364.50	5,214.00	5,948.00	2,832.00

Particulars	FY22	FY23	FY24	H1 FY25
EBITDA Margin	14.80%	15.12%	14.66%	14.27%
EBITDA CAGR	16.74%			-
PAT	3,391.30	4,380.00	5,014.00	2,516.00
PAT YoY growth	-26.28%	29.15%	14.47%	-
PAT Margin	11.50%	12.70%	12.36%	12.68%
PAT CAGR	21.59%			-
ROCE (%)	17.17%	19.97%	20.27%	9.28%
Current Ratio	3.23	3.34	3.72	3.9
Interest Coverage Ratio	44.09	72.23	60.12	98.65
Debt to Equity Ratio	0.02	0.01	0.02	0.02
Net debt to Equity	-0.69	-0.73	-0.77	-0.74
ROE (%)	12.52%	14.54%	14.76%	6.82%
Working Capital days	60	54	46	58
PE Ratio	102.96	72.72	67.49	171.87
MPS as on date	31-03-2022	31-03-2023	28-03-2024	30-09-2024

Source: Annual Report, CareEdge Research

9.2 ABB India Limited

ABB India Limited is a subsidiary of ABB Group, a multinational corporation headquartered in Switzerland. ABB India provides a wide range of products and services in the power and automation sectors. These include transformers, switchgear, circuit breakers, motors, drives, robotics, industrial automation solutions, and grid integration technologies for renewable energy. It serves various sectors such as utilities, industries, infrastructure, and transportation. It has presence across India in cities namely Kochi, Ahmedabad, Coimbatore, Raipur, Kolkata, Jaipur, Mumbai, Nagpur, Pune.

Table 10: Consolidated Financials of ABB India Limited **(Rs. In Million)**

Particulars	CY21	CY22	CY23	H1 CY24
Revenue from operations	69,340.00	85,675.30	1,04,465.20	59,112.20
Revenue growth	19.12%	23.56%	21.93%	-
Revenue CAGR	22.74%			-
EBITDA	5,647.00	9,641.60	14,940.90	11,076.70
EBITDA Margin	8.14%	11.25%	14.30%	18.74%
EBITDA CAGR	62.66%			-
PAT	5,197.10	10,162.30	12,420.50	9,027.80
PAT YoY growth	137.07%	95.54%	22.22%	-

Particulars	CY21	CY22	CY23	H1 CY24
PAT Margin	7.50%	11.86%	11.89%	15.27%
PAT CAGR	54.59%			-
ROCE (%)	19.72%	31.07%	31.11%	20.03%
Current Ratio	1.66	1.82	1.9	1.91
Interest Coverage Ratio	24.72	55.81	80.98	125.63
Debt to Equity Ratio	0.01	0.01	0.01	0.01
Net debt to Equity	-0.66	-0.63	-0.8	-0.78
ROE (%)	13.58%	22.62%	22.82%	14.70%
Working Capital days	-4	-3	-9	-3
PE Ratio	91.87	56.37	79.36	200.68
MPS as on date	31-12-2021	30-12-2022	29-12-2023	28-06-2024

Source: Annual Report, CareEdge Research

9.3 Yokogawa India Limited

Yokogawa India Limited is a subsidiary of Yokogawa Electric Corporation, operates as a provider of industrial automation solutions and services in India. They offer a wide range of products and services such as Distributed Control Systems, Safety Instrumented Systems, SCADA Systems, Analytical Instruments, Field Instruments catering to various industries including oil and gas, power, chemical, pharmaceutical, food and beverage, and more. It has presence across India in cities namely Mumbai, Delhi, Chennai, Kolkata, Hyderabad, Vadodara.

Table 11: Standalone Financials of Yokogawa India Limited (Rs. In Million)

Particulars	FY22	FY23
Revenue from operations	12,728.32	14,200.92
Revenue growth	-3.32%	11.57%
Revenue CAGR	-	
EBITDA	1,313.08	1,254.99
EBITDA Margin	10.32%	8.84%
EBITDA CAGR	-	
PAT	822.32	745.8
PAT YoY growth	67.18%	-9.31%
PAT Margin	6.46%	5.25%
PAT CAGR	-	
ROCE (%)	40.68%	33.95%

Particulars	FY22	FY23
Current Ratio	1.24	1.26
Interest Coverage Ratio	7.65	21.98
Debt to Equity Ratio	0.04	0.04
Net debt to Equity	-0.46	-0.52
ROE (%)	23.61%	17.95%
Working Capital days	-3	2

Source: Annual Report, CareEdge Research
Note: FY24 financials not available

9.4 Advanced Sys tek Limited

Advanced Sys-tek is an established Indian player that specializes in the terminal automation market. Advanced Sys-tek Limited was incorporated as Advanced Spectra-Tek Private Limited, is a Software Developer and Industrial Solutions provider, offering a wide range of services, products and solutions in the field of Software, Engineering and Automation, which includes Terminal Automation System, Liquid & Gas Fiscal Metering Systems, Diesel Exhaust Fluid System, Magnetic Locking Needle, Pulse Transmitters, Over-spill Detectors etc. The company is based out of Gujarat.

Their business is primarily focussed on Industrial Automation Solutions (IA Solutions) and they specialize in setting up completely automated metering systems in oil and gas terminals and upgrading existing manually operated oil and gas terminals.

Table 12: Consolidated Financials of Advanced Sys-tek Limited **(Rs. In Million)**

Particulars	FY22	FY23	FY24	H1 FY25
Revenue from operations	1,356.01	1,404.23	1,882.32	1,058.43
Revenue growth	-6.33%	3.56%	34.05%	-
Revenue CAGR	17.82%			-
EBITDA	182.35	174.18	235.53	146.88
EBITDA Margin	13.45%	12.40%	12.51%	13.88%
EBITDA CAGR	13.65%			-
PAT	69.89	131.71	192.17	121.54
PAT YoY growth	-52.56%	88.44%	45.91%	-
PAT Margin	5.15%	9.38%	10.21%	11.48%
PAT CAGR	65.82%			-
ROCE (%)	21.61%	15.99%	17.43%	9.13%
Current Ratio	2.94	3.27	3.13	3.96
Interest Coverage Ratio	NA	NA	NA	NA

Particulars	FY22	FY23	FY24	H1 FY25
Debt to Equity Ratio	NA	NA	NA	NA
Net debt to Equity	NA	NA	NA	NA
ROE (%)	6.32%	10.93%	12.23%	6.31%
Working Capital days	188	231	184	199

Source: Annual Report, CareEdge Research

9.5 ICON Controls Private Limited

ICON Controls originally started with providing Installation and commissioning services in various process industries. For nearly 3 decades, ICON has provided solutions to almost all process industries like Oil & Gas, Refineries, Petrochemicals, Fertilizers, Steel, Power, Paper, Cement, Pharma, Water & Waste Water and Sugar Industries. ICON offers expertise across the whole spectrum of process industries and E&I solutions. Along with their presence in India, they have provided services in Dubai, Abu Dhabi, Nigeria, Bangladesh, Thailand & Indonesia.

Table 13: Standalone Financials of ICON Controls Private Limited **(Rs. In Million)**

Particulars	FY22	FY23	FY24
Revenue from operations	269.74	225.2	263.5
Revenue growth	9.26%	-16.51%	17.01%
Revenue CAGR		-1.16%	
EBITDA	104.52	46.69	56.81
EBITDA Margin	38.75%	20.73%	21.56%
EBITDA CAGR		-26.28%	
PAT	112.82	51.96	56.5
PAT YoY growth	289.69%	-53.95%	8.74%
PAT Margin	41.82%	23.07%	21.44%
PAT CAGR		-29.23%	
ROCE (%)	62.09%	22.65%	20.82%
Current Ratio	1.36	1.4	1.44
Interest Coverage Ratio	69.69	60.43	199.18
Debt to Equity Ratio	0.02	0.01	0
Net debt to Equity	-0.02	0	-0.03
ROE (%)	47.70%	16.35%	15.19%
Working Capital days	65	73	31

Source: Annual Report, CareEdge Research

Note: FY24 financials not available

9.6 Comparison of Financial Parameters

Table 14: Revenue from Operations

Company Name	Revenue from Operations (Rs. In Millions)				Revenue from Operations CAGR, FY22– FY24
	FY22	FY23	FY24	H1 FY25	
Honeywell Automation India Limited	29,483.20	34,475.90	40,582.00	19,843.00	17.32%
ABB India Limited	69,340.00	85,676.30	1,04,465.20	59,112.20	22.74%
Yokogawa India Limited	12,728.30	14,200.90	-	-	-
Advanced Sys-tek Limited	1,356.01	1,404.23	1,882.32	1,058.43	17.82%
ICON Controls Private Limited	269.74	225.20	263.50	-	-1.16%

Source: Company Annual Report

Note: For ABB India Limited June 2024 is considered as H1 FY2025

Table 15: Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)

Company Name	EBITDA (Rs. In Millions)				EBITDA Margin				EBITDA CAGR, FY22–FY24
	FY22	FY23	FY24	H1 FY25	FY22	FY23	FY24	H1 FY25	
Honeywell Automation India Limited	4,332.00	5,189.00	5,894.00	2,832.00	14.80%	15.12%	14.66%	14.27%	16.64%
ABB India Limited	5,567.10	9,618.70	14,897.80	11,076.70	8.14%	11.25%	14.30%	18.74%	63.59%
Yokogawa India Limited	1,277.00	1,229.10	-	-	10.32%	8.84%	-	-	-
Advanced Sys-tek Limited	182.35	174.18	235.53	146.88	13.45%	12.40%	12.51%	13.88%	13.65%
ICON Controls Private Limited	104.52	46.69	56.81	-	38.75%	20.73%	21.56%	-	-26.27%

Source: Company Annual Report

Note: For ABB India Limited June 2024 is considered as H1 FY2025

Table 16: Profit After Tax (PAT)

Company Name	PAT (Rs. In Million)				PAT % of Revenue from Operations				PAT CAGR, FY22 – FY24
	FY22	FY23	FY24	H1 FY25	FY22	FY23	FY24	H1 FY25	
Honeywell Automation	3,391.00	4,380.00	5,014.00	2,516.00	11.50%	12.70%	12.36%	12.68%	21.60%

Company Name	PAT (Rs. In Million)				PAT % of Revenue from Operations				PAT CAGR , FY22 – FY24
	FY22	FY23	FY24	H1 FY25	FY22	FY23	FY24	H1 FY25	
n India Limited									
ABB India Limited	5,197.00	10,162.00	12,421.00	9,027.80	7.50%	11.86 %	11.89 %	15.27 %	54.60%
Yokogawa India Limited	822.00	746.00	-	-	6.46%	5.25%	-	-	-
Advanced Sys-tek Limited	69.89	131.71	192.17	121.54	5.15%	9.39%	10.21 %	11.48 %	65.82%
ICON Controls Private Limited	112.80	52.00	56.50	-	41.82 %	23.07 %	21.44 %	-	-29.23%

Source: Company Annual Report

Note: For ABB India Limited June 2024 is considered as H1 FY2025

Table 17: Net worth and NAV per share

Company Name	Net Worth				NAV per Share (Basic)			
	FY22	FY23	FY24	H1 FY25	FY22	FY23	FY24	H1 FY25
Honeywell Automation India Limited	28,367.70	31,885.10	36,062.00	37,695.00	3,208.29	3,606.10	4,078.49	4,263.18
ABB India Limited	40,451.90	49,394.10	59,446.00	63,415.80	190.90	233.10	280.54	299.27
Yokogawa India Limited	3,781.40	4,527.90	-	-	444.61	532.38	-	-
Advanced Sys-tek Limited	1,141.07	1,271.21	1,871.01	1,982.01	60.61	67.52	99.30	103.08
ICON Controls Private Limited	291.75	343.71	400.21	-	61.42	72.26	84.25	-

Source: Company Annual Report

Note: For ABB India Limited June 2024 is considered as H1 FY2025

Table 18: Earning Per Share (EPS)

Company Name	EPS Basic				EPS Diluted			
	FY22	FY23	FY24	H1 FY25	FY22	FY23	FY24	H1 FY25
Honeywell Automation India Limited	383.54	495.40	567.10	284.52	383.54	495.40	567.10	284.52
ABB India Limited	24.53	47.96	58.61	42.61	24.53	47.96	58.61	42.61
Yokogawa India Limited	96.68	87.68	-	-	96.68	87.68	-	

Company Name	EPS Basic				EPS Diluted			
	FY22	FY23	FY24	H1 FY25	FY22	FY23	FY24	H1 FY25
Advanced Sys-tek Limited	3.71	7.00	10.20	6.32	3.71	7.00	10.20	6.32
ICON Controls Private Limited	238	109	119	-	238	109	119	-

Source: Company Annual Report

Note: For ABB India Limited June 2024 is considered as H1 FY2025

Table 19: Debt to Equity Ratio

Company Name	Debt Equity Ratio			
	FY22	FY23	FY24	H1 FY25
Honeywell Automation India Limited	0.02	0.01	0.02	0.02
ABB India Limited	0.01	0.01	0.01	0.01
Yokogawa India Limited	0.04	0.04	-	-
Advanced Sys-tek Limited	-	-	-	-
ICON Controls Private Limited	0.02	0.01	-	-

Source: Company Annual Report

Note: For ABB India Limited June 2024 is considered as H1 FY2025

Table 20: Return on Net Worth, Return on Capital Employed and Working Capital Days

Company Name	Return on Net Worth				Return on Capital Employed				Working Capital Days in Number of Days			
	FY22	FY23	FY24	H1 FY25	FY22	FY23	FY24	H1 FY25	FY22	FY23	FY24	H1 FY25
Honeywell Automation India Limited	11.95%	13.73%	13.90%	6.98%	17.17	19.97	20.27	9.28	60	54	46	58
ABB India Limited	12.80%	20.60%	23.10%	14.24%	19.72%	31.07%	31.11%	20.03%	-4	-3	-9	-3
Yokogawa India Limited	21.73%	16.47%	-	-	40.68%	33.95%	-	-	2	-3	-	-
Advanced Sys-tek Limited	6.13%	10.36%	10.27%	6.13%	21.61%	15.99%	17.43%	9.13%	188	231	184	199
ICON Controls Private Limited	38.67%	15.12%	14.12%	-	62.09%	22.65%	20.82%	-	31	73	65	-

Source: Company Annual Report

Note: For ABB India Limited June 2024 is considered as H1 FY2025
CAGR for Yokogawa is calculated from FY21 to FY23.

Definition of KPIs:

- Revenue from Operations means the revenue from operations as appearing in the Restated Financial Information.
- EBITDA is calculated as profit/ (loss) for the year less exceptional items and other income plus finance costs, depreciation and amortisation, and total income tax expenses
- EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
- PAT is restated Profit/ (Loss) or the period/ year as appearing in the Restated Financial Information.
- PAT Margin refers to the percentage margin derived by dividing Profit after Tax by Revenue from Operations.
- Return on Capital Employed (ROCE) is calculated as earnings before interest and taxes divided by Average Capital Employed for the period/year.
  - Earnings before interest and tax is calculated as restated profit / (loss) for the period /year plus total tax expense / (credit) plus finance costs.
  - Average Capital Employed is calculated as the average of Total Equity, Total Debt, and Deferred Tax Liability for the current and previous financial period/year.
- Current Ratio is Calculated as Current asset divided by Current Liabilities.
- Return on Equity (ROE) refers to restated profit for the year/period attributable to equity shareholders of our Company divided by average Equity for the period/year.
- Return on Capital Employed is a financial ratio that evaluates how effectively a company utilizes its capital to produce profits.. To calculate: ROCE = EBIT/Average Capital Employed.
- Capital employed refers to the total capital a business utilizes to generate profit. It is also known as funds employed. To Calculate: (Total Equity+Total Debt-Deffered tax assets/liabilities)
- P/E ratio evaluates a company's share price in relation to its earnings per share (EPS).
- Working capital days or days working capital (DWC), represent the number of days a business takes to turn its working capital into revenue.
- Working Capital Days = 365/ Operating WC Turnover Ratio
- Operating WC Turnover Ratio = Revenue from Operations/ Operating WC
- Operating WC = Current assets (except for cash & cash Equivalent) – Current liabilities
- Net worth is the value of all assets, minus the total of all liabilities.
- Return on Net Worth (RoNW) is a profitability indicator that measures a company's ability to generate a profit on the amount invested by its shareholders.
- Net debt to equity is calculated by dividing a company's net liabilities by its shareholders' equity

OUR BUSINESS

Unless otherwise stated, references in this section to "we", "our" or "us" (including in the context of any financial information) are to our Company along with our Subsidiary, on a consolidated basis. To obtain a complete understanding of our business, prospective investors should read this section in conjunction with 'Risk Factors', 'Industry Overview', 'Financial Information' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on pages 29, 146, 258 and 330, respectively, as well as financial and other information contained in this Draft Red Herring Prospectus as a whole.

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read 'Forward-Looking Statements' on page 27 for a discussion of the risks and uncertainties related to those statements. You should also read 'Risk Factors', 'Financial Information' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on pages 29, 258 and 330, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated, the financial information included herein is based on our Restated Consolidated Financial Information included in this Draft Red Herring Prospectus. For further information, see 'Financial Information' on page 258.

We have, in this Draft Red Herring Prospectus, included various operational and financial performance indicators and certain non-GAAP measures, some of which may not be derived from our Restated Consolidated Financial Information and may not have been subjected to an audit or review by our Statutory Auditor, and each of which is a supplemental measure of our performance and liquidity and not required by, or presented in accordance with Ind AS, IFRS or U.S. GAAP. Furthermore, such measures and indicators are not defined under Ind AS, IFRS, U.S. GAAP or other accounting standards, and therefore should not be viewed as substitutes for performance, liquidity or profitability measures under such accounting standards. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates underlying, and, used in such calculation, may vary from that used by other similarly placed companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and are cautioned that they should consult their own advisors and evaluate such information in the context of the Restated Consolidated Financial Information and other information relating to our business and operations included in this Draft Red Herring Prospectus.

Unless otherwise indicated, industry and market data used in this section has been derived from 'Industry Report on Automation and Terminal Automation' by CARE (CARE Report). A copy of the CARE Report is available at https://www.advancedsystek.com/industry_reports.php. Unless otherwise indicated, all industry and other related information derived from the CARE Report and included herein with respect to any particular year. See 'Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data' and 'Risk Factor - This Draft Red Herring Prospectus contains information from an industry report prepared by CARE which we have commissioned and paid for.' on pages 24 and 58, respectively. Further, we have not included names of customers since we have not been able to obtain the required consent from such customers for the inclusion of their names in this Draft Red Herring Prospectus.

OVERVIEW

We have experience of more than 30 years in providing large and complex, measurement, control and industrial automation solutions, including but not limited to terminal automation for oil & gas industry (solutions for inter alia metering, loading, unloading, storage and distribution, for all industrial applications including for ports, airports etc.). We are the only established Indian player in the oil and gas terminal automation market. Our business is primarily focussed on Industrial Automation Solutions (**IA Solutions**) and we specialize in setting up completely automated metering systems in oil and gas terminals and upgrading existing manually operated oil and gas terminals. (*Source: CARE Report*) As on September 30, 2024, we have completed over 200 installations in India and overseas.

We also provide anti-icing additive injection systems for aircraft jet fuel, and have also, through our Subsidiary, forayed into manufacturing diesel exhaust fluid (**DEF**).

Industrial Automation Solutions

We specialize in providing comprehensive automation solutions for (i) large and complex petroleum, oil and lubricants (**POL**) storage and distribution terminals i.e. terminal automation (**TA**), and (ii) other industrial automation solutions such as custody transfer metering of hydrocarbons i.e. providing metering skids which enable precise measurement of gas flow through gas pipelines and facilitate billing. Further, we have also provided automation solutions for a liquified petroleum gas (**LPG**) bottling plant, and are also in the process of executing fuel farm automation projects at airports in India. Our Control and Monitoring System integrates High Availability Redundant Computer Platforms with proprietary software to provide robust and efficient terminal automation (*Source: CARE Report*). Our control system for a process or plant, uses a distributed architecture, i.e. where control functions are distributed among multiple devices and are not centralised. High Availability Redundant Computer Platform's operation is achieved by implementing redundancy, when individual components fail. Multiple identical components (like servers, storage devices, or network connections) seamlessly takes over in case of a primary component failure, minimizing downtime and ensuring high availability. *(Source: CARE Report)*

Our industrial automation solutions comprise:

- POL terminal automation systems (**TAS**) – a system that integrates field instrumentation using process controls for product storage, distribution, and movement operations of liquids and gases in an accurate efficient, safe, and secure manner. POL terminal automation systems automate load authorization, blending, loading / unloading, level measurement, product reconciliation, product movement, product measurement, documentation, and reporting using terminal management software (*Smart Terminal Manager* - **STM**) which interfaces with field instruments, various sub-systems like CCTV, hydrocarbon detection, access control, pumps, end user's ERP system, tank gauging systems etc.

- Liquid and gas fiscal metering system (**Metering Skids**) –A *'skid'* is a pre-assembled metering system that is mounted on a base platform which facilitates easy transportation and installation of the unit. These are systems designed for accurate measurement and continuous flow of large quantity of fluids or gases. In general, these systems comprise of proving, filtration, metering & pressure reduction skids.

- Additive injection and blending system – these systems are designed to dispense exact quantity of additive into the main product. The quantity of injection could be in terms of either parts per million (*ppm*) or percentage of volume of the main product.

Our software solutions for IA cover a wide range of integrated computer system solutions for networking, database management, SCADA (Supervisory Control and Data Acquisition) and embedded software. Our services and products offering vary from small standalone software application to Plant Automation software solutions covering a spectrum of software technologies/platforms viz. Real Time applications, web, cloud, analytics, embedded, AI/ML mobile etc. We have developed trademarked software products such as *'AST SCADA', 'STM' and 'Asset Surveiller'* with an aim to provide our customers a comprehensive suite of software solutions for automation applications. Our software solutions are backed by our partnership with leading technology solution providers.

Products

The products that we market include Batch controller (**SmartLoad**), Smart ground detector (**SGD**), Access Control Card Readers, Pulse transmitter etc. The products are manufactured by us. They form an integral part of the terminal automation systems. The products are also sold in allied industries like paint, pharmaceutical etc. We are an ISO 9001:2015 and ISO 45001:2018 accredited Company and have obtained licenses from the Petroleum and Explosives Safety Organisation, Government of India, (**PESO**) the nodal agency for regulating safety of hazardous substances such as explosives, compressed gases and petroleum in India. Further, we have also obtained ATEX certification under the Potentially Explosive Atmospheres Directive 2014/34/EU, and IECEx certification in terms of applicable regulations of the European Union.

Further, we undertake upgradation of, and provide long term maintenance services for, POL TAS and Metering Skids. We count some of India's largest public and private sector oil companies as our customers. Set out below is a break-up of the revenue contribution of our top customer, top 3 customers and top 5 customers to our revenues from operations in the 6 months ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022 based on our Restated Consolidated Financial Information.

Particular	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations
Top customer	508.35	48.03	819.85	43.56	643.60	45.83	563.37	41.55
Top 3 customers	856.96	80.97	1,578.44	83.86	1,176.40	83.78	1,017.80	75.06
Top 5 customers	960.90	90.79	1,690.83	89.83	1,226.07	87.31	1,127.28	83.13

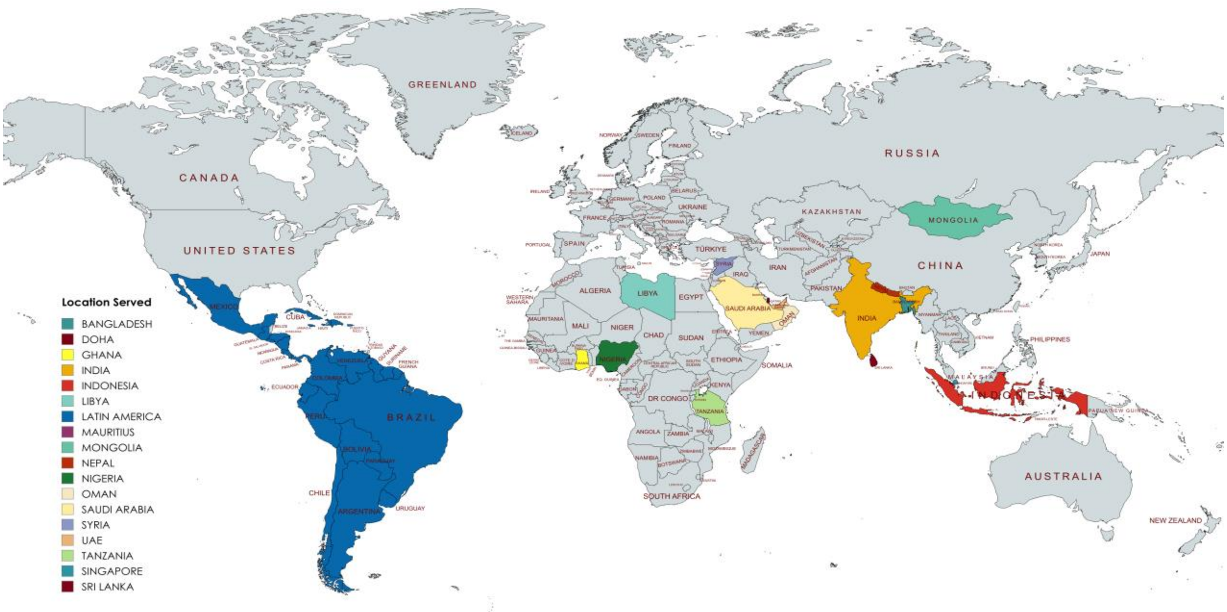
We undertook our first terminal automation project at a port terminal in Dahej, Gujarat, in 1999, and since then we have undertaken POL Terminal Automation projects across 9 countries in Asia (excluding India) and Africa including Bangladesh, Ghana, Nigeria, Oman, Switzerland and Saudia Arabia. In the 6 month ended September 30, 2024, and Fiscal 2024, Fiscal 2023 and Fiscal 2022 we had undertaken an aggregate of 41 POL terminal automation projects in India and overseas.

Set out below is a geographical break-up of our revenue from operations from the IA Solutions undertaken by us in the 6 months ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022 based on our Restated Consolidated Financial Information.

Particular	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations
Industrial Automation Domestic	1,030.35	97.35	1,833.48	97.41	1329.70	94.69	1320.51	97.38
Industrial Automation Export	23.67	2.24	45.93	2.44	71.63	5.10	34.82	2.57
Total	**1,054.02**	**99.58***	**1,879.41**	**99.85**	**1,401.33**	**99.79**	**1,355.33**	**99.95**

** Rounded off.*

The map below displays the geographies where we have supplied Systems, Services & Products.



Note: This map is not according to scale and is for representational purposes only.

Diesel Exhaust Fluid

We are into manufacturing of diesel exhaust fluid (**DEF**) i.e. a precise mixture of urea and de-ionized water that is used in the selective catalytic reduction process in Diesel Vehicles. DEF reduces the Nitrous Oxide (**NOx**) content in the vehicle exhaust – this is an essential for compliance with BS VI norms. We have, through our subsidiary AST Environment Solutions Private Limited (**AST Enviro**), set up a manufacturing facility in Vadodara, Gujarat, with a capacity to manufacture 16,000 litres per day, of DEF. The DEF manufactured by us has received the approval of the VDA (German Association of Automotive Industry). We also have the expertise to design, manufacture plants that produce DEF. We have supplied large capacity DEF production plants in India.

Defence

We have been contracted to supply high technology anti-icing additive injection systems for a period of 5 years. Our system is used to infuse specified aircraft fuel with the additives to ensure efficient operations at high altitudes. We are in the process of developing force multipliers (Unmanned Ground Vehicle – UGV) through our Associate Company, i.e., Terranomous Systems Private Limited. This UGV has many applications such as mine detection, surveillance, tow tugs, transportation in rugged terrain etc.

Set out below is a break-up of our revenue from operations across our business verticals in the 6 months ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022 based on our Restated Consolidated Financial Information.

Particular	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations
IA Solutions	1,054.02	99.58	1,879.41	99.85	1,401.33	99.79	1,355.33	99.95
Diesel Exhaust Fluid	0.85	0.08	0.81	0.04	0.07	0.01	0.0	0.00
Defence	3.56	0.34	2.10	0.11	2.83	0.20	0.68	0.05
Total	**1,058.43**	**100.00**	**1,882.32**	**100.00**	**1,404.23**	**100.00**	**1,356.01**	**100.00**

Our business was founded, and is anchored by, our technocrat Promoters, Umed Amarchand Fifadra and Mukesh R Kapadia. The operations of our Company are spearheaded by Shirish Adi, our Managing Director, who has extensive experience in the Industrial Automation industry. We also have a strong Board of Directors who has a significant experience in their respective areas of expertise. Our Board of Directors is ably supported by team of experienced and qualified key management personnel and senior management and a capable and motivated pool of employees.

Our restated total income on consolidated basis for the 6 months September 30, 2024 and for Fiscal 2024, Fiscal 2023 and Fiscal 2022, was ₹ 1,088.60 million, ₹ 1,921.51 million, ₹ 1,422.74 million and ₹ 1,411.55 million, respectively. Our restated profit after tax on a consolidated basis for 6 months September 30, 2024 and for Fiscal 2024, Fiscal 2023 and Fiscal 2022, was ₹ 121.54 million, ₹ 192.17 million, ₹ 131.71 million, and ₹ 69.89 million, respectively. Our restated total income and restated profit after on a consolidated basis, grew at a CAGR of 16.67% and 65.82%, respectively, between the Fiscals 2022 and 2024.

OUR STRENGTHS

Domain expertise in the Industrial Automation sector and POL terminal automation solutions in India

With an experience of 30 years in providing automation solutions for large and complex terminals as well as small depots we are the only established Indian player in the oil and gas terminal automation market. We specialize in setting up completely automated metering systems in oil and gas terminals and upgrading existing manually operated oil and gas terminals. (*Source: CARE Report*)

We are also one of the few companies with the ability to execute large turnkey Automation projects in India, and in the 6 months ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, we undertook 35, 28, 31 and 23 POL Terminal Automation solutions projects across India and overseas, including Ghana, Liberia and Nigeria.

Some of our projects over the years are set out below:

Sr. No.	Location	Nature of project	Scope of work	Year of contract award	Status
1.	Sekerkote, Agartala	Turnkey project for TAS	Design supply installation Testing and Commissioning of DCS based Terminal Automation System comprising of Tank Truck Loading System, Tank Farm Management System, Photo Pass Management System, Access Control System, Fire Alarm System, PA System, Telecommunication System, Hydrocarbons Vapour Detection System, Fire Fighting Automation system etc along with associated works	2024	Letter of Acceptance (LOA) received
2.	Kandla Foreshore Terminal, Gujarat	Turnkey project for TAS	Design, supply, installation, testing and commissioning of various components of TAS / replacement of the entire TAS	2024	Under Execution
3.	Nashik	TAS project for LPG Plant	Smart Plant Automation	2023	Commissioned
4.	Krishnapatnam	Terminal automation	Terminal Automation System at Krishnapatnam Coastal Installation	2022	Complete
5.	Ahmednagar	TAS project	Design, supply, installation, testing and commissioning of DCS based Terminal Automation System comprising of Tank Truck Loading System, Tank Wagon unloading System, Tank Farm Management System, IP Based CCTV Surveillance System, Photo Pass Management System, Access Control System, Fire Alarm System, Hydrocarbon Vapours Detection System, Fire Fighting Automation System etc along with associated works at Ahmed Nagar, Maharashtra.	2020	Complete
6.	Vijaywada	TAS Project	Design, supply, installation, testing and commissioning of automation of tank truck loading system, tank farm management system, IP Based CCTV Surveillance system, Access Control System, Hydrocarbon Vapour Detection System, Fire Fighting Automation System etc. along with associated works at Vijayawada terminal, Andhra Pradesh.	2020	Complete
7.	Baitalpur	TAS Project	Design, supply, installation, testing and commissioning of DCS based Terminal Automation System along with associated works at Baitalpur TOP, Uttar Pradesh	2019	Complete

We have also undertaken a project for Multi-location tank farm management systems (**TFMS** i.e. a specialized solution for monitoring, controlling, and optimizing the operations of storage tanks in facilities such as oil refineries, chemical plants, and distribution terminals. TFMS manages inventory, handles loading and unloading processes, and ensures safe and efficient storage of liquids like fuel, chemicals, or raw materials) in Fiscal 2024 and are currently executing a project for Fuel Farm Automation system at Ahmedabad and Lucknow Airport.

Our POL terminal automation solutions are one of the key strengths of our business and based on our Restated Consolidated Financial Information in the 6 months ended September 30, 2024, and in Fiscal 2024, Fiscal 2023 and Fiscal 2022 a break-up of the components of POL terminal automation solutions to our revenue from operations as follows.

Particular	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations
New automation projects	558.11	52.73	1,035.73	55.02	708.51	50.45	713.25	52.60
Upgradation projects	191.75	18.12	294.77	15.66	248.02	17.66	197.33	14.55
Annual maintenance contracts	166.43	15.72	291.62	15.49	230.95	16.45	190.94	14.08
Others*	142.14	13.43	260.20	13.82	216.75	15.44	254.49	18.77
Total	**1,058.43**	**100.00**	**1,882.32**	**100.00**	**1,404.23**	**100.0**	**1,356.01**	**100.00**

** includes product sale, skid solutions and technical services.*

Our product portfolio with a focus on customisation, our technical abilities including the quality and experience of our senior management and technically qualified employees, the quality and efficiency of our project execution and our ability to deliver our solutions in a time bound manner.

Long standing relationship with marquee customers anchored by strong project execution capabilities

We have over the years built a long term relationship with a number of marquee customers particularly public sector oil companies in India. Additionally, we have established and maintained strong relationship with certain private sector entities. A vast majority of our projects, in particular, our Terminal and Port Automation projects are awarded through tender and are subject to stringent technical knowledge, financial capabilities, proven track record and experience requirements. One of the factors that we believe weighs in our favour is the extensive number of projects we have successfully executed. Our long term relationship with our marquee customers is a reflection of the quality of technical expertise, our project delivery efficiencies and strong project execution capabilities.

The average duration of our relationship with each our top customer and top 3 customers, in terms of revenue in the 6 months ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 based on our Restated Consolidated Financial Information, is 3 decades. Further, we have received repeat orders from each of our top customer and top 3 customers, in terms of revenue in the 6 months ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022.

A further reflection of our ability to technical skill sets is the automatic dispensing / dosing system of fuel system icing inhibitor solution. We believe this order further demonstrates our ability to effectively execute diverse and complex projects.

Experienced promoters and management team

Our business is founded and anchored by our technocrat Promoters, Mr. Umed Amarchand Fifadra and Mr. Mukesh R Kapadia. The operations of our Company are spearheaded by Shirish Adi, our Managing Director, who has vast experience in the industrial automation industry. Our Promoters and our Managing Directors have a cumulative experience of over 100 years in the industrial automation industry. We are led by a qualified and experienced management team that we believe has the expertise to effectively manage our business and execute complex projects in an efficacious manner.

Our Board of Directors includes a combination of management executives and independent directors whose diverse expertise and experience further strengthens our business. We believe that the combination of our experienced Board of Directors and our Promoters positions us well to capitalize on future growth opportunities.

In addition to our Board of Directors, our key management personnel and senior management are experienced and skilled, providing us access to a pool of capable and motivated employees. Our Promoters founded our Company and some of our Key Managerial Personnel and Senior Management have been with us for an average of 20 years, demonstrating continuity of business vision. Our Promoters along with our Managing Director and senior management team has been crucial in managing our customer engagements. Our Senior Management team has experience in manufacturing and finance functions, The operational and management experience of our team has also been instrumental in our ability to cater to the requirements of customers and proactively plan and deliver our products and services. We also have a robust corporate governance system in place to monitor, guide and support our operations, with oversight by an experienced Board of Directors. We rely on our leadership and management team's guidance to provide us with a competitive advantage as we seek to grow our business. As of September 30, 2024 we had 172 permanent employees, including 5 Key Managerial Personnel and 8 Senior Management personnel.

Track record of growth in revenue and profitability

We have enjoyed consistent growth in our revenue and profitability. Our revenue from operations grew at a CAGR of our 17.82% between Fiscal 2022 and Fiscal 2024 and during the same period our profit after tax grew at a CAGR of 65.82%. As on each of September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 had no long term debt and only had availed of non-fund based working capital facilities. Our growth in revenue and profitability, therefore, has been due to us consistently re-investing in our business and through prudent fiscal management.

We are seeking to diversify our business to further fuel and augment growth. The table below highlights our key performance metrics.

(in ₹ million, unless otherwise stated)

Particulars	6 month ended September 30, 2024	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
Revenue from Operations	1,058.43	1,882.32	1,404.23	1,356.01
Year on Year growth rate (%)	-	34.05	3.56	-
2-year CAGR (%) of revenue from operations between Fiscal 2022 and Fiscal 2024	-			17.82
Earnings before Interest, Taxes, Depreciation and Amortization Expenses (EBITDA)	146.88	235.53	174.18	182.35
2-year CAGR (%) of EBITDA		-		13.65
EBITDA Margin %	13.88	12.51	12.40	13.45
Profit after tax (**PAT**)	121.54	192.17	131.71	69.89
2-year CAGR of PAT between Fiscal 2022 and Fiscal 2024	-			65.82
Year on Year Growth Rate of PAT (%)	-	45.91	88.44	-
PAT Margin (%)	11.48	10.21	9.39	5.15
Return on Capital Employed (%)	9.13	17.43	15.99	21.61
Current ratio	3.96	3.13	3.27	2.96
Interest Coverage Ratio*	NA	NA	NA	NA
Total debt to equity (in times)	NA	NA	NA	NA
Net debt to equity	NA	NA	NA	NA
Return on Equity (%)	6.31	12.23	10.93	6.32
Working capital days	199	184	231	188
Order Book	2,679.11	2,034.15	1,799.89	1,630.59
Order Intake	1,668.00	2,092.50	1,503.01	1,906.29

* *There is no debt in Company.*
^Not annualised
Notes:

i. Revenue from Operations means the revenue from operations as appearing in the Restated Financial Information.
ii. Year on year growth rate is calculated by subtracting the value of the previous year from the current year's value, then

dividing by the previous year's value.

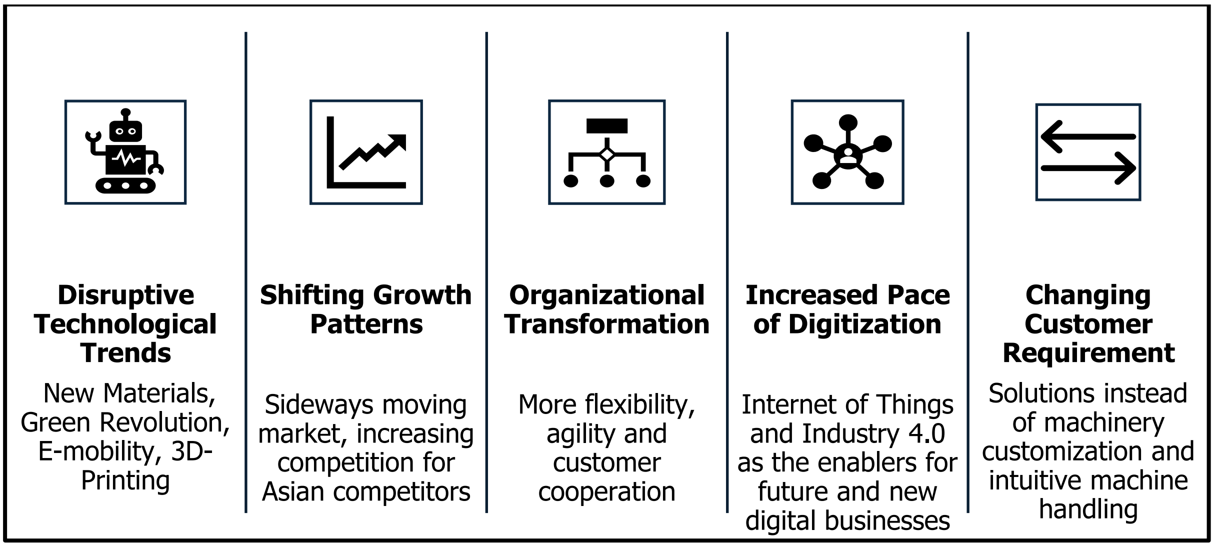
iii. Compound Annual Growth Rate (CAGR) is computed by dividing the value as at the year-end by its value at the beginning of that period, raise the result to the power of one divided by the period length, and subtract one from the subsequent result [(End Value / Start Value) ^ (1 / Periods) – 1)].
iv. EBITDA is calculated as profit/ (loss) for the year less exceptional items and other income plus finance costs, depreciation and amortisation, and total income tax expenses
v. EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
vi. PAT is restated Profit/ (Loss) or the period/ year as appearing in the Restated Financial Information.
vii. PAT Margin refers to the percentage margin derived by dividing Profit after Tax by Revenue from Operations.
viii. Return on Capital Employed (ROCE) is calculated as earnings before interest and taxes divided by Average Capital Employed for the period/year.
   - Earnings before interest and tax is calculated as restated profit / (loss) for the period /year plus total tax expense / (credit) plus finance costs.
   - Average Capital Employed is calculated as the average of Total Equity, Total Debt, and Deferred Tax Liability for the current and previous financial period/year.
ix. Current Ratio is Calculated as Current asset divided by Current Liabilities.
x. Return on Equity (ROE) refers to restated profit for the year/period attributable to equity shareholders of our Company divided by average Equity for the period/year.
xi. Working Capital Days are calculated by dividing the number of days in the year/period by the Operating Working Capital Turnover Ratio based on Consolidated Financial Data
xii. The Operating Working Capital Turnover Ratio is determined by dividing the revenue from operations by the operating working capital
xiii. Order book reflects the total backlog of the Company calculated as Opening Backlog add Orders Intake during the year / period Less Sales during the year / period.
xiv. Order Intake reflects the new orders received and booked during the year / period.

OUR STRATEGIES

We believe that the following strategies in conjunction with the aforementioned strengths will propel our further growth.

Consolidating our position in the Industrial Automation industry in India and diversifying our Industrial Automation solutions

We are the only established Indian player in the oil and gas terminal automation market *(Source: CARE Report)*. The Oil and Gas Terminal Automation Market is a rapidly growing and competitive industry. As of April 2024, there are 313 POL terminals in India. Between CY19 and CY23, the Indian automation market for the petrochemical sector increased at a CAGR of 8.6%. Automation in the Indian petrochemical industry is expected to evolve at CAGR of 15.5% between CY24 and CY29, with ongoing developments resulting in more intelligent, efficient, and sustainable operations. This shift is critical to the industry's worldwide competitiveness. *(Source: CARE Report)* Further, the domestic industrial automation industry is undergoing significant developments driven by technological advancements, market trends, and evolving customer demands. Key industry developments in the domestic industrial automation sector:



(Source: CARE Report)

Set out below are details of revenue we generated from customers in the Oil and Gas industry in the 6 months ended September 30, 2024, and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, based on our Restated Consolidated Financial Information.

End-user industry	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations
Oil & Gas industry	882.43	83.37	1,679.53	89.23	1,280.94	91.22	1,148.26	84.68

We intend to continue to strengthen our existing capabilities and improve our existing manufacturing unit by upgrading our facilities to accommodate the assembly of larger Metering Skids and installing solar panels across our existing facilities, towards which we intend to deploy a sum of ₹ 93.09 million from the Net Proceeds. We expect that we are poised to capitalize on the growth in the automation in the petrochemical industry.

Additionally, we also intend to foray into the brewery automation industry. The primary areas where automation is used in breweries are in the processes of processing raw materials, saccharification, filtration, boiling and brewing, fermentation and storage, and filling and packing. Automation helps brewers control every stage of the production of liquor, thereby producing high-quality liquor. Automated systems also help streamline operations, reduce labor costs and the time required for processes. The Indian Brewery Automation Industry grew at a CAGR of 8.16% from CY19 to CY23 and reached at USD 26 million, the same is expected to grow at a CAGR of 18.03% from CY24 to CY29 and reach USD 71 million. The increased growth rate is attributable to the increasing adoption of Industry 4.0 technologies, deployment of AI driven services, various government initiatives like "Make in India" and "Digital India". All these factors aim to promote the adoption of advanced technologies, including automation, to strengthen the manufacturing sector and digital infrastructure. *(Source: CARE Report)* In this regard, our Company has already initiated the process of developing the solution through our expertise and domain knowledge as well as through site visits through "supervisory control and data acquisition" systems along with engineered instrumentation. With our expertise of undertaking complex automation projects we believe we are well equipped to benefit from the potential growth in the Indian brewery automation industry.

Diversify and broaden our existing products portfolio

Currently, a vast majority of our revenues are derived from our IA Solution business vertical. While we will continue to focus on and expand our business interests in this vertical we also believe it is important to diversify our product offerings to broad base our portfolio. In furtherance of this intent, we have through AST Environmental Solutions Pvt Ltd ventured into, and set up a manufacturing facility at GIDC, Vadodara, with an installed capacity of 16,000 litres per day to manufacture DEF. AST Enviro is also one of the few entities in India to obtain a license to use the Adblue® trademark from the VDA (*Verband der Automobilindustrie*, *Germany*). DEF is essential for reducing the emission of greenhouse gas, NOx into the environment. We are evaluating the potential of setting up additional manufacturing facilities in India through our Subsidiary to benefit from the anticipated increase in requirement for DEF in India and overseas. To this end, our Company is proposing to fund our Subsidiary through a debt facility. Further, we are actively evaluating options of expanding our portfolio and our business through this inorganic route. This inorganic growth is expected to be focussed on targets engaged in (i) manufacturing of automation related products; and (ii) AI-driven software development. We propose to utilise the sums of money that we have raised in Fiscal 2024 and now invested in mutual funds to fund the aforementioned initiatives along with other internal accruals that are available to us.

Further, we have, recently, through our Associate Company, i.e., Terranomous Systems Private Limited (**Terranomous**) ventured into development and manufacturing of AI based force multipliers. We hold a 49.95% equity stake in Terranomous with Edgeforce Solutions Private Limited holding 49.95%. On Terranomous has been recognised as a start-up by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India. India's defense automation market is growing quickly as the nation strives to modernize its armed forces and lessen its need on foreign technology. This industry's automation market includes a range of technologies, including as robotics, AI, unmanned systems, and sophisticated production techniques. India has made significant investments in unmanned aerial vehicles (UAVs), unmanned ground vehicles (UGVs), and other robotic systems for surveillance, reconnaissance, and battle. (*Source: CARE Report*) We intend to further evaluate and grow this aspect of the business depending on future opportunities.

Expanding our geographic footprint with a particular focus on the Middle East, Africa and South America

A vast proportion of our revenue from operations in 6 months September 30, 2024, and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, based on our Restated Consolidated Financial Information was derived from India, and geographical break-up of our revenues were as set out below.

Particular	**6 months ended September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Revenue (in ₹ million)	**% of revenue from operations**	**Revenue (in ₹ million)**	**% of revenue from operations**	**Revenue (in ₹ million)**	**% of revenue from operations**	**Revenue (in ₹ million)**	**% of revenue from operations**
India	1,034.76	97.76	1,836.39	97.56%	1,332.60	94.90%	1,321.19	97.43%
Exports	23.67	2.24	45.93	2.44%	71.63	5.10%	34.82	2.57%
Total	**1,058.43**	**100.00**	**1,882.32**	**100.00**	**1,404.23**	**100.00**	**1,356.01**	**100.00**

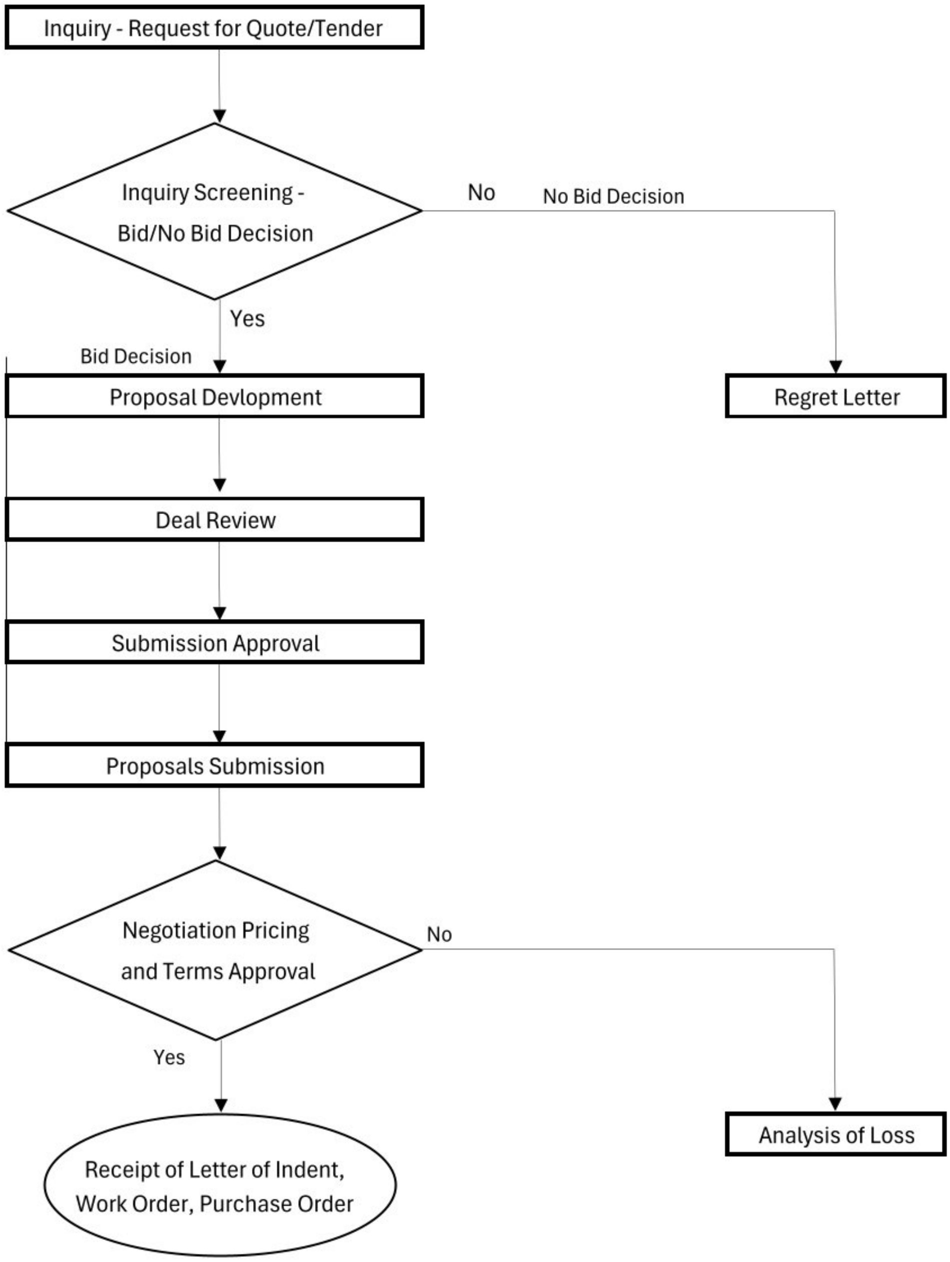
We have, in the past, executed a number of Terminal Automation projects across 9 countries in Asia (excluding India) and Africa including Bangladesh, Ghana, Nigeria, Oman, Switzerland and Saudia Arabia. These projects, though, were undertaken as opportunities arose and we had not actively focussed on overseas markets. We now propose to augment our focus on overseas markets, generally, and in particular Middle East, Africa and South America. We are in the process of setting up a dedicated team to pursue opportunities outside India and we are actively engaging with the dealers to expand our reach. We intend to further reorganize our global partnerships to drive and capitalize on opportunities that exist in each of the areas.

(Remainder of this page has been intentionally left blank)

BUSINESS OPERATIONS

Tender Process

Set out below is a flowchart depicting a typical tender process.



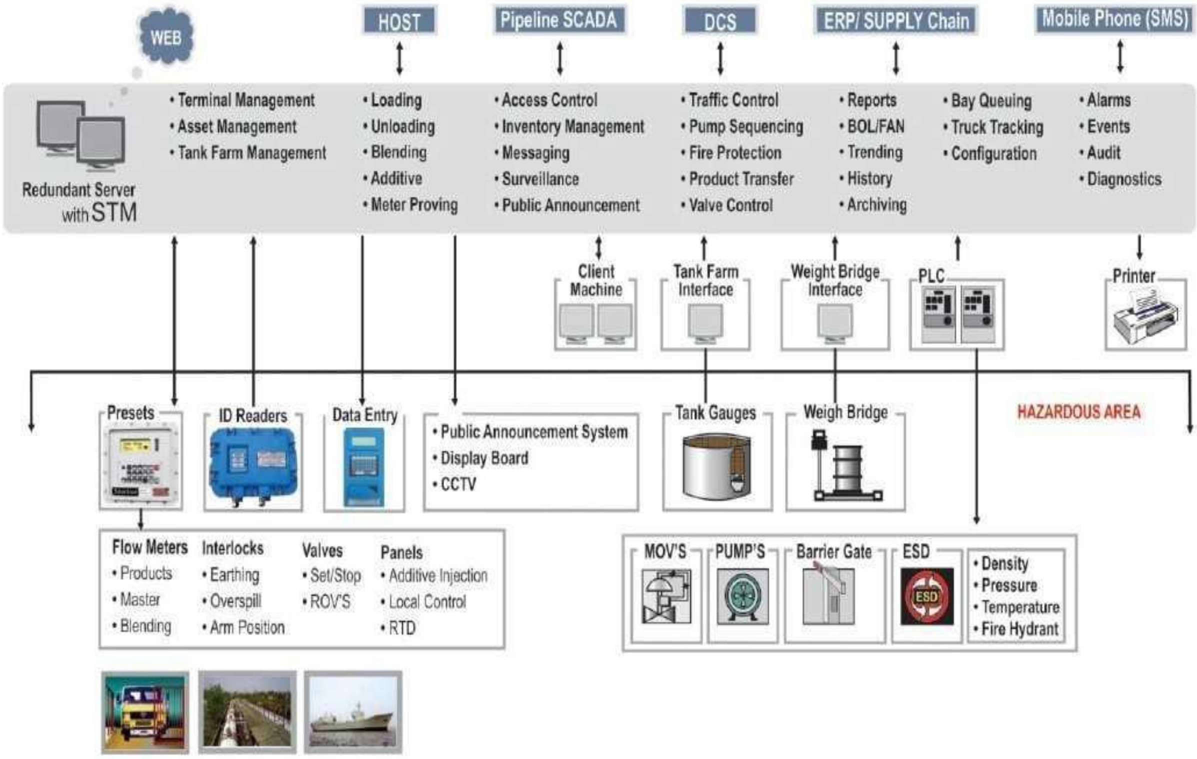
Terminal Automation

The key components of a TAS include:

- Centralized Software Platform – integrates and manages all operations and provides real-time monitoring, reporting, and control of terminal activities.

- SCADA – monitors and controls equipment such as pumps, valves, and sensors. It ensures real-time data collection and process visualization
- Field Instruments and Sensors – include flow meters, batch controllers, earthing relays and temperature sensors. It provides data for process optimization and safety monitoring.
- Loading and Unloading Automation – automated loading arms and flow meters ensure accurate product dispensing. These integrated systems verify load specifications, vehicle type, and safety checks before operations
- Access Control and Security Systems – includes RFID or biometric systems control access to the terminal.
- Integration with ERP Systems – connects with enterprise resource planning systems to synchronize data related to inventory, billing, and scheduling to enable seamless business operations and reporting.
- Safety and Emergency Systems – Emergency shutdown systems can halt operations in case of anomalies or hazards. Fire and gas detection systems are integrated for quick response to incidents.

Set out below is a diagrammatic representation of typical terminal automation system.



Terminal Automation refers to the automation of processes with respect to receipt, storage, blending, distribution and accounting of the petroleum products / petrochemical products at terminals, depots, ports, airports and distribution points of oil companies, port operators, railways etc. Terminal automation essentially entails using computer systems and software to make the process of maintaining inventory, selling and delivering products more efficient with greater safety and accuracy. The benefits of automating include faster order processing, better inventory control and management, and smoother coordination of deliveries.

The petroleum products / petrochemical products are received through pipelines or from ships / vessels and stored in storage tanks at respective locations. The automation process involves recording of the products received, maintaining inventory in the storage tanks, ensuring safe and highly accurate delivery / dispensing of the products through tankers or railway wagons or barge's and updating the records with respect to sales effected. It also includes various safety and allied sub-systems such as closed-circuit television surveillance (CCTV) surveillance, weigh bridge system, fire alarm system. Major equipment involved include flow meters, tank gauging instruments, control valves, programmable logic controller, cables, computer systems and peripherals and software.

We provide comprehensive end-to-end solutions comprising design, engineering, assembly, supply, installation commissioning and post warranty services for terminal automation systems. Our systems are designed for truck loading terminals, railway wagon loading terminals, barge loading facilities, LPG handling facilities, port terminal automation etc.

Manufacturing unit

We operate our business from our manufacturing unit located at 299/300 GIDC Makarpura, Vadodara 390010, Gujarat. Since our Company engages in manufacturing of products which are engineered basis the specification provided by our customers, installed and utilised capacity details are not applicable and relevant in our context.

Products

Set out below are brief details of our products.

Product	Description	Brief details of application / features
Batch Controller Model: Smartload®	An electronic pre-set controller used to load & unload precise quantities of liquid products like petroleum, chemical etc. in or out of tank storage or pipeline into vehicles, rail wagons, vessels or ships.	Controls loading of base or blended product (up to 4 components) with or without additives. Maintains direct interface with flow meters, safety interlocks, card readers and automation software. Controls digital control valves, and additive injector blocks.
Smart Ground Detector	The earthing relay senses the static-charge potential of the Tanker and provides a safe grounding path for this charge through a low impedance and intrinsically safe electronic module, which is itself housed in an explosion proof enclosure mounted near the loading terminal.	It continuously monitors health of the earth connections and provide ultimate safety to the valuable assets and to the workers serving in hazardous area against fire and explosions that may occurs due to errors in un-healthy ground / static charge generation-accumulation.
Smart Ground Detector+®	This is a micro controller-based grounding device that effectively controls and dissipates static charge with continuous ground loop monitoring and road tanker recognition	Used in Terminal Automation as well as used in wide range of applications like process, chemical, petrochemical, pharmaceutical and paint industries.
Flameproof proximity card reader model: Sentry	Proximity card reader works on non-contact type technology in which the card is read by passing it within few centimetres of the glass window of sentry.	A card reader is used to authenticate the card holder and controls the access of person / vehicle inside any restricted area.
KeySpin®	KeySpin® is an anti-tamper needle valve designed to restrain un-authorised operations in industrial usage where safety and reliability is of utmost importance.	This device has a unique free-spin magnetic locking mechanism to secure the device from vandalism, unauthorized use and tampering.
Pulse transmitters Model: VS 300	Pulse transmitter converts the angular rotation of its input shaft into two separate electrical pulse trains, phase shifted by 90 degree.	It finds use in control systems application as a general purpose, robust, industrial pulse transmitter. It's specifically designed for positive displacement volume flow metering applications in the oil and petrochemicals industry.
Over-Spill detector (Arm Interlock & Anti-Spill Detector)	An intelligent electronic interlock device used to provide safety during liquid loading applications. Arm Interlock ensures proper positioning of top-loading arm and monitors it throughout the loading operation.	It is designed to provide an automatic means to prevent the filling of a container beyond a predetermined level.

Product	Description	Brief details of application / features
	Anti-spill/Overspill prevents over spillage of precious liquid from the tank-truck vehicle.	
Rack Monitor	An overfill protection device for bottom loading tank-trucks.	It is designed to provide an automatic means to prevent the filling of a container beyond a predetermined level.

Some of our products are set out below.

Batch controller

Keyspin®

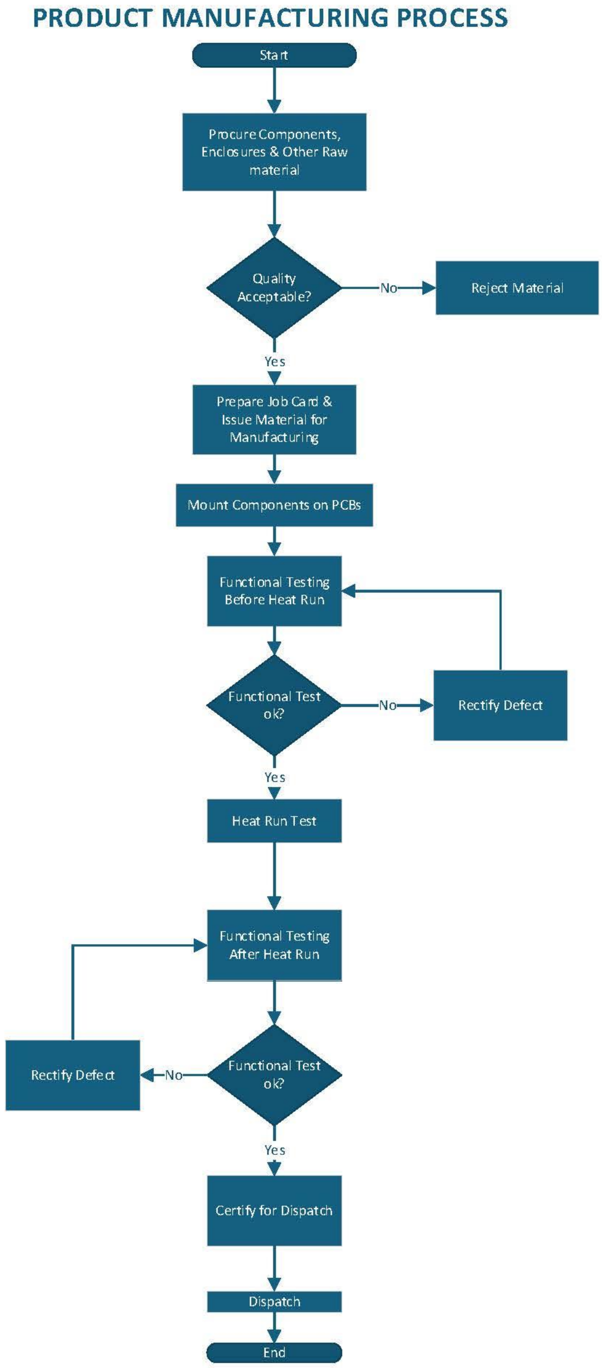
Additive injection system

Pulse transmitter

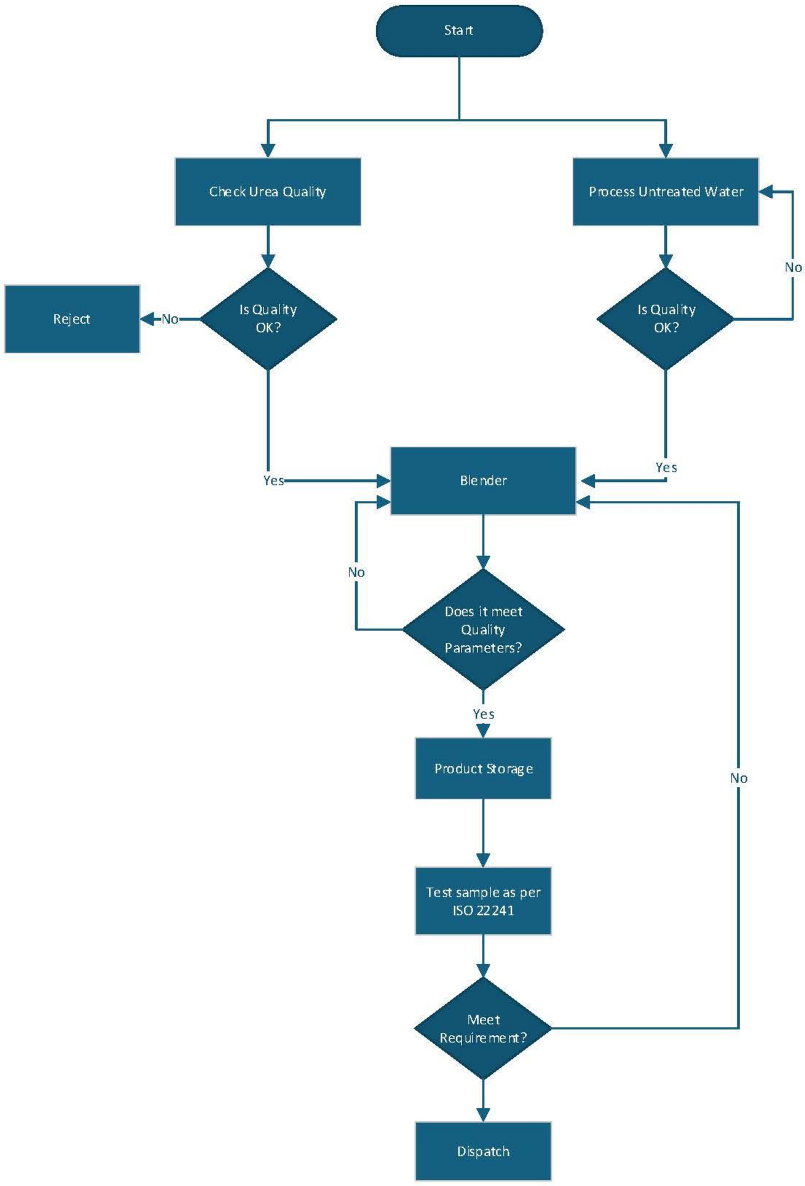
Smart ground detector

Fiscal metering system

Production flowchart



DEF PRODUCTION PROCESS



Our Customers

We count some of India's largest public and private sector oil companies amongst our customers. Set out below are details of our top customer and top 3 customers and top 5 customers, and the revenue from our PSU and non-PSU customers is below.

Particular	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations
Top customer	508.35	48.03	819.85	43.56	643.60	45.83	563.37	41.55
Top 3 customers	856.96	80.97	1,578.44	83.86	1,176.40	83.78	1,017.80	75.06
Top 5 customers	960.90	90.79	1,690.83	89.83	1,226.07	87.31	1,127.28	83.13

Particulars	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from operations (in ₹ million)	As a % of total revenue from operations	Revenue from operations (in ₹ million)	As a % of total revenue from operations	Revenue from operations (in ₹ million)	As a % of total revenue from operations	Revenue from operations (in ₹ million)	As a % of total revenue from operations
PSU Customers	873.82	82.56	1,601.31	85.07	1,182.10	84.18	1,022.07	75.37
Non-PSU customers	184.61	17.44	281.01	14.93	222.13	15.82	333.94	24.63
Total	**1,058.43**	**100.00**	**1,882.32**	**100.00**	**1,404.23**	**100.00**	**1,356.01**	**100.00**

Please also see '*Risk Factor – Our business is significantly reliant on certain key customers, particularly, large oil marketing PSU companies, and the loss of any of these customers or loss of revenue from sales to any key customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.'* on page 29.

Plant and machinery

Our manufacturing facilities comprise an array of plant and machinery. Some of the key plant and machinery include Mixed Signal for Integrated Protocol Analysis, Digital Multimeter, Loading Simulator, Mobile Storage Tank, Flow Meter Calibration Setup, DEF Manufacturing Plant, Heat Chamber, Pulse Counter, LCD Display, PCB design software, PCB design simulation Software etc.

Raw materials / components and vendors

The key raw materials for our business requirements are as follows.

1. Components for manufactured products – flame proof enclosures, integrated circuits, display boards, cards, printed circuit boards, electronic components such as resistors, capacitors etc.

2. Major equipment in automation projects – tank gauging system, mass flow meter, programmable logic controllers, digital control valves, CCTV and surveillance systems, fire alarm systems, computer peripherals.

Our key vendors (*names included to the extent of consents received*) include AME Technologies Private Limited, Aimtron Electronics Private Limited, Brodie International, Cords Cable Industries Private Limited, Cryogenic OGS Limited, Informatics Technologies Private Limited, MM Engineering Industries Private Limited, Vimal Engineering Services and Willstrong Solutions Private Limited.

The materials are sourced through competitive quotes and negotiations.

Utilities

We consume fuel and power for our operations at our manufacturing facilities. Additionally, we have also installed diesel generators in our manufacturing facilities to ensure uninterrupted supply of power. Our manufacturing processes also require water.

Marketing & Sales

The Company undertakes marketing of its products through digital media, direct customer connect and distributors/dealers. A vast majority of our POL termination automation contracts are competitive bids through tenders, and we also secure orders through direct negotiation with private entities.

Logistics

We work with various logistics vendors for movement of its materials from vendor locations to customer locations. Generally, our Company procures materials on ex-works basis and the supply terms with the customer is on FOR site basis. Further the Company also has tie ups with clearing and forwarding agents to ensure smooth export and import logistics.

Customer Service and Support

Under the Customer Service and Support function the Company provides following services:

- Annual Maintenance Contract Services (**AMC**) – Our Company undertakes AMC for the systems supplied by it as well as by others. The AMC can be comprehensive as well as non-comprehensive. Further, under the AMC, we also provide customers with the options of situating a resident engineer at the site to ensure smooth and uninterrupted functioning. The AMC may also be 'visit based' wherein every quarter fixed visits are performed by our engineers to maintain the system. Further, in case of DEF plants set up by us for our Customers, we also undertake operations of the plant along with the AMC.
- Repairs and spares – We undertake repairs of various equipment's supplied under the automation job. We provide the flexibility of the repair being undertaken at our Customers' site or at our factory. Additionally, we also supply spares for various equipments supplied under the automation job.
- Warranty Support – As a part of the after sales support, we provide support during the defect liability or warranty period of the automation system supplied.
- Support Services – The Company provides technical support to the Companies on chargeable basis.
- System Upgradation – The Company provides technical support, design, supply and augmentation / upgradation of existing System.

Quality Control

Our business success depends on the quality of our products and services, and we believe we have invested in robust manufacturing practices. We have developed systems to ensure product quality and customer satisfaction, which are focused on providing products conforming to applicable standards and laws, minimizing risks and ensuring the safety of all our stakeholders including our employees. We have a documented quality policy which highlights our commitment to integrity through documented quality objectives, quality management reviews and a quality culture that employs the 'Lean Six Sigma' methodology. Our management team reviews our 'Quality Policy' annually to assure its continued applicability and effectiveness.

We are ISO 9001:2015 (Quality Management Systems) and ISO 45001:2018 certified (Occupational Health and Safety management System). Further, our products are also certified by various Indian and Global agencies such as the Petroleum and Safety Organisation, Government of India, (**PESO**) the nodal agency for regulating safety of hazardous substances such as explosives, compressed gases and petroleum in India. Further, our products are also certified as appropriate in terms of ATEX, IECEx etc.

Additionally, AST Environmental Solutions Private Limited, our subsidiary is also one of the few entities in India to obtain a license to use the Adblue® trademark from the VDA. In addition to the inspections conducted by the external agencies such as VDA, we also conduct internal inspection to exacting standards.

Information technology

We have implemented various information technology and ERP software solutions to cover key areas of our operations, procurement, dispatch and accounting. We are in the process of migrating to a cloud-based ERP server. The IT team oversees various aspects of our information technology function including establishing and maintaining our ERP systems, and other services to support our business. Further, the IT team is focussed on risk assessment and cybersecurity. We have a Board approved policy for preservation of documents. We continually seek to identify areas where systems upgrades are required to ensure business continuity. We are fully compliant in terms of Software licenses.

Health, safety and environment

Our Company considers the health, safety and well-being of its employees and concern for the environment as the cornerstones of our policy and practices for a sustainable and profitable growth. We are committed to complying with applicable legislations and regulations. In addition, to the extent practicable, we continuously aim to improve our performance in the areas of safety and environment, through appropriate measures to limit and where possible prevent risks and damages to personnel, property and environment. For details of our environmental approvals please see '*Government Approvals'* on page 368. We also periodically conduct safety audits and carry out risk assessment.

Competition

We face competition from domestic players and Indian operations of international players some of whom may have much larger scale of operations than us and, therefore, benefit from economies of scale. Some of our key competitors are ABB India Limited, Honeywell Automation India Limited, Yokogawa India Limited Endress+Hauser (India) Pvt. Ltd. While we compete with the aforementioned entities, there is no direct competitor for our Company in terms of products and size. The peer companies offer comparable products in certain areas which again differs from company to company. (*Source: CARE Report*).

Employees

As of September 30, 2024, our Company had 172 permanent employees. The following table provides information about our Company's permanent employees, as of September 30, 2024.

Department	**Number of Employees**
Management	12
Operation (including Customer Support)	73
Design & Engineering	12
Business Development, Sales and Marketing	13
Quality control (includes software Q&A)	09
Finance and Accounts	10
Procurement and Store	10
Human Resources, Legal and Administrative	02
Information Technology (Software)	24
Plant Operations	07
TOTAL	**172**

In addition, as of September 30, 2024, we had 131 employees on contract basis.

Our human resource department continuously focuses on employee engagement and training, which further helps in achieving the strategic objectives of the organization. For the 6 months ended September 30, 2024, and for Fiscal 2024, Fiscal 2023 and Fiscal 2022, our employee benefits expense based on our Restated Consolidated Financial Information were ₹ 104.44 million, ₹ 196.44 million, ₹ 151.43 million and ₹ 129.32 million.

The table below provides the attrition rate for our employees for the 6 months ended September 30, 2024 Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	**6 months ended September 30, 2024**	**Financial Year ended March 31, 2024**	**Financial Year ended March 31, 2023**	**Financial Year ended March 31, 2022**
No of employee's left during the year / period (**A**)	13	32	26	19

Particulars	6 months ended September 30, 2024	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
No of employees at the beginning of the year / period + No of employees joined during the year / period (**B**)	185	191	169	150
Employee attrition ratio (**A/B**) (%)	7.03%	16.75%	15.38%	12.67%

Note: *Employee attrition ratio is calculated as number of employee's left during the year/period / (number of employees at the beginning of the year/period + number of employees joined during the year/period)*

Insurance

We maintain insurance coverage that is customary in our industry, including the terms of and the coverage provided by such insurance. We maintain project all risk cover, property and stock insurance, marine insurance, group personal accident insurance, mediclaim insurance, employee compensation insurance etc. Also see, "*Risk Factors - Our Company's operations are subject to varied business risks and our Company's insurance cover may prove inadequate to cover the economic losses of our Company*" on page 53.

Intellectual Property

Our intellectual property comprises trademarks which are associated with our business. Details of our key trademarks registered in our Company's name are as set out below:

Sr. No.	Application Number	Trade mark	Class	Date of application / registration / renewal	Status	Validity
1.	2038157	ADVANCED SYSTEK	42	October 15, 2010	Registered*	October 15, 2030
2.	4368236	AST-SCADA	9, 41 & 42	December 5, 2019	Registered	December 4, 2029
3.	4381669	Asset Surveiller	9 & 42	December 18, 2019	Registered	December 17, 2029
4.	2037920	SmartLoad	9	October 14, 2010	Registered*	October 14, 2030
5.	2582572	Smart Ground Detector +	9	August 20, 2013	Registered*	August 20, 2033
6.	6011364	Smart Ground Detector i+	9	July 7, 2023	Objected	-
7.	4619318	KeySpin	7	August 21, 2020	Registered	August 21, 2030
8.	4619319		7	August 21, 2020	Registered	August 21, 2030

** Renewed*

<u>*Domain Names*</u>

Sr. No.	Domain Name	Application / registration date	Registering authority	Current status	Expiry date	Name of the country where registration has been procured
1.	advancedsystek.com	March 12, 2018	Bestow	Registered (Annual subscription)	1 year from the last renewal date	India

Sr. No.	Domain Name	Application / registration date	Registering authority	Current status	Expiry date	Name of the country where registration has been procured
					i.e., October 24, 2025	
2.	ast.sofware	February 9, 2022	Bestow	Registered (Annual subscription)	1 year from the last renewal date i.e., September 05, 2025	India
3.	ast.org.in	April 5, 2018	Bestow	Registered (Annual subscription)	1 year from the last renewal date i.e., May 04, 2025	India

Corporate Social Responsibility

Our Company and its employees are conscious of their role in society and are keen to participate in social welfare measures. We have constituted a CSR Committee which oversees our CSR activities and compliance. The areas of our CSR activities are promoting education, art and culture, healthcare, destitute care and rural development projects as specified in Schedule VII of the Companies Act, 2013. In Fiscal 2024, Fiscal 2023 and Fiscal 2022 we have contributed ₹ 4.00 million, ₹ 4.60 million and ₹ 3.95 million, in compliance with applicable law, for CSR activities in the areas of healthcare and education. Further, in 6 months ended September 30, 2024, we have made a provision of ₹ 2.21 million towards CSR.

Property

Our Registered Office and Corporate Office, and our manufacturing unit are situated in Vadodara, Gujarat. Set out below are details of some of our properties.

Property	Location	Address	Owned/Leased /Licensed	Name of lessor / licensor	Validity
Registered and Corporate Office and Manufacturing Unit	Vadodara, Gujarat	299-300 G.I.D.C Industrial Estate, Makarpura, Vadodara 390010, Gujarat	Leased	GIDC	99 years from October 22, 1973.

Further, we have non-operational branch offices on leave and license basis. Our Subsidiary’s registered office, corporate office and it manufacturing facility are also located 299-300 G.I.D.C Industrial Estate, Makarpura, Vadodara 390010, Gujarat.

KEY REGULATIONS AND POLICIES

The following is an overview of certain sector-specific relevant laws and regulations which are applicable to the business and operations of our Company. The information detailed in this section has been obtained from publications available in the public domain. The description of laws and regulations set out below is not exhaustive but is indicative and is only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of Indian law, and remain subject to judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For further details of government approvals obtained by our Company, see 'Government and Other Approvals' on page 368.

Business Related Laws

Factories Act, 1948

The Factories Act, 1948 (**Factories Act**) defines a 'factory' to cover any premises which employs 10 or more workers and in which manufacturing process is carried on with the aid of power and any premises where there are at least 20 workers, even while there may not be an electrically aided manufacturing process being carried on. State Governments have the authority to formulate rules in respect of matters such as prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers. It provides such safeguards of workers in the factories as well as offers protection to the exploited workers and improve their working conditions. The penalties for contravention of the Factories Act include fine and imprisonment for the 'occupier' or 'manager' as defined under the Factories Act, and enhanced penalties for repeat offences and contravention of certain provisions relating to use of the hazardous materials.

The Gujarat Factories Rules, 1963 (**Rules**) seek to regulate labour employed in factories in the State of Gujarat and makes provisions for the safety, health and welfare of the workers. The Rules also mandate maintenance of certain statutory registers in the factory.

The Information Technology Act, 2000

The Information Technology Act (Information Technology Act) creates liability on a body corporate which is negligent in implementing and maintaining reasonable security practices and procedures, and thereby causing wrongful loss or wrongful gain to any person, while possessing, dealing, or handling any sensitive personal data or information in a computer resource which is owned, controlled, or operated by it, but affords protection to intermediaries with respect to third party information liability. The Information Technology Act also provides for civil and criminal liability including compensation, fines, and imprisonment for various offences. These include offences relating to unauthorized access to computer systems, damaging such systems or modifying their contents without authorization, unauthorized disclosure of confidential information and commission of fraudulent acts through computers. In April 2011, the Ministry of Electronics and Information Technology, Government of India notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (IT Personal Data Protection Rules) under Section 43A of the Information Technology Act and again in February 2021 notified the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 (Intermediary Guidelines) under Section 87 of the Information Technology Act. The IT Personal Data Protection Rules prescribe directions for the collection, disclosure, transfer, and protection of sensitive personal data. The Intermediary Guidelines provide for a thorough due diligence to be done by the intermediaries and provide a grievance redressal mechanism for resolving complaints from users.

The Digital Personal Data Protection Act, 2023

The Digital Personal Data Protection Act, 2023 which was recently promulgated provides for collection and processing of digital personal data by companies collecting data in digital form or in non-digital form which is digitised subsequently. The Digital Personal Data Protection Act, 2023 is also applicable to processing of digital personal data outside the territory of India, if such processing is in connection with any activity related to offering of goods or services to data principals within the territory of India. The Digital Personal Data Protection Act, 2023 stipulates obligations in relation to collection, recording, organisation, structuring, storage, adaptation, retrieval, use, alignment or combination, indexing, sharing, disclosure by transmission, dissemination or otherwise making available, restriction, erasure or destruction of personal data and appointment of a data protection officer for grievance redressal. In addition, significant data fiduciaries, as defined in the Digital Personal Data Protection Act, 2023 are required to appoint an independent data auditor who will evaluate their compliance with the Data Protection Act.

Legal Metrology Act, 2009

The Legal Metrology Act, 2009 (**Metrology Act**) aims to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. Any transaction/contract relating to goods/class of goods or undertakings shall be as per the weight/measurement/numbers prescribed by the Metrology Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in rules by each state.

Consumer Protection Act, 2019

The Consumer Protection Act (**CPA**) provides for a three-tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of the redressal commissions attracts criminal penalties. The CPA introduced a Central Consumer Protection Council to promote, protect and enforce the rights of consumers executive agency to provide relief to a class of consumers. The CPA brought e-commerce entities and their customers under its purview including providers of technologies or processes for advertising or selling, online marketplace or online auction sites. The COPRA also provides for mediation cells for early settlement of the disputes between the parties.

Micro, Small and Medium Enterprise Development Act, 2006

The Micro, Small and Medium Enterprise Development Act, 2006 (**MSMED Act**) provides for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. The Central Government is empowered to classify by notification, any class of enterprises including inter-alia, a company, a partnership, firm or undertaking by whatever name called, engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 as a: (i) micro enterprise, (ii) small enterprise, or (iii) medium enterprise, based on their investment in plant and machinery as per last the audited financials of the entity. The MSMED Act, inter-alia, stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a micro, small or medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

Shops and Establishment Legislations

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. Our offices are required to be registered under the shops and establishments legislations of the states where they are located.

Fire prevention laws

The State legislatures in India have the power to endow the municipalities with the power to implement schemes and perform functions in relation to matters listed in the 12th Schedule to the Constitution of India, which includes fire prevention and firefighting services. The Chhattisgarh Fire and Emergency Service Act, 2018 includes provisions in relation to fire safety and life saving measures by occupiers of buildings, procedure for obtaining no objection certificate and penalties for non-compliances.

Environmental Legislations

The Environment (Protection) Act, 1986

The Environment (Protection) Act, 1986 (**EPA**) is an umbrella legislation designed to provide a framework for the government to coordinate the activities of various central and state authorities established under various laws, such as the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, etc. The EPA vests with the Government the power to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution. This includes rules for laying down the quality of environment, standards for emission of discharge of environment pollutants from various sources as given under the Environment (Protection) Rules, 1986 and the Environment (Protection) Second Amendment Rules, 2022, inspection of any premises, plant, equipment, machinery, and examination of manufacturing processes and materials likely to cause pollution.

The Water (Prevention and Control of Pollution) Act, 1974

The Water (Prevention and Control of Pollution) Act, 1974 (**Water Act**) aims to prevent and control water pollution by factories and manufacturing units and to maintain and restore the quality and wholesomeness of water. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, using of any new or altered outlet for the discharge of sewage or causing new discharge of sewage, must obtain the consent of the relevant state pollution control board, which is empowered to establish standards and conditions that are required to be complied with.

The Water (Prevention and Control of Pollution) Cess Act, 1977

The Water (Prevention and Control of Pollution) Cess Act, 1977 (**Water Cess Act**) provides for the levy and collection of a cess on water consumed by persons carrying on certain industries and by local authorities. Every person carrying on certain industries and local authorities is required to pay a cess calculated on the basis of the amount of water consumed for any of the purposes specified under the Water Cess Act, at such rate not exceeding the rate specified under the Water Cess Act. A rebate of up to 25% on the cess payable is available to persons who install any plant for the treatment of sewage or trade effluent, provided that they consume water within the quantity prescribed for that category of industries and also comply with the provision relating to restrictions on new outlets and discharges under the Water (Prevention and Control of Pollution) Act, 1974 or any standards laid down under the Environment (Protection) Act, 1986.

The Air (Prevention and Control of Pollution) Act, 1981

The Air (Prevention and Control of Pollution) Act, 1981 (**Air Act**) provides for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant. The state pollution control board must decide on the application within a period of 4 months of receipt of such application. The consent may contain certain conditions relating to specifications of pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the state pollution control board.

Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2016

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2016 (**Hazardous Waste Rules**) define the term 'hazardous waste' and any person who has control over the affairs of a factory or premises or any person in possession of the hazardous waste is classified as an 'occupier'. In terms of the Hazardous Waste Rules, occupiers have been, inter alia, made responsible for safe and environmentally sound handling of hazardous wastes generated in their establishments and are required to obtain license / authorization from the respective state pollution control board for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or the like of the hazardous waste.

Labour Law Legislations

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws, including the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the

Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Payment of Gratuity Act, 1972, the Payment of Bonus Act, 1965, Contract Labour (Regulation and Abolition) Act, 1970, the Maternity Benefit Act, 1961, the Employee's Compensation Act, 1923, Equal Remuneration Act, 1976, the Industrial Dispute Act, 1947, Apprentices Act, 1961, Industrial Employment (Standing Orders) Act, 1946, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, the Equal Remuneration Act, 1976, the Child Labour (Prohibition and Regulation) Act, 1986, and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes:

a. Code on Wages, 2019, which regulates and amalgamates wage and bonus payments and subsumes 4 existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees.

b. Industrial Relations Code, 2020, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. It subsumes the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

c. Code on Social Security, 2020, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, inter alia including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act,1961 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

d. The Occupational Safety, Health and Working Conditions Code, 2020, consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Contract Labour (Regulation and Abolition) Act, 1970 and received the presidential assent on September 28, 2020.

Other than few provisions of the Code on Social Security which have been recently notified, the provisions of these codes shall become effective on the day that the Government shall notify for this purpose.

Laws relating to Taxation

The Goods and Services Tax (**GST**) is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (**CGST**), relevant state's Goods and Services Act, 2017 (**SGST**), Union Territory Goods and Services Act, 2017 (**UTGST**), Integrated Goods and Services Act, 2017 (**IGST**), Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

Further, the Income-tax Act, 1961 (**Income Tax Act**) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or rules made there under depending upon its 'Residential Status' and 'Type of Income' involved. The Income Tax Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc.

Intellectual Property Laws

Intellectual property rights refer to the general term for intangible, intellectual, industrial property rights through patents, copyrights and trademarks and includes geographical indications, trade secrets, and confidential information. In India, patents, trademarks and copyrights enjoy protection under both statutory and common law.

The key legislations governing intellectual property in India and which are applicable to our Company are the Patents Act, 1970, Copyright Act, 1957, the Designs Act, 2000 and the Trade Marks Act, 1999.

Other Applicable Laws

In addition to the above, our Company is also required to comply with the provisions of the Companies Act, 2013 and rules framed thereunder, foreign exchange laws, FDI Policy, Contract Act, 1872 anti-trust laws and other applicable statutes enacted by the Centre or relevant State Governments and authorities for our day-to-day business and operations.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally incorporated as 'Advanced Spectra-Tek Private Limited, at Ahmedabad as a private limited company under the provisions of Companies Act, 1956 and received a certificate of incorporation issued by the RoC on March 16, 1988. Thereafter, pursuant to a special resolution passed by the shareholders of our Company in their meeting on July 25, 2001, the name of our Company was changed to 'Daniel Measurement and Control (India) Private Limited', and a fresh certificate of incorporation dated August 03, 2001, was issued to our Company by the RoC. Subsequently, pursuant to a special resolution passed by the shareholders of our Company in their meeting on October 5, 2007, the name of our Company was changed from 'Daniel Measurement and Control (India) Private Limited', to 'Advanced Sys-Tek Private Limited' and a fresh certificate of incorporation dated October 31, 2007, was issued to our Company by the RoC. Thereafter, pursuant to a special resolution passed by the shareholders of our Company in their meeting on July 5, 2024, the name of our Company was changed from 'Advanced Sys-Tek Private Limited' to its present name i.e. 'Advanced Sys-Tek Limited' and a fresh certificate of incorporation dated September 06, 2024, was issued to our Company by the RoC.

Pursuant to allotment dated March 25, 1989 Spectra Tek UK Limited acquired 3,319 Equity Shares of our Company. Subsequently, Spectra Tek UK Limited was acquired by Daniel Measurement & Control Inc., and the name of our Company changed to 'Daniel Measurement and Control (India) Private Limited' in 2001. Thereafter, Emerson Electric Co USA acquired Daniel Measurement & Control Inc. Further, pursuant to an order dated August 23, 2007 by the High Court of Gujarat, the metering business of our Company was demerged to Emerson Electric Co USA through Daniel Measurement Solutions Private Limited. GE Mauritius Infrastructure Holdings Limited acquired 24,550 Equity Shares from Monali M Kapadia, 633,699 Equity Shares from Mukesh R Kapadia, and 658,249 Equity Shares from Umed Amarchand Fifadra on June 1, 2012, aggregating to 1,316,498 Equity Shares and constituting 67.00% of the paid-up capital of our Company. The entire shareholding of GE Mauritius Infrastructure Holdings Limited aggregating to 1,316,498 Equity Shares and constituting 67.00% of the paid-up capital, was transferred to D.I. Netherlands B.V. constituting 46.22% of the paid-up share capital on May 19, 2017. On December 29, 2017, all the 1,416,498 Equity Shares held by D.I. Netherlands B.V. were acquired by our Promoters i.e., Mukesh R Kapadia and Umed Amarchand Fifadra.

Changes in the Registered Office: Except as disclosed below, there has been no change in the registered office of our Company since its incorporation.

Date of change	Details of the address of Registered office	Reason for change
December 26, 1988	The address of the registered office of our Company was changed from 52 – B Neelkanth Society, Gadarpura, Vadodara, Gujarat, India – 390 015, to Anand Kiran Bunglow, Old Padra Road, (Corner of Vasana Road), Vadodara, Gujarat, India – 390 015.	For operational convenience
July 01, 1994	The address of the registered office of our Company was changed from Anand Kiran Bunglow, Old Padra Road, (Corner of Vasana Road), Vadodara, Gujarat, India – 390 015, to 4th Floor, Rajvee Towers, Old Padra Road, Vadodara, Gujarat, India.	For operational and administrative convenience
May 01, 2006	The address of the registered office of our Company was changed from 4th Floor, Rajvee Towers, Old Padra Road, Vadodara, Gujarat, India, to 299/300, GIDC, Makarpura, B/H Novino Battery, Vadodara, Gujarat, India – 390010.	For operational and administrative convenience

Main Objects of our Company: The main objects contained in the Memorandum of Association are as follows:

1. *To manufacture, purchase, sell or otherwise transfer, lease, import, export, hire, license, use, dispose of, operate, fabricate, construct, distribute, assemble, design, market, recondition, develop, repair, work upon or otherwise generally deal in electronic testing, control and measuring instruments, control instrumentation for communication equipments, supervisory control and data acquisition systems, flow measurement and control systems, pipe line leak detection systems and related mechanical systems, electronic and electrical products, electronic components, materials for electronics, software procedures, peripheral products, moulds, instruments,*

hardware and software systems, machines for registering data preparation, recording, tabulating, printings, which possess and internal intelligence for recognizing and correlating any type of data or information to be processed, facilities, device, products, components and parts thereof or material or articles used in connection therewith.

2. *To render technical consultancy and services including maintenance in connection with the use, purchase, sale, import, export, lease or distribution, license, design, manufacture of any computer and computer related products.*

3. *To manufacture, purchase, sell or otherwise transfer, lease, import, export, hire, license, use, dispose of, operation and maintenance, fabricate, construct, distribute, assemble, design, market, recondition, develop, repair, work upon or otherwise generally deal in plant, machinery, tanks, pipes and related mechanical systems, electronic and electrical products, electronic and mechanical components, software procedures, peripheral products, modules, instruments, hardware and software systems, machines for registering data preparation, recording, tabulating, printings, which possess an internal intelligence for recognizing and correlating any type of data or information to be processed, facilities, devices, products components and parts thereof or materials or articles used in or in relation to manufacture of chemicals or compounds or any other means for controlling pollution.*

4. *To Engineer, supply, install, commission and maintain industrial automation solutions, including but not limited to Terminal Automation for Oil & Gas Industry (solutions for inter alia metering, loading, unloading, storage and distribution, for all industrial applications including for ports, airports etc.), Custody Transfer and other Metering Systems, Measurement, Control and Automation Systems for various applications, SCADA and other Software Application Systems and Solutions, various Injection and other Systems and to manufacture, assemble all products, components etc for any and all Industrial Automation, Access Control, Gas detection, Safety (like Earthing, Overspill etc.), Security, Environment Protection and Autonomous System projects.*

The main objects as contained in our Memorandum of Association enable our Company to carry on the business presently being carried on and proposed to be carried on by our Company.

Amendments to our Memorandum of Association: Set out below are the amendments to our Memorandum of Association in the 10 years preceding the date of this Draft Red Herring Prospectus.

Sr. No.	Date of Shareholders Resolution	Particulars
1.	August 28, 2020	The objects clause of our Memorandum of Association was altered to include the following objects: "…3. *To manufacture, purchase, sell or otherwise transfer, lease, import, export, hire, license, use. dispose of, operation and maintenance, fabricate, construct, distribute, assemble, design, market, recondition, develop, repair, work upon or otherwise generally deal in plant, machinery, tanks, pipes and related mechanical systems, electronic and electrical products, electronic and mechanical components, software procedures, peripheral products, modules, instruments, hardware and software systems, machines for registering data preparation, recording, tabulating. printings, which possess an internal intelligence for recognizing and correlating any type of data or information to be processed, facilities, devices, products components and parts thereof or materials or articles used in or in relation to manufacture of chemicals or compounds or any other means for controlling pollution.*"
		In accordance with the Table A of the Schedule I of the Companies Act, 2013, the Clause III (B) of the Memorandum of Association of our Company was renamed as 'Clause III(B) Matters which are necessary for furtherance of the objects specified in Cause III (A) are' and clauses of III(B) were approved and adopted in substitution of the clauses contained in the old Memorandum of Association of the Company.

Sr. No.	Date of Shareholders Resolution	Particulars
2.	July 05, 2024	The name of our Company was changed from 'Advanced Sys-Tek Private Limited' to 'Advanced Sys-Tek Limited'.
3.	September 03, 2024	Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 48,000,000 divided into 48,00,000 Equity Shares of face value ₹ 10 each to ₹ 300,000,000 divided into 3,00,00,000 Equity Shares of face value ₹ 10 each
4.	January 17, 2025	The objects clause of our Memorandum of Association was altered to include the following objects: "*…4. To Engineer, supply, install, commission and maintain industrial automation solutions, including but not limited to Terminal Automation for Oil & Gas Industry (solutions for inter alia metering, loading, unloading, storage and distribution, for all industrial applications including for ports, airports etc.), Custody Transfer and other Metering Systems, Measurement, Control and Automation Systems for various applications, SCADA and other Software Application Systems and Solutions, various Injection and other Systems and to manufacture, assemble all products, components etc for any and all Industrial Automation, Access Control, Gas detection, Safety (like Earthing, Overspill etc.), Security, Environment Protection and Autonomous System projects…*"

Major events and milestones of our Company:

The table below sets forth the key events in the history of our Company:

Fiscal	Particulars
2024	Received order for Flow Metering System for High Flash High Speed Diesel (HFHSD) at Nhava Supply Base
2024	Started execution of Fuel Farm and Hydrant System facility at Lucknow and Ahmedabad Airport
2023	Received DGAQA and Indian Air Force approval for Company manufactured additive injection system specially used in Fighter jets such as Rafale and Jaguar.
2023	AST Environment Solutions Private Limited received Verband der Automobilindustrie e.V (VDA), Germany approval for its manufactured product Diesel Exhaust Fluid (DEF)
2018	Completed its port automation job for Adani Port, Hazira.
2007	Received purchase order of over ₹ 500.00 million from one of the major players in oil and gas industry in India.
1999	Received its first Port Automation Job in Gujarat.

Awards and Accreditations:

Fiscal	Particulars
2009	Received ISO 9001:2015 (Quality Management System)
2015	Received certificate of appreciation form Bharat Petroleum Corporation Ltd. For extending support and sustenance to Terminal Automation System at Visakha Installation
	Received certificate of appreciation form Bharat Petroleum Corporation Ltd. For extending support and sustenance to Terminal Automation System at Cherlapally Installation
2024	Received ISO 45001:2018 (Occupational health and safety Management System)

1. **Other details regarding our Company**

For details regarding the description of our activities, products, market of each segment, the growth of our Company, technology, management, major suppliers and customers, exports, location, environmental issues, market, marketing and competition, see '*Our Business', 'Our Management'* and *'Industry Overview*' on pages 196, 230, and 146, respectively.

2. **Defaults or rescheduling/restructuring of borrowings with financial institutions/banks**

There have been no defaults or rescheduling/restructuring of our outstanding borrowings availed by our Company from financial institutions or banks.

3. **Time/cost overrun in setting up projects**

There have been no time/cost overruns pertaining to setting up of projects by our Company as on the date of this Draft Red Herring Prospectus.

4. **Launch of key products or services, entry into new geographies or exit from existing markets**

For details regarding launch of key products/ services, entry into new geographies or exit from existing markets, see '*Our Business'* and *'History and Certain Other Corporate Matters – Major events and milestones of our Company'* on pages 196 and 222, respectively.

5. **Capacity / facility creation, location of plants**

For details regarding capacity/ facility creation, location of plants, see '*Our Business'* on page 196.

6. **Details regarding material acquisition of business/undertakings, mergers, amalgamations and revaluation of assets in the last 10 years**

Our Company has not acquired any business or undertaking in the last 10 years. Further, our Company has not undertaken any merger, amalgamation or revaluation of assets in the last 10 years.

7. **Our Holding Company**

As on the date of this Draft Red Herring Prospectus, our Company has no holding company.

8. **Our Subsidiary**

As on the date of this Draft Red Herring Prospectus, our Company has 1 subsidiary. For further details, please see '*Our Subsidiaries*' on page 228.

9. **Details of our Joint Ventures and Associate Companies**

As on the date of this Draft Red Herring Prospectus, our Company has 1 associate company i.e., Terranomous Systems Private Limited. There are no joint ventures of our Company as on the date of this Draft Red Herring Prospectus. Set out below are the details of our Associate Company:

Terranomous Systems Private Limited

Corporate Information

Terranomous Systems Private Limited was incorporated as a private limited company on August 25, 2022, under the Companies Act, 2013 with the Registrar of Companies, Gujarat at Ahmedabad. Its corporate identity number is U72900GJ2022PTC134981. Its registered office is situated at 299-300, G.I.D.C Estate, Makarpura, M.I. Estate, Vadodara – 390010, Gujarat, India.

Nature of Business

Terranomous Systems Private Limited is engaged in the business relating to design, re-design, develop, manufacture, purchase, sell or otherwise transfer, import, export, use, dispose of, distribute, market, sublicence, or otherwise generally deal in systems, technologies, software, products, assemblies, sub-assemblies, radars, drones, vehicles, cameras, equipment, and allied products based on state-of-the-art technology and artificial intelligence and to provide products, systems and solutions in the area of safety, artificial intelligence, surveillance, robotics and allied fields.

Capital Structure

The authorised share capital of Terranomous Systems Private Limited is ₹ 500,000 divided into 50,000 equity shares of ₹ 10 each.

Shareholding Pattern

The shareholding pattern of Terranomous Systems Private Limited is set out below:

Sr. No.	Name of Shareholders	No. of Equity Shares	Face Value (₹)	Percentage shareholding (%)
1.	Advanced Sys-Tek Limited	14,985	10.00	49.95
2.	Edgeforce Solutions Private Limited	14,985	10.00	49.95
3.	Raman Haren Jokhakar	30	10.00	0.10
Total		**30,000**	**-**	**100.00**

Amount of accumulated profits or losses

There are no accumulated profits or losses of Terranomous Systems Private Limited that have not been accounted for by our Company in the Restated Consolidated Financial Information.

Common pursuits

There are no common pursuits between our Company and our Associate Company.

Business Interest

Other than as disclosed in the "*Restated Consolidated Financial Information*" at page 258, there are no business interests between our Company and our Associate Company as on the date of this Draft Red Herring Prospectus. However, our Company is in the process of purchasing an artificial intelligence system from Terranomous Systems Private Limited for a consideration aggregate to ₹ 3.03 million.

Other confirmations

The securities of our Associate are not listed on any stock exchange in India or abroad. Further, our Associate has not been refused listing of its securities by any stock exchange in India or abroad during the last 10 years, nor have they failed to meet the listing requirements of any stock exchange in India or abroad.

The registered office of our Associate Company is situated at the Registered and Corporate Office of our Company. There is no conflict of interest between our Associate or any of their respective directors and the lessors of immovable properties of our Company (who are crucial for the operations of our Company).

Except as disclosed in '*Restated Consolidated Financial Information –Related Party Transactions*' there is no conflict of interest between our Associate or any of their respective directors and the suppliers of raw materials and third-party service providers of our Company (who are crucial for the operations of our Company).

10. **Guarantees given by the Promoter participating in the Offer for Sale**

Our Promoters, Mukesh R Kapadia and Umed Amarchand Fifadra, who are also the Selling Shareholders have issued personal guarantees in relation to loans availed by our Company. Set out below are the details of the said personal guarantees. For further details, please see '*Financial Indebtedness*' on page 326.

Name of the Promoter	Name of the Lender	Type of Facility	Sanctioned Amount (in ₹ million)	Purpose of the Facility
Mukesh R Kapadia and Umed Amarchand Fifadra,	HDFC Bank Limited	Cash credit facility	100.00	Working capital requirements
		Bank guarantee including letter of credit	1,000.00	
Mukesh R Kapadia and Umed Amarchand Fifadra,	ICICI Bank Limited	Cash credit facility	100.00	
		Bank guarantee including letter of credit	400.00	

11. **Agreements with Key Managerial Personnel, Senior Management, Directors or Promoter or any other employee**

There are no agreements entered into by our Key Managerial Personnel, Senior Management, Promoters, Directors or any other employee of our 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 our Company.

12. **Summary of key agreements with strategic partners, joint venture partners and / or financial partners**

As on the date of this Draft Red Herring Prospectus, our Company does not have any strategic partners, joint venture partners and / or financial partners.

13. **Details of subsisting shareholders' agreement**

As on the date of this Draft Red Herring Prospectus, there are no agreements entered into by and between our Company and Shareholders of our Company or any inter-se Shareholders with regard to rights and obligations in connection with the securities of our Company.

14. **Material Agreements**

There are no other material agreements (except agreements entered in the ordinary course of business) have been entered into by our Company as on the date of this Draft Red Herring Prospectus. Further, there are no other agreements/ arrangements and clauses / covenants which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision.

OUR SUBSIDIARY

Our Company has 1 subsidiary as on the date of this Draft Red Herring Prospectus, details of which are set out below:

1. AST Environment Solutions Private Limited

Corporate Information

AST Environment Solutions Private Limited was incorporated as a private limited company on February 2, 2022, under the Companies Act, 2013 with the Registrar of Companies, Gujarat at Ahmedabad. Its registration number is 129033 and its corporate identity number is U24230GJ2022PTC129033. Its registered office is situated at 299-300, GIDC Makarpura, Vadodara – 390010, Gujarat, India.

Nature of Business

AST Environment Solutions Private Limited is involved in the business relating to manufacture, purchase, sell or otherwise transfer, import, export, use, dispose of, distribute, market, develop, or otherwise generally deal in chemicals products and its solutions having applications in safety, sustainability and environment protection.

Capital Structure

The authorized share capital of AST Environment Solutions Private Limited is ₹ 1,500,000 divided into 150,000 equity shares of ₹ 10 each and its issued, subscribed and paid-up equity share capital is ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each.

Shareholding Pattern

The shareholding pattern of AST Environment Solutions Private Limited is set out below:

Sr. No.	Name of Shareholders	No. of Equity Shares	Face Value (₹)	Percentage shareholding (%)
1.	Advanced Sys-Tek Limited	99,900	10.00	99.90
2.	Shirish Madhukar Adi	100	10.00	0.10
Total		**100,000**	**-**	**100.00**

Interest of our Company

Our Company holds 99.90% shareholding in AST Environment Solutions Private Limited.

Accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of the Subsidiary that have not been accounted for by our Company in the Restated Consolidated Financial Information.

Interest in our Company

Except as disclosed in '*Our Business*' and '*Restated Consolidated Financial Information'* on pages 196 and 258, respectively, our Subsidiary does not have any business interest in our Company.

Common pursuits

There are no common pursuits between our Company and our Subsidiary.

Other confirmations

The securities of our Subsidiary are not listed on any stock exchange in India or abroad. Further, our Subsidiary has not been refused listing of its securities by any stock exchange in India or abroad during the last 10 years, nor have they failed to meet the listing requirements of any stock exchange in India or abroad.

The registered office of our Subsidiary is situated at the Registered and Corporate Office of our Company. However, there is no conflict of interest between our Subsidiary or any of their respective directors and the lessors of immovable properties of our Company (who are crucial for the operations of our Company).

Except as disclosed in '*Restated Consolidated Financial Information –Related Party Transactions*' there is no conflict of interest between our Subsidiary or any of their respective directors and the suppliers of raw materials and third party service providers of our Company (who are crucial for the operations of our Company).

OUR MANAGEMENT

Board of Directors

In accordance with the Companies Act and our Articles of Association, our Company must have not less than 3 and not more than 15 Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises of 6 Directors (including 1 women independent directors), of whom 3 are Executive Directors and 3 are Independent Directors.

The following table sets forth details regarding our Board as on the date of filing of this Draft Red Herring Prospectus.

Sr. No.	Name, designation, term, period of directorship, address, occupation, date of birth and DIN	Age	Other Directorship
1.	**Shirish Madhukar Adi** **Designation**: Managing Director **Current Term**: From October 16, 2023, for a period of 5 years **Period of Directorship**: Managing Director since October 16, 2023. **Address**: 22, Sherwoods – 23, B/ S Vicenza Highlands Khanpur, Gujarat, India, Vadodara – 391101. **Occupation**: Professional **Date of Birth**: October 15, 1965 **DIN**: 03259129	59	*Indian Companies* • AST Environment Solutions Private Limited *Foreign Companies* Nil
2.	**Mukesh R Kapadia** **Designation**: Whole Time Director **Current Term**: From September 11, 2024, for a period of 5 years. **Period of Directorship**: Director since June 1, 2012 **Address**: 7, Charotar Society, Near Manisha Circle, Old Padra Road, Vadodara – 390020. **Occupation**: Business **Date of Birth**: June 21, 1950 **DIN:** 00048621	74	*Indian Companies* • Terranomous Systems Private Limited • AST Environment Solutions Private Limited *Foreign Companies* Nil
3.	**Umed Amarchand Fifadra** **Designation**: Whole Time Director **Current Term**: From September 11, 2024, for a period of 5 years. **Period of Directorship**: Director since June 1, 2012	75	*Indian Companies* • Advanced Utility Management Private Limited • Terranomous Systems Private Limited

Sr. No.	Name, designation, term, period of directorship, address, occupation, date of birth and DIN	Age	Other Directorship
	Address: Chiroshi, Plot No. 4 & 5 Tandalja Road, Old Padra Road Corner, Vadodara, Gujarat, India – 390020. **Occupation**: Business **Date of Birth**: November 25, 1949 **DIN**: 00049036		• Kreate Konnect E-Solutions Private Limited • AST Environment Solutions Private Limited *Foreign Companies* Nil
4.	**Sharma Deepti** **Designation**: Independent Director **Current Term**: From July 5, 2024, for a period of 3 years. **Period of Directorship**: Independent Director since July 05, 2024. **Address**: A-1/6 Shantidham Bunglows, Near Navrachna University Vasna Bhayli Road, Bhayli, Vadodara - 391410. **Occupation**: Business **Date of Birth**: October 13, 1967 **DIN**: 03630613	57	*Indian Companies* • Axtel Industries Limited • Uttar Gujarat Vij Company Limited • Patel Infrastructure Limited • Banco Aluminum Private Limited • Rex-Tone Industries Limited • Bundy India Limited • Panasonic Energy India Company Limited *Foreign Companies* Nil
5.	**Hemant Vithaldas Udeshi** **Designation**: Independent Director **Current Term**: From August 23, 2024, for a period of 3 years. **Period of Directorship**: Independent Director since August 23, 2024. **Address**: A-42, Avalons Greenwood, Opposite Hanuman Mandir, Sevasi, Vadodara, Gujarat - 391101 **Occupation**: Business **Date of Birth**: September 20, 1957 **DIN**: 00529329	67	*Indian Companies* • Jayant Agro - Organics Limited • Jacaco Private Limited • Terranomous Systems Private Limited *Foreign Companies* Nil
6.	**Sunil C Vakil** **Designation**: Independent Director	68	*Indian Companies* • Shivam Autotech Limited

Sr. No.	Name, designation, term, period of directorship, address, occupation, date of birth and DIN	Age	Other Directorship
	Current Term: From July 5, 2024, for a period of 3 years. **Period of Directorship**: Independent Director since July 05, 2024. **Address**: 202, Misuja Court Flat, Near Manisha Society, Saiyed Vasna Road, Vadodara - 390007 **Occupation**: Business **Date of Birth**: May 6, 1956 **DIN**: 02527630		• Munjal Auto Industries Limited • Dinesh Remedies Limited • Amitysoft Technologies Private Limited • Woleco India Private Limited • International Hotel Supply (India) Private Limited • Conart Engineers Limited • Eimco Elecon (India) Limited *Foreign Companies* Nil

Brief Profile of our Directors

Shirish Madhukar Adi, aged 59 years, is the Managing Director of our Company. He has completed his Bachelor of Engineering in Electronics from the Maharaja Sayajirao University of Baroda. He is responsible for looking into the day-to-day operations of our Company including preparing strategy for achieving the goals of our Company and oversees Business Development, Sales, Operations, Finance, Service & HR Functions of our Company. Prior to joining our Company, he was associated with Copeland India Private Limited (formerly known as Emerson Climate Technologies (India) Private Limited). He has around 34 years of experience in administration and management.

Mukesh R Kapadia, aged 74 years, is one of the Whole-Time Directors of our Company. He has completed his Masters' degree in Science from Texas A&I University in Kingsville with a major in electrical engineering and a minor in mathematics and computer science. He is responsible for the technological advancements to support our Company's business goals. He mentors the new product development team in our Company and other strategic initiatives. He has around 36 years of experience in automation industry.

Umed Amarchand Fifadra, aged 75 years, is one of the Whole-Time Directors of our Company. He has completed his Bachelor's degree of Engineering (Electrical) from Walchand College of Engineering, Kolhapur. He is responsible for Company's financial performance, investments and other business ventures. He also mentors the business development team of our Company for new business opportunities in existing as well as new markets. He has around 36 years of experience in automation industry.

Sharma Deepti, aged 57 years, is one of the Independent Directors of our Company. She has completed her Master of Business Administration from Mohanlal Sukhadia University, Udaipur. She is currently a partner in Finncare India Consulting LLP. Prior to joining our Company, she was associated with Conart Engineers Limited. She has been associated with listed companies as a director and has around 5 years of experience.

Sunil C Vakil, aged 68 years is one of the Independent Directors of our Company. He is a member of the Institute of Chartered Accountants of India and has his own sole proprietorship. He has been associated with other companies as directors and has around 34 years of experience.

Hemant Vithaldas Udeshi aged 67 years, is one of the Independent Directors of our Company. He has completed his Bachelor of Science in Chemistry, from University of Bombay and holds a Bachelor degree of Science in Industrial

Engineering from the University of Houston. He has been associated with other companies as directors and has around 32 years of experience.

Confirmations

None of our Directors were or are directors of listed companies during the preceding 5 years of this Draft Red Herring Prospectus whose shares have been / were suspended from being traded on any stock exchange during his / her tenure as a director of such listed company.

Sunil C Vakil, one of our Independent Directors was a director of Gujarat Metal Cast Industries Limited which was voluntarily delisted from Ahmedabad Stock Exchange and Vadodara Stock Exchange Limited during his tenure as a director. Set out below are the details in relation to the delisting of Gujarat Metal Cast Industries Limited:

Sr. No.	Particulars	Details
1.	Name of the company	Gujarat Metal Cast Industries Limited
2.	Name of the stock exchange(s) on which the company was listed	Ahmedabad Stock Exchange and Vadodara Stock Exchange Limited
3.	Date of delisting on stock exchanges	March 31, 2015
4.	Whether delisting was compulsory or voluntary	Voluntary
5.	Reasons for delisting	Voluntary delisting as Ahmedabad Stock Exchange and Vadodara Stock Exchange Limited were compulsorily de-recognised as stock exchanges
6.	Whether the company has been relisted	No
7.	Date of relisting on give name of stock exchange	NA
8.	Term of directorship (along with relevant dates) in the above company	July 26, 2014 to March 31, 2023

Other than as disclosed above, none of our Directors were or are directors in listed companies which were delisted from the stock exchanges during his / her tenure as a director of such listed company.

None of our Directors have been declared as Wilful Defaulters nor as Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or a fraudulent borrower issued by the RBI.

Except as disclosed in '*Restated Consolidated Financial Information –Related Party Transactions*' and as set out below, there are no conflicts of interest between our Directors or KMPs or members of Senior Management and any lessors of immovable properties taken on lease by the Company (crucial for the operations of the Company):

- Hemant Vithaldas Udeshi, one of the Independent Directors of our Company, is also a director of Terranomous Systems Private Limited i.e., our Associate Company and Group Company. The registered office of Terranomous Systems Private Limited is situated at the Registered and Corporate Office of our Company.

Except as disclosed in '*Restated Consolidated Financial Information –Related Party Transactions*' and as set out below, there are no conflicts of interest between our Directors or KMPs or members of Senior Management and any suppliers of raw materials and third party service providers (crucial for the operations of the Company):

Relationship amongst our Directors and Key Managerial Personnel and, or Senior Management

None of our Directors are related to each other and none of our Directors are related to any of the Key Managerial Personnel and Senior Management of our Company.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, or companies in which they have an interest in, by any person, either to induce any of our

Directors to become or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Further:

1. None of our Directors have been identified as a Wilful Defaulter or Fraudulent Borrower as defined under the SEBI ICDR Regulations; and

2. None of our Directors has been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.

Arrangement or understanding with major shareholders, customers, suppliers or others pursuant to which our Directors were selected as a Director

None of our Directors were selected / appointed as Directors of our Company pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

Service contracts with Directors

None of our Directors have entered into service contracts with our Company which provide benefits upon termination of employment.

Borrowing Powers of our Board

In accordance with the Articles of Association of our Company, and Section 180(1) of the Companies Act, 2013, our Shareholders have pursuant to a special resolution dated July 5, 2024, authorised our Board to borrow any sum or sums of money for the purpose of business of the Company, notwithstanding that the monies to be borrowed together with the money already borrowed by the Company must not exceed the aggregate paid up capital and free reserves, provided however, the maximum amount must not exceed ₹ 2,000 million.

Terms of Appointment of the Executive Directors of our Company

Managing Director

Shirish Madhukar Adi was appointed as the Managing Director of our Company with effect from October 16, 2023, until October 16, 2028 pursuant to the resolution passed by our Board at its meeting dated October 16, 2023. He is entitled to the following remuneration and perquisites with effect from October 16, 2023:

Date of appointment	October 16, 2023
Term of appointment	5 years
Remuneration	₹ 15.00 million per annum
Other Terms and Conditions / Perquisites and allowances of expenses	• The company's contribution to provident funds and superannuation fund to the extent these either singly or put together are not taxable under the Income-tax Act. • Gratuity at the rate of one month's salary, for each year of service. • Leave with full pay as per the rules of the company, with encashment of leave not availed being allowed. • Personal accident insurance policy in accordance with the scheme applicable to employees of the Company. • Free term insurance of ₹ 5,000,000. • Mobile Bill as per Company Mobile Phone expenses policy.

Whole time Directors

Mukesh R Kapadia was appointed as the Whole-Time Director of our Company with effect from September 11, 2024, until September 10, 2029 pursuant to the resolution passed by our Board at its meeting dated September 11, 2024. He is entitled to the following remuneration and perquisites with effect from September 11, 2024:

Date of appointment	September 11, 2024
Term of appointment	5 years
Remuneration	7.2 million
Other Terms and Conditions / Perquisites and allowances of expenses	• Vehicle Maintenance and Petrol Reimbursement up to ₹ 400,000 per annum. • Reimbursement of medical expenses incurred for self and family in India or abroad, including hospitalization, nursing home and surgical charges and in case of medical treatment abroad, the airfare and boarding/lodging expenses for patient and attendant at actuals. • Reimbursement of membership fees for clubs in India or abroad, including any admission / life membership fees up to ₹ 150,000 per annum. • Personal accident insurance policy in accordance with the scheme applicable to senior employees. • Cost of insurance covers against the risk of any financial liability or loss because of any error of judgment, or such other reason as may be approved by the board of directors from time to time. • Reimbursement of entertainment expenses incurred in the course of business of the company. • Chauffeur's salary up to ₹ 300,000 per annum. • Telephone, telefax and other communication facilities up to ₹ 60,000 per annum. • Subject to any statutory ceiling/s, the Non-Independent Director may be given any other allowances, perquisites, benefits and facilities as the Board of Directors from time to time may decide.

Umed Amarchand Fifadra was appointed as the Whole-Time Director of our Company with effect from September 11, 2024 until September 10, 2029 pursuant to the resolution passed by our Board at its meeting dated September 11, 2024. He is entitled to the following remuneration and perquisites with effect from September 11, 2024:

Date of appointment	September 11, 2024
Term of appointment	5 years
Remuneration	7.2 million
Other Terms and Conditions / Perquisites and allowances of expenses	• Vehicle Maintenance and Petrol Reimbursement up to ₹ 400,000 per annum. • Reimbursement of medical expenses incurred for self and family in India or abroad, including hospitalization, nursing home and surgical charges and in case of medical treatment abroad, the airfare and boarding/lodging expenses for patient and attendant at actuals. • Reimbursement of membership fees for clubs in India or abroad, including any admission / life membership fees up to ₹ 150,000 per annum. • Personal accident insurance policy in accordance with the scheme applicable to senior employees. • Cost of insurance covers against the risk of any financial liability or loss because of any error of judgment, or such other reason as may be approved by the board of directors from time to time. • Reimbursement of entertainment expenses incurred in the course of business of the company. • Chauffeur's salary up to ₹ 300,000 per annum.

	• Telephone, telefax and other communication facilities up to ₹ 60,000 per annum. • Subject to any statutory ceiling/s, the Non-Independent Director may be given any other allowances, perquisites, benefits and facilities as the Board of Directors from time to time may decide.

Terms of appointment of our Independent and Non-Executive Directors

Pursuant to a resolution passed by our Board at its meeting held on September 11, 2024, each of our Independent Directors are entitled to receive ₹ 0.05 million as sitting fees for attending each meeting of the Board and ₹ 0.02 million for attending meeting of the Committees of our Board meetings and for any other meeting which shall be conducted by the Company from time to time.

Our Company has not paid any compensation or granted any benefit on an individual basis to any of our Directors (including contingent or deferred compensation) other than the remuneration paid to them for Fiscal 2024.

Payment or benefits to Directors

The details of payments and benefits made to our Directors by our Company, in Fiscal 2024 are as follows:

Executive Directors

(*in ₹ million*)

Sr. No.	Name of the Executive Director	Amount
1.	Mukesh R Kapadia	11.23
2.	Umed Amarchand Fifadra	11.13
3.	Shirish Madhukar Adi	27.35
Total		**49.71**

Independent Directors

(*in ₹ million*)

Sr. No.	Name of Independent Director	Amount*
1.	Hemant Vithaldas Udeshi	Nil
2.	Sharma Deepti	Nil
3.	Sunil C Vakil	Nil
Total		**Nil**

* *Appointed during the financial year 2024-2025*

Remuneration paid by our Subsidiaries

As on date of this Draft Red Herring Prospectus, none of our Directors have received any remuneration from the Subsidiary of our Company.

Bonus or Profit-Sharing Plans

Except as disclosed below, none of our Directors are party to any bonus or profit-sharing plan of our Company:

- Mukesh R Kapadia and Umed Amarchand Fifadra will be eligible for profit-sharing plan of the Company to the extent of 4% of the Profit before Tax and charging Commission in Fiscal 2025.

- Shirish Madhukar Adi will be eligible for profit-sharing plan of the Company to the extent of 2% of the Profit before Tax and charging Commission in Fiscal 2025.

Contingent or Deferred Compensation to our Directors

There is no contingent or deferred compensation payable to our Directors which does not form part of their remuneration.

Shareholding of Directors in our Company

The Articles of Association of our Company do not require our Directors to hold any qualification shares.

The shareholding of our Directors in our Company as of the date of this Draft Red Herring Prospectus is set forth below:

Sr. No.	Name of Director	Number of Equity Shares	Percentage of shareholding (%)
1.	Mukesh R Kapadia	3,928,266	20.43
2.	Umed Amarchand Fifadra	3,928,266	20.43
3.	Shirish Madhukar Adi	50,000	0.26
Total		**7,906,532**	**41.12**

Interest of our Directors

All our Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to each of them, by our Company. Our Independent Directors may be deemed to be interested to the extent the sitting fees and commission, if any, payable to them for attending meetings of our Board and, or committees thereof as approved by our Board and, or, Shareholders, and the reimbursement of expenses payable to them, as approved by our Board.

Except as disclosed under *'Shareholding of Directors in our Company'* above, none of our Directors hold any Equity Shares or any other form of securities in our Company. Further, our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them in our Company.

Our Directors may be deemed to be interested to the extent of certain related party transactions that were undertaken with them by our Company. Our Directors may also be deemed to be interested in the contract or agreements or arrangements to be entered into by our Company in the normal course of business with any company in which they hold directorships or any partnership firm in which they are partners. For further details, see '*Restated Consolidated Financial Information*' on page 258.

Angana Sunil Vakil, daughter of Sunil C Vakil, one of our Independent Directors, purchased 12,000 Equity Shares aggregating to around 0.06% of equity share capital of our Company from Umed Amarchand Fifadra, one of our Promoters and Whole-Time Directors of our Company on October 9, 2024.

Interest in the promotion/formation of our Company

Except Mukesh R Kapadia and Umed Amarchad Fifadra, our Whole-Time Directors, none of our Directors have any interest in the promotion of our Company. Except Mukesh R Kapadia (as a second holder in the joint holding of Shobha Mukesh Kapadia and Mukesh R Kapadia, one of the initial subscribers to the MOA of our Company) and Umed Amarchand Fifadra, our Whole-Time Directors, none of our Directors have any interest in the formation of our Company. See "*Capital Structure - Equity Share capital history of our Company – Primary issuance of Equity Shares*" on page 90.

Interest as to property

Except for the premise situated at Flat no. 19, 5th Floor, Overseas Avenue, NR. Natubhai Circle, Vadodara – 390007, Gujarat, India, which our Company has taken on rent for guest house from Shobha Mukesh Kapadia, one of our Promoters and spouse of Mukesh R Kapadia, one of our Promoters and Whole Time Directors, none of our Directors are interested in any property acquired or proposed to be acquired of our Company. Further, none of our Directors are interested in any intellectual property.

Loans to Directors

Our Directors have not availed any loans from our Company.

Other interest

No sum has been paid or agreed to be paid to our Directors or to any firms or companies in which they may be partners or members respectively, in cash or shares or otherwise by any person either to induce him or her to become, or to qualify him or her as, a Director, or otherwise for services rendered by him or her or by such firm or company, in connection with the promotion or formation of our Company.

Changes in our Board in the last 3 years

Except for the following, there has been no change in our Board, in the last 3 years.

Sr. No.	Name	Date of appointment/change/ cessation	Reasons
1.	Shirish Madhukar Adi	October 16, 2023	Appointed as the Managing Director
2.	Sharma Dipti	July 5, 2024	Appointed as Independent Director
3.	Sunil C Vakil	July 5, 2024	Appointed as Independent Director
4.	Neil Kiran Shah	July 12, 2024	Resignation due to personal reasons
5.	Chirag Umed Fifadra	July 12, 2024	Resignation due to personal reasons
6.	Hemant Vithaldas Udeshi	August 23, 2024	Appointed as Independent Director
7.	Mukesh R Kapadia	September 11, 2024	Change in designation to Whole Time Director
8.	Umed Amarchand Fifadra	September 11, 2024	Change in designation to Whole Time Director

Corporate Governance

The corporate governance provisions of the SEBI Listing Regulations will be applicable to us immediately upon the listing of the Equity Shares on the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations and the Companies Act in respect of corporate governance pertaining to the constitution of our Board and committees thereof and formulation of policies.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas.

As on the date of this Draft Red Herring Prospectus, our Board comprises of 6 Directors (including 1 women independent directors), of whom 3 are Executive Directors and 3 are Independent Directors.

Committees of our Board

Our Board has constituted the following committee of the Board in terms of the SEBI Listing Regulations and the Companies Act:

1. Audit Committee;

2. Nomination and Remuneration Committee;

3. Stakeholders’ Relationship Committee;

4. Corporate Social Responsibility Committee; and

5. Risk Management Committee.

Audit Committee

The Audit Committee of our Board was constituted by a resolution of our Board at their meeting held on September 11, 2024. The constitution of the Audit Committee is as follows:

Sr. No.	Name of the Director	Designation	Position in the Committee
1.	Sunil C Vakil	Independent Director	Chairperson
2.	Hemant Vithaldas Udeshi	Independent Director	Member
3.	Umed Amarchand Fifadra	Whole-Time Director	Member

The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations and its terms of reference are as follows:

***Terms of Reference for the Audit Committee*:**

The Audit Committee shall be responsible for, among other things, from time to time, the following:

Powers of the Audit Committee

The powers of the Audit Committee shall include the following:

1. To investigate any activity within its terms of reference;

2. To seek information from any employee;

3. To obtain outside legal or other professional advice;

4. To secure attendance of outsiders with relevant expertise, if it considers necessary; and

5. Such other powers as may be prescribed under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Role of the Audit Committee

The role of the Audit Committee shall include the following:

1. To oversee the financial reporting process;

2. To review financial results and related information and disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;

3. To approve or modify any related party transactions, to review internal financial controls and risk management system;

4. To formulate policy on related party transactions, which shall include materiality of related party transactions;

5. To review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

6. To recommend appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;

7. To review and evaluate with the management performance of statutory and internal auditors, effectiveness of audit process and adequacy of the internal control systems;

8. To review and monitor the statutory auditor's independence and performance, and effectiveness of audit process;

9. Approval of payment to statutory auditors for any other services rendered by the statutory auditors of the Company;

10. Reviewing, with the management, the annual financial statements and auditor's report thereonbefore 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 as amendedfrom time to time;
    (ii) Changes, if any, in accounting policies and practices and reasons for the same;
    (iii) Major accounting entries involving estimates based on the exercise of judgment by management;
    (iv) Significant adjustments made in the financial statements arising out of audit findings;
    (v) Compliance with listing and other legal requirements relating to financial statements;
    (vi) Disclosure of any related party transactions; and
    (vii) Modified opinion(s) in the draft audit report.

11. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

12. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;

13. Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

14. To set out criteria for granting omnibus approval in line with the Company's policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature;

15. Scrutinizing of inter-corporate loans and investments;

16. Valuation of undertakings or assets of the Company, wherever it is necessary;

17. Evaluation of internal financial controls and risk management systems;

18. Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

19. 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;

20. Discussing with internal auditors on any significant findings and follow up thereon;

21. 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;

22. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

23. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors;

24. Reviewing the functioning of the whistle blower mechanism;

25. Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate; and

26. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act, the SEBI Listing Regulations, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or by any other regulatory authority.

27. Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as per applicable law.

28. Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

29. To ensure that an Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Company.

30. To review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively.

Reviewing Powers

The Audit Committee shall mandatorily review the following information:

1. management's discussion and analysis of financial condition and results of operations;

2. statement of significant related party transactions submitted by the management;

3. management letters / letters of internal control weaknesses issued by the statutory auditors;

4. internal audit reports relating to internal control weaknesses;

5. the appointment, removal and terms of remuneration of the chief internal auditor;

6. examination of the financial statements and the auditors' report thereon;

7. review the financial statements, in particular, the investments made by any unlisted subsidiary; and

8. statement of deviations:

(i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations; and

(ii) annual statement of funds utilised for purposes other than those stated in the document/prospectus/notice in terms of the SEBI Listing Regulations.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of our Board was constituted by a resolution of our Board at their meeting held on September 11, 2024. The constitution of the Nomination and Remuneration Committee is as follows:

Sr. No.	Name of the Director	Designation	Position in the Committee
1.	Hemant Vithaldas Udeshi	Independent Director	Chairperson
2.	Sunil C Vakil	Independent Director	Member
3.	Sharma Deepti	Independent Director	Member

The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations and its terms of reference are as follows:

Terms of Reference for the Nomination and Remuneration Committee:

The Nomination and Remuneration Committee shall be responsible for, among other things, the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (Board or Board of Directors) a policy relating to the remuneration of the directors, key managerial personnel and other employees (Remuneration Policy);

2. The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:

a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

3. formulation of criteria for evaluation of performance of independent directors and the Board;

4. devising a policy on Board diversity;

5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of the Board, its committees, and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the Remuneration Policy and the evaluation criteria in its annual report;

6. reviewing and recommending to the Board, manpower plan/ budget and sanction of new senior management positions from time to time in the future;

7. for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the

balance of skills, knowledge, and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:

a. use the services of an external agencies, if required;

b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

c. consider the time commitments of the candidates.

8. extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

9. evaluation and recommendation of termination of appointment of directors in accordance with the Board's governance principles for cause or for other appropriate reasons;

10. making recommendations to the Board in relation to the appointment, promotion and removal of the senior management personnel;

11. recommending to the Board, all remuneration, in whatever form, payable to senior management, including revisions thereto;

12. administering, monitoring and formulating detailed terms and conditions of the Employees Stock Option Scheme of the Company;

13. framing suitable policies and systems to ensure that there is no violation, as amended from time to time, of any securities laws or any other applicable laws in India or overseas, including:

    a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and

    b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended.

14. carrying out any other function as is mandated by the Board from time to time and / or enforced/mandated by any statutory notification, amendment or modification, as may be applicable;

15. performing such other functions as may be necessary or appropriate for the performance of its duties;

16. periodically reviewing and re-examining the terms of reference and making recommendations to our Board for any proposed changes;

17. authorization to obtain advice, reports or opinions from internal or external counsel and expert advisors;

18. ensuring proper induction program for new directors, key managerial personnel and senior management and reviewing its effectiveness along-with ensuring that on appointment, they receive a formal letter of appointment in accordance with guidelines provided under the Companies Act;

19. developing a succession plan for our Board and senior management and regularly reviewing the plan;

20. ensuring that it proactively maintains a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company;

21. consideration and determination of the Remuneration Policy based on performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Nomination and Remuneration Committee shall deem appropriate; and

22. perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act to the extent notified and effective, as amended or by the SEBI Listing Regulations or by any other applicable law or regulatory authority.

Stakeholder's Relationship Committee

The Stakeholders' Relationship Committee of our Board was constituted by a resolution of our Board at their meeting held on September 11, 2024. The constitution of the Stakeholders' Relationship Committee is as follows:

Sr. No.	Name of the Director	Designation	Position in the Committee
1.	Sharma Deepti	Independent Director	Chairperson
2.	Sunil C Vakil	Independent Director	Member
3.	Hemant Vithaldas Udeshi	Independent Director	Member
4.	Umed Amarchand Fifadra	Whole Time Director	Member
5.	Shirish Madhukar Adi	Managing Director	Member
6.	Mukesh R Kapadia	Whole Time Director	Member

The scope and functions of the Stakeholders' Relationship Committee are in accordance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations and its terms of reference are as follows:

Terms of Reference for the Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required by the under applicable law, the following:

1. considering and specifically looking into various aspects of interests of shareholders, debentureholders and other security holders;

2. resolving the grievances of the security holders of the listed entity including complaints related to allotment of shares, transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, depository receipt, non-receipt of annual report , balance sheet or profit and loss account, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;

3. review of measures taken for effective exercise of voting rights by shareholders;

4. investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
5. giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

6. review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;

7. review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and

8. Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of our Board was reconstituted by a resolution of our Board at their meeting held on September 11, 2024. The constitution of the Corporate Social Responsibility Committee is as follows:

Sr. No.	Name of the Director	Designation	Position in the Committee
1.	Mukesh R Kapadia	Whole Time Director	Chairperson
2.	Hemant Vithaldas Udeshi	Independent Director	Member
3.	Umed Amarchand Fifadra	Whole Time Director	Member

The scope and functions of the Corporate Social Responsibility Committee are in accordance with Section 135 of the Companies Act.

Terms of Reference for the Corporate Social Responsibility Committee:

1. formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended (Companies Act), monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;

2. identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

3. delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

4. review and monitor the implementation of corporate social responsibility programmes and issuing necessary dire ctions as required for proper implementation and timely completion of corporate social responsibility programme s;

5. assistance to the Board to ensure that our Company spends towards the corporate social responsibility activities in every Fiscal, such percentage of average net profit/ amount as may be prescribed in the Companies Act;

6. providing explanation to the Board if the Company fails to spend the prescribed amount within the financial year;

7. providing updates to our Board at regular intervals of six months on the corporate social responsibility activities;

8. any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and

9. exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

Risk Management Committee

The Risk Management Committee was constituted by a resolution of our Board at their meeting held on September 11, 2024. The members of the Risk Management Committee are:

Sr. No.	Name of the Director	Director	Position in the Committee
1.	Shirish Madhukar Adi	Managing Director	Chairperson
2.	Sunil C Vakil	Independent Director	Member
3.	Hemant Vithaldas Udeshi	Independent Director	Member
4.	Umed Amarchand Fifadra	Whole Time Director	Member
5.	Mukesh R Kapadia	Whole Time Director	Member

The scope and functions of the Risk Management Committee are in accordance with Section 178 of the Companies Act and Regulation 21 of the SEBI Listing Regulations.

Terms of Reference for the Risk Management Committee

The terms of reference of the Risk Management Committee include the following:

1. To review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof. The risk management policy shall include the following:

    i. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;

    ii. Measures for risk mitigation including systems and processes for internal control of identified risks;and

    iii. Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

4. To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;

5. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

6. To implement and monitor policies and/or processes for ensuring cyber security;

7. To frame, devise and monitor risk management plan and policy of the Company, including evaluating the adequacy of risk management systems;

8. To review and recommend potential risk involved in any new business plans and processes;

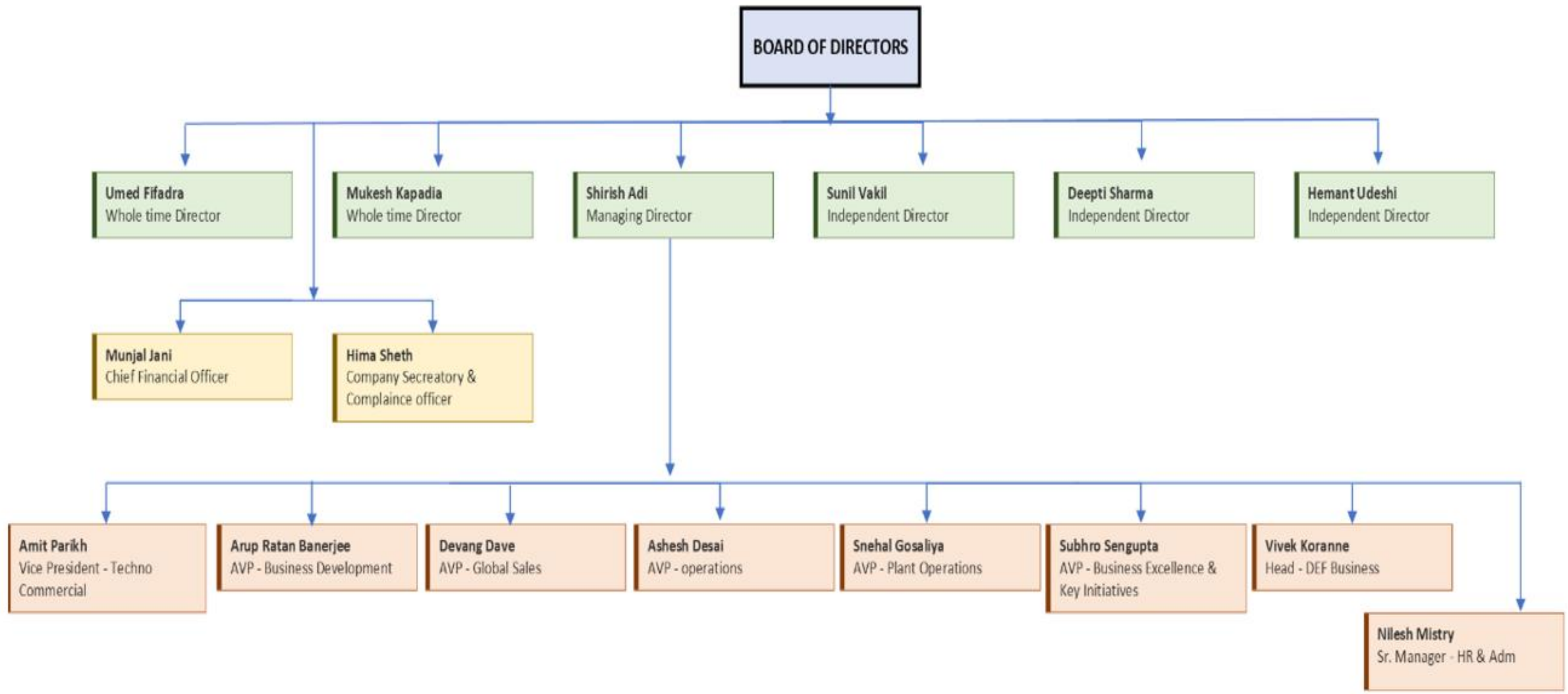
9. To review the Company’s risk-reward performance to align with the Company’s overall policy objectives;

10. Monitor and review regular updates on business continuity;

11. Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and

12. Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013, as amended, or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

Management Organisation Structure



Key Managerial Personnel and Senior Management

Key Managerial Personnel

In addition to Shirish Madhukar Adi, our Managing Director and Mukesh R Kapadia and Umed Amarchand Fifadra our Whole Time Directors, whose details have been provided under the paragraph '*Our Management-Brief profile of our Directors*' on page 232, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus, are as follows:

1. Sheth Hima Kaushik, Company Secretary and Compliance Officer; and

2. Munjal Navnit Jani, Chief Financial Officer.

Brief Profiles of the KMP of our Company

Sheth Hima Kaushik is the Company Secretary and Compliance Officer of our Company. She has been associated with the Company since December 4, 2023. She completed her Bachelor's degree of Commerce and Bachelor's degree of Law from Maharaja Sayajirao University of Baroda. She holds a membership certificate from the Institute of Company Secretaries of India. She is responsible for secretarial, regulatory and statutory compliance of our Company. The remuneration paid to her during Fiscal 2024 was ₹ 0.39 million.

Munjal Navnit Jani is the Chief Financial Officer of our Company. He has been associated with our Company as Chief Financial Officer from October 16, 2023. He completed his Bachelor's degree of Commerce from University of Mumbai. He is a qualified chartered accountant and is an associate member of the Institute of Chartered Accountants of India. He heads the financial department of our Company. He was paid an aggregate amount of remuneration of ₹ 2.72 million in Fiscal 2024 comprising of (i) ₹ 1.26 million as Chief Financial Officer from October 16, 2023 to March 31, 2024 and (ii) ₹ 1.46 million as Finance Controller from April 01, 2023 to October 15, 2023.

Senior Management

The details of our Senior Management as on the date of this Draft Red Herring Prospectus, are as follow:

1. Parikh Amit, Vice President – Commercial;

2. Arup Ratan Banerjee, Assistant Vice President – Business Development;

3. Asheshkumar Bakulchandra Desai, Assistant Vice President – Operations;

4. Dave Devang, Assistant Vice President – Global Sales;

5. Nilesh Muljibhai Mistry, Senior Manager – HR and Administration;

6. Subhro Sen Gupta, Assistant Vice President – Business, Excellence and Key Initiatives;

7. Snehal Maheshbhai Gosaliya, Assistant Vice President – Plant Operations; and

8. Vivek Prakash Koranne, Head – Diesel Exhaust Fluid Business.

Brief Profiles of our Senior Management

Parikh Amit, is the Vice President – Commercial of our Company. He has been associated with our Company since February 1993 and was promoted to his current designation in April 2019. He holds a degree of Bachelor of Engineering (Electronics & Telecommunications) from University of Pune. He is responsible for building client relationships, driving sales growth and optimising supply chain processes of our Company. The remuneration paid to him during Fiscal 2024 is ₹ 5.44 million.

Arup Ratan Banerjee, is the Assistant Vice President – Business Development of our Company. He has been associated with our Company form 2003 to 2013 and re-joined our Company in 2016. He was promoted to his current designation in 2021. He holds a Bachelor's in Science from Sambalpur University. He is responsible for identifying and pursuing new business opportunities and develop strategies for our Company. The remuneration paid to him during Fiscal 2024 is ₹ 3.74 million.

Asheshkumar Bakulchandra Desai is the Assistant Vice President - Operations of our Company. He has been associated with our Company since 1998 and was promoted as the Assistant Vice President – Operations in 2024. He holds a Bachelor's degree of Engineering in Electronics from the Maharaja Sayajirao University of Baroda. He is responsible for overseeing project engineering, planning, execution, resource management and risk assessments of the project executions of our Company. The remuneration paid to him during Fiscal 2024 is ₹ 3.46 million.

Dave Devang is the Assistant Vice President – Global Sales of our Company. He was associated with our Company from 1999 to 2007 and re-joined our Company in 2020. He was promoted to his current designation in 2024. He holds a diploma in Instrumentation from the Board of Technical Examinations, Maharashtra in 1998. He is responsible for global sales of our Company. He is also responsible for building client relationships and monitor international market trends. The remuneration paid to him during Fiscal 2024 is ₹5.60 million.

Nilesh Muljibhai Mistry is the Senior Manager – HR and Administration of our Company. He has been associated with our Company since 2018 and was promoted to his current designation in 2021. He holds a Diploma in Industrial Relations and Personnel Management and Bachelor's degree of Commerce from Maharaja Sayajirao University of Baroda. The remuneration paid to him during Fiscal 2024 is ₹ 1.11 million.

Subhro Sen Gupta is the Assistant Vice President – Business, Excellence and Key Initiatives of our Company. He was associated with our Company from 1999 to 2005 and re-joined our Company in 2023. He holds a Bachelor's degree of Energy Engineering from Indian Institute of Technology, Kharagpur. He also completed his Post Graduate diploma in Management for Executives from Indian Institute of Management, Calcutta. He is responsible for driving operational efficiency, aligning strategic initiatives, and fostering business growth. The remuneration paid to him during Fiscal 2024 is ₹ 2.99 million.

Snehal Maheshbhai Gosaliya is the Assistant Vice President – Plant Operations of our Company. He has been associated with our Company since 1998 and was promoted to his current designation in 2021. He holds a Bachelor's degree of Engineering in Electronics and Telecommunication from University of Pune. He oversees production, quality assurance, R&D, and ensure safety in operations in our Company. The remuneration paid to him during Fiscal 2024 is ₹ 3.41 million.

Vivek Prakash Koranne is the Head – Diesel Exhaust Fluid Business of our Company. He has been associated with our Company since July 2, 2024. He holds a Bachelor of Engineering degree in Metallurgy from Maharaja Sayajirao University, Baroda. He has been currently seconded to our Subsidiary i.e. AST Environment Solutions Private Limited. He leads the diesel exhaust fluid unit business unit growth, overseeing operations and ensuring regulatory compliance for the Subsidiary. The remuneration paid to him during Fiscal 2024 is Nil.

Relationship amongst our Key Managerial Personnel and Senior Management

Other than as mentioned above in '*Relationship amongst our Directors and key Managerial Personnel and, or Senior Management*', none of our Key Managerial Personnel and Senior Management are related to each other.

Arrangements and understanding with major shareholders, customers, suppliers or others

None of our Key Managerial Personnel and Senior Management have been selected pursuant to any arrangement or understanding with any Shareholders, customers or suppliers or others.

Retirement and termination benefit

Except for applicable statutory benefits, none of our Key Managerial Personnel and Senior Management would receive any benefits on their retirement or on termination of their employment with our Company.

Service Contracts with Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel and Senior Management have entered into any service contract with our Company.

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management

There is no contingent or deferred compensation payable to our Key Managerial Personnel and Senior Management which does not form part of their remuneration.

Status of Key Managerial Personnel and Senior Management

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

Shareholding of Key Managerial Personnel and Senior Management

Except as disclosed below, none of our Key Managerial Personnel and Senior Management hold any Equity Shares as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Director, Key Managerial Personnel and Senior Management*	Number of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)
1.	Parikh Amit and Hetal Amit Parikh	4,800	0.02
2.	Dave Devang	5,450	0.03
Total		**10,250**	**0.05**

Bonus or Profit-Sharing Plan of Key Managerial Personnel and Senior Management

Except our Executive Directors, none of our Key Managerial Personnel and Senior Management are party to any bonus or profit-sharing plan of our Company other than performance based discretionary incentives given to the Key Managerial Personnel and Senior Management.

Changes in the Key Managerial Personnel and Senior Management

In addition to the change in our directors as disclosed in '*Change in our Board in the last 3 years*' on page 238, the changes in our Key Managerial Personnel and our Senior Management during the 3 years immediately preceding the date of this Draft Red Herring Prospectus, are set forth below:

Sr. No.	Name of the Key Managerial Personnel	Date of Appointment / Change / Cessation	Reasons
1.	Munjal Navnit Jani	October 16, 2023	Appointed as Chief Financial Officer
2.	Sheth Hima Kaushik	December 04, 2023	Appointment as Company Secretary and Compliance Officer
3.	Mehal Thakor	December 2022	Resigned due to personal reasons
4.	Vivek Prakash Koranne	July 02, 2024	Appointment for development of Diesel Exhaust Fluid Business
5.	Shubhro Sen Gupta	May 05, 2023	Appointment for improving Business excellence and develop new business areas in the area of industrial automation
6.	Dave Devang	September 16, 2024	Change in Role to Assistant Vice President – Global Sales
7.	Asheshkumar Bakulchandra Desai	September 16, 2024	Change in Role to Assistant Vice President – Operations

Interest of Key Managerial Personnel and Senior Management

Except as disclosed under '*Our Management – Interest of our Directors*', and '*Restated Consolidated Financial Information – Transactions with Related Parties*' on pages 237 and 303 and 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 none of our Key Managerial Personnel and Senior Management, have any interest in our Company. For details of the shareholding of our Key Managerial Personnel and members of Senior Management in our Company, see '*Our Management – Shareholding of Key Managerial Personnel and Senior Management*' on page 248. Further, our Company in the past had a Phantom Stock Scheme, 2022 (**Scheme 2022**), pursuant to which phantom shares were vested in the Key Managerial Personnel of the Company, which was pre-closed on June 21, 2024 and the phantom shares vested in the Key Managerial Personnel were settled based on the valuation formula prescribed as per Scheme 2022 as on the pre-closure date, i.e. ₹ 307 per Equity Share.

Attrition of Key Managerial Personnel and Senior Management vis-à-vis industry

The rate of attrition of our Key Managerial Personnel and Senior Management is not high in comparison to the industry in which we operate.

Payment or benefits to Directors or Key Managerial Personnel and Senior Management (non-salary related)

Except as disclosed above under '*Interest of our Directors*' on page 237, '*Interest of Key Managerial Personnel and Senior Management*' on page 250, as stated in see '*Restated Consolidated Financial Information – Transactions with Related Parties*' on page 303, and except 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, no amount or benefit has been paid or given within the 2 years preceding the date of filing of this Draft Red Herring Prospectus or intended to be paid or given to any officer of our Company, including our Directors, Key Management Personnel and Senior Management.

Employee Stock Option Plan

Our Company has formulated an ESOP Scheme. For further details of the ESOP Scheme of our Company and employee stock options granted under ESOP Scheme, see '*Capital Structure –Employee Stock Option Plan*' on page 111.

OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are:

1. Mukesh R Kapadia;

2. Umed Amarchand Fifadra;

3. Shobha Mukesh Kapadia; and

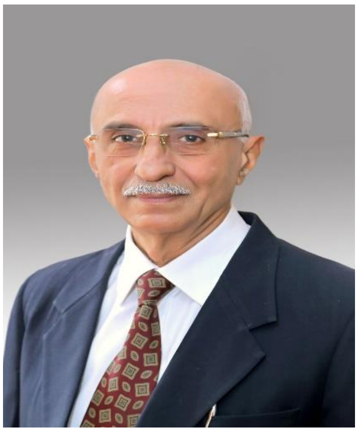
4. Usha Umed Fifadra

As on date of this Draft Red Herring Prospectus, our Promoters hold 7,856,532 Equity Shares constituting approximately 40.86% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth below:

Sr. No.	Name of the Promoter	No. of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)
1.	Mukesh R Kapadia	3,928,266	20.43
2.	Umed Amarchand Fifadra	3,928,266	20.43
3.	Shobha Mukesh Kapadia(1)	0.00	0.00
4.	Usha Umed Fifadra(2)	0.00	0.00
Total		**7,856,532**	**40.86**

(1) Mukesh R Kapadia and Shobha Mukesh Kapadia, in their capacity as trustees of Kapadia Family Trust hold 4,000,000 Equity Shares in Kapadia Family Trust. However, Shobha Mukesh Kapadia does not hold any Equity Shares in her individual capacity.
(2) Umed Amarchand Fifadra and Usha Umed Fifadra, in their capacity as trustees of Fifadra Family Trust hold 4,000,000 Equity Shares in Fifadra Family Trust. However, Usha Umed Fifadra does not hold any Equity Shares in her individual capacity.

Brief Profiles of our Promoters



Mukesh R Kapadia

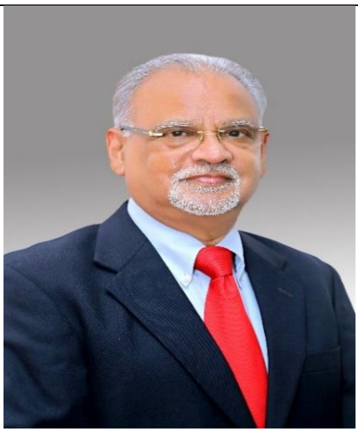
Address: 7, Charotar Society, Opp. Tube Company, Old Padra Road, Vadodara – 390 020, Gujarat, India

Date of Birth: June 21, 1950

PAN: ABYPK9664P

Mukesh R Kapadia, aged 74 years, is the Promoter and Whole-Time Director of our Company.

For a complete profile of Mukesh R Kapadia, including his educational qualifications, residential address, professional experience, positions or posts held in the past, his business and financial activities, and other directorships etc., see *'Our Management – Brief Profile of Our Director'* on page 232.

<table>
<tr>
<td></td>
<td>Umed Amarchand Fifadra

Address: Chiroshi, Plot No. 4 & 5 Tandalja Road, Old Padra Road Corner, Vadodara, Gujarat, India – 390020.

Date of Birth: November 25, 1949

PAN: AABPF2094C

Umed Amarchand Fifadra, aged 75 years, is the Promoter and Whole-Time Director of our Company.

For a complete profile of Umed Amarchand Fifadra, including his educational qualifications, residential address, professional experience, positions or posts held in the past, his business and financial activities, and other directorships etc., see 'Our Management – Brief Profile of Our Director' on page 232.</td>
</tr>
<tr>
<td></td>
<td>Shobha Mukesh Kapadia

Address: 7, Charotar Society, Opp. Tube Company, Old Padra Road, Vadodara – 390 020, Gujarat, India

Date of Birth: March 25, 1953

PAN: ADBPK9345A

Shobha Mukesh Kapadia, aged 71 years, is one of the Promoters of our Company. She holds a Bachelor's degree in Arts and Bachelor's degree in Education from Shreemati Nathibai Damodar Thakersey Women's University Bombay. She is a partner in Advance Marketing Services and has around 25 years of experience in management and administration.

Other Directorship: She is currently a director on the board of Advanced Utility Management Private Limited

Other than the entities forming part of the Promoter Group, she is not involved in any other ventures.</td>
</tr>
<tr>
<td></td>
<td>Usha Umed Fifadra

Address: Chiroshi, Plot No. 4 & 5 Tandalja Road, Old Padra Road Corner, Vadodara, Gujarat, India – 390020.

Date of Birth: April 16, 1953

PAN: AABFP9127A

Usha Umed Fifadra, aged 71 years, is one of the Promoters of our Company. She holds a Bachelor's degree in Arts from University of Bombay. She is a partner in Advance Marketing Services and has around 25 years of experience in management and administration.

Other Directorship: Nil

Other than the entities forming part of the Promoter Group, she is not involved in any other ventures.</td>
</tr>
</table>

Our Company confirms that the PAN, bank account number, passport number, Aadhar card number and driving license number of our Promoters will be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

Interests of our Promoters

Our Promoters are interested in our Company to the extent: (a) that they have promoted our Company; and (b) of their respective shareholding in our Company and the dividends payable upon such shareholding, if any; (c) any other distributions in respect of the Equity Shares held by them, if any; (d) of being the Directors and Key Managerial Personnel of our Company and the remuneration, benefits and reimbursement of expenses, payable to them as per the terms of their employment by our Company; and that our Company has undertaken transactions with them, or their relatives or entities in which our Promoters hold shares or have an interest, if applicable. For further details of our Promoters, see '*Summary of the Offer Document– Summary of Related Party Transactions*', '*Capital Structure – Build-up of the Promoters' shareholding in our Company*' and '*Our Management – Interest of our Directors*' on page 20, 99, and 237, respectively.

None of our Promoters are interested as a member of a firm or company and no sum has been paid or agreed to be paid to any of our Promoters or to any such firm or company in cash or shares or otherwise by any person either to induce him to become, or to qualify him as, a director, or otherwise, for services rendered by such Promoter(s) or by such firm or company in connection with the promotion or formation of our Company.

Other than the premise situated at Flat no. 19, 5th Floor, Overseas Avenue, NR. Natubhai Circle, Vadodara – 390007, Gujarat, India, which our Company has taken on rent for guest house from Shobha Mukesh Kapadia, one of our Promoters, none of our Promoters have an interest in any property acquired by or leased to our Company during the 3 years immediately preceding the date of this Draft Red Herring Prospectus or proposed to be acquired or leased to our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Other than as disclosed in '*Our Promoters and Promoter Group–Our Promoter Group*' on page 252, our Promoters are not involved in any other ventures.

There is no conflict of interest between our Promoters or members of our Promoter Group and the suppliers of raw materials and third-party service providers, which are crucial for the operations of our Company. Further, there is no conflict of interest between our Promoters or members of our Promoter Group and lessors of the immovable properties, which are crucial for the operations of our Company.

Our Promoters have not been declared as Wilful Defaulters or Fraudulent Borrowers.

Our Promoters and members of our Promoter Group are not currently prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters are not and have never been promoters, directors or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Payment or benefits to our Promoters or to the members of our Promoter Group

Except as stated in '*Our Management*' and '*Restated Consolidated Financial Information – Transactions with Related Parties*' on pages 230 and 303, respectively there has been no direct or indirect contracts, agreements or any other arrangements pursuant which any amount, payment or benefit paid or given, respectively, to our Promoters or Promoter Group during 2 years prior to the date of this Draft Red Herring Prospectus and no amount, payment or benefit is intended to be paid or given to any of our Promoters or the members of our Promoter Group.

Material guarantees

For details with respect to personal guarantees given by our Promoters to any third party see '*History and Certain Corporate Matters – Guarantees given by the Promoter participating in the Offer*' on page 226. As on the date of this Draft Red Herring Prospectus, there are no outstanding guarantees given by our Promoters to any third party.

Change in the control of our Company

There has been no change in control of our Company in the last five years immediately preceding the date of this Draft Red Herring Prospectus.

Companies with which our Promoters have disassociated in the last 3 years

Other than as disclosed below, none of our Promoters have not disassociated themselves from any company in the last 3 years preceding the date of filing of this Draft Red Herring Prospectus:

Name of the Promoter	Name of Company or Firm from which the Promoter has Disassociated	Reasons for Disassociation	Date of Disassociation
Mukesh R Kapadia	Alpha Alternatives MSAR LLP	Cessation as partner	September 1, 2023
Umed Amarchand Fifadra	Conart Engineering Limited	Resignation as an independent director	September 27, 2022
Shobha Mukesh Kapadia	Alpha Alternatives MSAR LLP	Cessation as partner	September 1, 2023

Confirmations

Neither our Promoters nor any of the members of our Promoter Group have not been declared as Wilful Defaulters or Fraudulent Borrowers, as defined in the SEBI ICDR Regulations.

None of our Promoters have been declared as a fugitive economic offender in accordance with Section 12 of the Fugitive Economic Offenders Act, 2018.

Except as disclosed in the *'Outstanding Litigation and Other Material Developments – Litigations involving our Promoters'* on page 365, there are no litigation or legal or disciplinary action pending or taken by any ministry, department of the Government or statutory authority during the last 5 years preceding the date of this Draft Red Herring Prospectus against our Promoters.

Our Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company.

Our Promoter Group

In addition to our Promoters, the following persons and entities form part of our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations.

Natural persons who are part of the Promoter Group

Name of the Promoter	Relationship	Name of the Relative
Mukesh R Kapadia	Spouse	Shobha Mukesh Kapadia
	Sister	Archana P Sheth
	Sister	Sadhana Shekhar Walavalkar
	Daughter	Nisha Jain
	Daughter	Monali Shah
	Spouse's sister	Asha Haren Jokhakar
Umed Amarchand Fifadra	Spouse	Usha Umed Fifadra
	Sister	Indumati Amulakh Mehta
	Sister	Vidya Rasiklal Shah
	Son	Chirag Fifadra
	Daughter	Roshni Fifadra
	Spouse's brother	Chandrakant Narsidas Ghelani
	Spouse's brother	Bharat Narsidas Ghelani
	Spouse's brother	Dilip Kumar Narsidas Ghelani
	Spouse's sister	Hasumati Vijaykumar Mehta
	Spouse's sister	Chandrika Haren Gandhi

Name of the Promoter	Relationship	Name of the Relative
Shobha Mukesh Kapadia	Spouse	Mukesh R Kapadia
	Sister	Asha Haren Jokhakar
	Daughter	Nisha Jain
	Daughter	Monali Shah
	Spouse's sister	Archana P Sheth
	Spouse's sister	Sadhana Shekhar Walavalkar
Usha Umed Fifadra	Spouse	Umed Amarchand Fifadra
	Brother	Chandrakant Narsidas Ghelani
	Brother	Bharat Narsidas Ghelani
	Brother	Dilip Kumar Narsidas Ghelani
	Sister	Hasumati Vijaykumar Mehta
	Sister	Chandrika Haren Gandhi
	Son	Chirag Fifadra
	Daughter	Roshni Fifadra
	Spouse's sister	Indumati Amulakh Mehta
	Spouse's sister	Vidya Rasiklal Shah

Entities forming part of the Promoter Group of our Promoters

Sr. No.	Name
1.	Mukesh Rajnikant Kapadia (HUF)
2.	Umed Amarchand Fifadra (HUF)
3.	Advanced Utility Management Private Limited
4.	Advanced Marketing Services
5.	Mukesh R Kapadia jointly with Shobha Kapadia on behalf of Kapadia Family Trust
6.	Umed Amarchand Fifadra jointly with Usha Umed Fifadra on behalf of Fifadra Family Trust

DIVIDEND POLICY

The declaration and payment of dividends, if any will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and the applicable law, including the Companies Act, SEBI Listing Regulations. The dividend policy of our Company was adopted and approved by our Board in their meeting held on September 11, 2024 (**Dividend Policy**).

In terms of our Dividend Policy, our Board shall consider, *inter alia,* the following internal and external parameters while declaring or recommending dividends to our Shareholders: (i) distributable surplus available as per the Companies Act; (ii) profitable growth of our Company and specifically, profits earned during the financial year as compared with the previous year and our internal budgets; (iii) our Company's liquidity and cash flow position; (iv) capital expenditure; (v) cost of external financing; (vi) inflation rate; (vii) macro-economic environment; (viii) dividend pay-our ratios and (ix) changes in government policies, industry specific rulings and regulatory provisions, and any other factors that our Board may deem fit. 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 dividend in the foreseeable future.

In addition, our ability to pay dividends may be impacted by a number of other factors, including any tax and regulatory changes in the jurisdiction in which our Company operates which significantly affects the business, taxation and other regulatory changes and restrictive covenants under our current or future loan or financing documents or arrangements, our Company is currently availing or may enter into finance our fund requirements for our business activities from time to time. For details in relation to the risk, see '*Financial Indebtedness'* on page 326.

Our Company has not declared any dividends from October 1, 2024 till the date of this Draft Red Herring Prospectus, and during 6 month period ended September 30, 2024 and during Fiscal 2024, Fiscal 2023 and Fiscal 2022.

Our Company may from time to time, pay interim dividends. Our past practices in relation to declaration of dividend and, or, the amount of dividend paid is not necessarily indicative of our future dividend declaration. There is no guarantee that any dividends will be declared or paid of any amount, or with any frequency in the future. For further details in relation to the risk involved, see '*Risk Factor – Our Company has not paid dividends in the last 3 Fiscals and up to the date of this Draft Red Herring Prospectus. Further, there cannot be any assurance that our Company will be in a position to pay dividends in the future'*.

SECTION VI: FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL INFORMATION

(*Remainder of this page has been intentionally left blank*)

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON THE RESTATED CONSOLIDATED FINANCIAL INFORMATION

To
The Board of Directors,
Advanced Sys-Tek Limited,
(Formally known as Advanced Sys-Tek Private Limited)
299/300, GIDC Makarpura,
Vadodara-390010, Gujarat,

Dear Sirs,

1. **We CNK & Associates LLP, Chartered Accountants ("We", or "us", or "CNK")** have examined the attached Restated Consolidated Financial Information of Advance Sys-Tek Limited *(Formerly known as Advanced Sys- Tek Private Limited) (the "**Company" or the "Issuer")*** and its subsidiaries and its associates (the Company and its subsidiaries and its associates together referred to as the "**Group**") comprising the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash Flows for the financial year/period ended September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 along with summary statement of Significant Accounting Policies and the Notes thereon, and other explanatory information and the summary statements annexed to this report (collectively, the "Restated Consolidated Financial Information"), as approved by Board of Directors of the Company at their meeting held on 06th February 2025 for the purpose of inclusion in the Draft Red Herring Prospectus ("**DRHP**") prepared by the Company in connection with its proposed Initial Public Offer through a fresh issue ("**IPO**") prepared in terms of the requirement of:

   (i) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "**Companies Act**");
   (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"); and
   (iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended from time to time (the "**Guidance Note**").

2. The Company's Management and Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India, the stock exchanges where the equity shares of face value of Rs. 10 each of the Company (the "**Equity Shares**") are proposed to be listed ("**Stock Exchanges**") i.e. BSE Limited ("**BSE**") in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the company on the basis of preparation stated in note 2 to the Restated Consolidated Financial Information. The responsibility of the respective Board of Directors of the Companies included in the Group includes designing, implementing and maintaining adequate internal controls relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the group complies with the Companies Act, SEBI ICDR Regulations and the ICAI Guidance Note, read with SEBI e-mail, as applicable.

3. We have examined such Restated Consolidated Financial Information after taking into consideration:

   a. the terms of reference and terms of our engagement agreed upon with you vide our engagement letter dated 1st May, 2024 in connection with the proposed IPO of Equity Shares of the Company;
   b. The Guidance Note, which also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
   c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
   d. The requirements of Section 26 of the Companies Act and the SEBI ICDR Regulations.

   Our work was performed solely to assist the Company in meeting their responsibilities in relation to compliance with the Companies Act, the SEBI ICDR Regulations, the Guidance Note in connection with the Proposed IPO.

4. The Restated Consolidated Financial Information have been compiled by the management of the Company from :

a. Audited special purpose consolidated Ind AS financial statements of the Group as at period ended September 30, 2024 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on 06th February 2025.
b. The audited consolidated Ind AS financial statements of the Group as at and for the year/, March 31, 2024, March 31, 2023 and March 31, 2022 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on 25th October 2024, 23rd August 2024, 17th August 2023 and 19th September, 2022 respectively.

5. For the purpose of our examination, we have relied on:

(a) Auditor's report issued by us dated 25th October 2024, 23rd August 2024, 17th August 2023 and 19th September, 2022 on the consolidated financial statements of the Group as at and for the year/period ended September 30 2024, March 31, 2024, March 31, 2023, and March 31, 2022 respectively which included the comparative numbers as referred in Paragraph 4 (a) above.

6. Based on our examination and according to the information and explanations given to us, we report that:

   a) The Restated consolidated Financial Information has been prepared after incorporating adjustments for the change in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial year/period ended September 30, 2024, March 31, 2024, March 31, 2023 & March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the financial period ended September 30,2024;

b) does not contain any qualifications requiring adjustments. Moreover, those qualifications in the companies (Auditor's Report) Order, 2020/Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, which do not require any corrective adjustments in the Restated Consolidated Financial Information, have been disclosed in Part B of Annexure VI of the Restated Consolidated Financial Information; and

c) The Restated Financial Information has been prepared in accordance with the Companies Act, SEBI ICDR Regulations and the Guidance Note

7. We have complied with the relevant applicable requirements of the Standard in Quality Control (SQC) 1, Quality Control for Firms that Performs Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

8. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on audited consolidated financial statements mentioned in paragraph 4 above.

9. This report should not be in any way construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of this report.

11. Our Report is intended solely for use of the Board of Directors for inclusion in the DRHP, RHP and Prospectus to be filed with SEBI and the Stock Exchanges, and Registrar of Companies, Gujarat at Vadodara, where applicable in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or towards any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For M/s CNK & Associates LLP
Chartered Accountants
Firm Registration No: 101961W/W-100036

Rachit Sheth
Partner
Membership No.: 158289
Date: 06th February 2025
Place: Vadodara
UDIN:

Advanced Sys-Tek Limited
(Formally known as Advanced Sys-Tek Private Limited)
CIN: U33112GJ1988PLC010464
All amounts in ₹ Millions unless otherwise stated

Annexure I
Restated Consolidated Statement of Assets and Liabilities

Sr No.	Particulars	Annexure V note	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
	ASSETS					
(1)	**Non-current assets**					
	(a) Property, Plant and Equipment	4	70.00	71.43	73.53	66.53
	(b) Capital work-in-progress	5	-	-	0.13	9.41
	(c) Intangible Asset	6	6.78	7.60	1.20	0.65
	(d) Intangible Assets under development	7		-	4.45	3.97
	(e) Financial Assets					
	(i) Investments	8	-	-	-	-
	(ii) Other financial assets	9	236.01	124.61	104.00	86.56
	(iii) Loan	10	17.09	15.08	7.50	-
	(f) Deferred Tax Asset (Net)	11	24.90	28.35	29.30	25.11
	(g) Other non-current assets	12	53.12	58.48	63.41	60.95
	Total non-current asset		**407.90**	**305.55**	**283.52**	**253.18**
(2)	**Current assets**					
	(a) Inventories	13	271.97	287.34	123.28	95.36
	(b) Financial Assets					
	(i) Investments	14	365.27	577.06	106.50	149.13
	(ii) Trade receivables	15	1,207.22	1,177.14	1,043.89	1,027.29
	(iii) Cash and cash equivalents	16	38.33	103.55	26.59	30.12
	(iv) Bank balances other than cash and cash equivalents	17	65.20	1.84	15.35	48.23
	(v) Other financials assets	18	40.39	32.36	27.13	21.42
	(c) Current Tax Assets (Net)	19	4.18	3.54	0.67	-
	(d) Other current assets	20	202.16	215.25	152.45	31.59
	Total current asset		**2,194.72**	**2,398.08**	**1,495.86**	**1,403.14**
	Total Assets		**2,602.62**	**2,703.63**	**1,779.38**	**1,656.33**
	EQUITY AND LIABILITIES					
	Equity					
	(a) Equity Share capital	21	192.28	32.05	28.03	28.03
	(b) Other Equity	22	1,789.74	1,838.97	1,243.18	1,113.04
	Equity attributable to the owners of the company		**1,982.02**	**1,871.02**	**1,271.21**	**1,141.07**
	(c) Non-Controlling Interest		(0.01)	(0.01)	(0.00)	(0.00)
	Total Equity		**1,982.01**	**1,871.01**	**1,271.21**	**1,141.07**
	LIABILITIES					
(1)	**Non-current liabilities**					
	(a) Provisions	23	66.37	65.39	50.96	38.69
	Total Non-current liabilities		**66.37**	**65.39**	**50.96**	**38.69**
(2)	**Current liabilities**					
	(a) Financial Liabilities					
	(i) Trade payables	24				
	-Total outstanding dues of Micro enterprises and small enterprises		56.51	81.32	52.33	48.99
	-Total outstanding dues other than Micro and small enterprises		352.06	522.12	254.47	321.46
	(ii) Other Financial Liabilities	25	-	-	1.45	3.09
	(b) Other current liabilities	26	75.96	95.28	71.50	23.58
	(c) Provisions	27	59.55	68.51	77.46	75.37
	(d) Current Tax Liabilities (Net)	28	10.16	-	-	4.08
	Total current liabilities		**554.24**	**767.23**	**457.21**	**476.57**
	Total Equity and Liabilities		**2,602.62**	**2,703.63**	**1,779.38**	**1,656.33**

See accompanying notes forming part of the Restated financial Information

Note: The above Restated Consolidated Statement of Assets and Liabilities as on 30th September 2024, 31st March 2024, 31st March 2023, 31st March 2022 should be read in conjunction with Notes to the Restated Financial Information appearing in Annexure - V and Summary of Restatement Adjustments appearing in Annexure - VI.

As per our report of even date

For and on behalf of the Board of Directors

For CNK & Associates LLP
Chartered Accountants
FRN:-101961W/W-100036

Umed A Fifadra
Whole Time Director
DIN: 00049036

Mukesh R Kapadia
Whole Time Director
DIN: 00048621

Shirish Adi
Managing Director
DIN: 03259129

Rachit Sheth
Partner
Membership No:-158289
Place: Vadodara
Date : 6th February, 2025

Munjal Jani
Chief Financial Officer

Hima Sheth
Company Secretary & Compliance Officer

Place: Vadodara
Date : 6th February, 2025

Advanced Sys-Tek Limited
(Formally known as Advanced Sys-Tek Private Limited)
CIN: U33112GJ1988PLC010464
All amounts in ₹ Millions unless otherwise stated

Annexure II
Restated Consolidated Statement of Profit and Loss

Sr No.	Particulars	Annexure V note	For the Half Year Ended 30th September, 2024	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
	INCOME					
	Revenue From Operations	29	1,058.43	1,882.32	1,404.23	1,356.01
	Other Income	30	30.17	39.19	18.51	55.54
(I)	**Total Income**		**1,088.60**	**1,921.51**	**1,422.74**	**1,411.55**
	EXPENSES					
	Cost of Raw material and Project related supplies	31	499.56	934.48	639.68	554.36
	Purchases of stock-in-trade	32	156.11	262.55	200.30	298.78
	Changes in inventories of stock-in-trade and work-in-progress	33	(7.69)	(30.64)	9.99	(15.52)
	Subcontracting and Other Project Expenses	34	106.92	200.94	134.70	106.75
	Employee benefits expense	35	104.44	196.44	151.43	129.32
	Finance costs	36	4.91	6.55	7.35	7.54
	Depreciation and amortization expense	37	3.63	5.84	4.38	3.50
	Other expenses	38	52.21	83.02	93.80	99.96
(II)	**Total expenses**		**920.09**	**1,659.18**	**1,241.63**	**1,184.69**
(III)	**Restated Profit / (Loss) before tax and share of profit/(Loss) of associates (I-II)**		**168.51**	**262.33**	**181.11**	**226.86**
(IV)	**Tax expense:**	41				
	(1) Current tax		42.90	68.25	51.82	66.82
	(2) Deferred tax		4.07	1.24	(3.67)	(6.06)
	(3) Income Tax adjustments for the earlier years		-	0.67	1.10	96.20
(V)	**Restated Profit / (Loss) before share of profit/(Loss) of associates (III-IV)**		**121.54**	**192.17**	**131.86**	**69.89**
	Share of Restated Profit / (Loss) of Associates		**-**	**-**	**(0.15)**	**-**
	Profit for the Period		**121.54**	**192.17**	**131.71**	**69.89**
(VI)	**Other Comprehensive Income**					
	(i) Items that will not be reclassified to profit or loss					
	- Remeasurements of the defined benefit plans		(2.44)	(1.15)	(2.10)	(0.75)
	(ii) Income tax relating to items that will not be reclassified to profit or loss					
	- Remeasurements of the defined benefit plans		0.61	0.29	0.53	0.19
(VII)	**Restated Total Comprehensive Incomefor the period (Comprising Profit and Other Comprehensive Income for the period) (V+VI)**		**119.71**	**191.31**	**130.14**	**69.33**
(VIII)	**Net Profit attributable to:**					
	Owners of the company		121.54	192.17	131.71	69.89
	Non Controlling Interest		(0.00)	(0.01)	(0.00)	(0.00)
(IX)	**Restated Other Comprehensive Income attributable to:**					
	Owners of the company		(1.83)	(0.86)	(1.57)	(0.56)
	Non Controlling Interest		-	-	-	-
(X)	**Restated Total Comprehensive Income for the period**					
	Owners of the company		119.71	191.31	130.14	69.33
	Non Controlling Interest		(0.00)	(0.01)	(0.00)	(0.00)
	Restated Earnings per equity share having face value of ₹ 10 each	42				
	(1)Basic (in ₹)		6.32	10.20	7.00	3.71
	(2)Diluted (in ₹)		6.32	10.20	7.00	3.71

See accompanying notes forming part of the Restated financial Information

Note: The above Restated Consolidated Statement of Profit & Loss Account for the period/year ended 30th September 2024, 31st March 2024, 31st March 2023, 31st March 2021 should be read in conjunction with Notes to the Restated Financial Information appearing in Annexure - V and Summary of Restatement Adjustments appearing in Annexure - VI.

As per our report of even date

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

For CNK & Associates LLP
Chartered Accountants
FRN:-101961W/W-100036

Umed A Fifadra
Whole Time Director
DIN: 00049036

Mukesh R Kapadia
Whole Time Director
DIN: 00048621

Shirish Adi
Managing Director
DIN: 03259129

Rachit Sheth
Partner
Membership No:-158289
Place: Vadodara
Date : 6th February, 2025

Munjal Jani
Chief Financial Officer

Hima Sheth
Company Secretary & Compliance Officer

Place: Vadodara
Date : 6th February, 2025

Advanced Sys-Tek Limited
(Formally known as Advanced Sys-Tek Private Limited)
CIN: U33112GJ1988PLC010464
All amounts in ₹ Millions unless otherwise stated

Annexure III
Restated Consolidated Statement of Cash Flow

Particulars	For the half year ended 30th September 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
Cash flow from operating activities:				
Profit before income tax	**168.51**	**262.33**	**181.11**	**226.86**
Adjustments for :				
Depreciation and amortisation expense	3.63	5.84	4.38	3.50
Loss/(Profit) on Sale of Investments (Net)	(16.81)	(5.70)	(6.32)	(4.38)
Fair value Loss/(Gain) arising on financial asset designated as at FVTPL	(6.67)	(5.29)	2.67	(2.86)
Share based payment transaction expenses	-	10.42	2.91	-
Liabilities no longer required written back	(0.25)	(17.29)	(4.78)	5.58
Interest Income	(5.71)	(8.04)	(6.30)	(19.96)
Interest Expense	4.91	6.55	7.35	7.54
Provision for doubtful debts	-	-	-	25.24
Allowance for doubtful debts (Expected Credit Loss Allowance)	2.32	0.75	2.71	2.04
Remeasurements of the defined benefit plans	(2.44)	(1.15)	(2.10)	(0.75)
Share of Profit / (Loss) of Associates			(0.15)	-
Dividend Income	-	-	-	(0.77)
Unrealised Foreign exchange gain loss	(0.17)	(0.03)	(0.81)	(0.11)
Operating cash profit before working capital changes	**147.31**	**248.38**	**180.68**	**241.92**
Change in working capital:				
(Increase)/Decrease in Trade receivables	(32.47)	(134.00)	(18.67)	(299.60)
(Increase)/Decrease in Inventories	15.37	(164.06)	(27.92)	(15.38)
(Increase)/Decrease in Other Financial Assets	(6.93)	(4.54)	(6.31)	(85.72)
(Increase)/Decrease in Other Non - Current Assets	5.36	4.93	(2.46)	95.52
(Increase)/Decrease in Other Current Assets	13.10	(62.80)	(121.51)	10.74
Increase/(Decrease) in Trade Payables	(194.88)	296.67	(63.65)	105.55
Increase/(Decrease) in Other Liabilities	(16.74)	34.66	62.51	5.70
Cash (used in) / generated from operations :	**(69.88)**	**219.24**	**2.65**	**58.73**
Income tax paid (net)	(43.54)	(71.79)	(56.99)	(149.70)
Net cash flow (used in) / generated from operating activities (A)	**(113.42)**	**147.46**	**(54.35)**	**(90.98)**
Cash flows from investing activities:				
Capital expenditure on property, plant and equipment (PPE) (Including Capital work in progress, capital advances and Right to use)	(1.38)	(5.55)	(3.13)	(21.96)
Loan to related parties	(2.01)	(7.58)	(7.50)	-
(Purchase)/Proceeds from sale of investments	235.27	(459.55)	46.28	46.67
Increase in Restricted Bank Balances other than Cash & Cash Equivalents	(174.31)	(6.58)	15.87	46.20
Dividend Received	-	-	-	0.77
Interest received	4.17	6.82	6.48	19.90
Increase / (Decrease) in Non controlling Interest	(0.00)	(0.01)	(0.00)	(0.00)
Net cash flow from / (used in) Investing activities (B)	**61.74**	**(472.44)**	**58.00**	**91.59**
Cash flow from financing activities:				
Proceeds from issue of Share capital (net of expenses)	(8.71)	408.50	-	-
Interest paid	(4.91)	(6.55)	(7.35)	(7.54)
Net cash flow from / (used in) Financing activities(C)	**(13.62)**	**401.95**	**(7.35)**	**(7.54)**
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]	**(65.29)**	**76.97**	**(3.70)**	**(6.92)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD				
Balance with banks in current accounts, EEFC account and deposit account	103.55	26.59	30.12	37.01
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	0.09	0.00	0.15	0.04
CASH AND CASH EQUIVALENTS AS PER NOTE 16	**103.65**	**26.59**	**30.27**	**37.06**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	38.33	103.55	26.59	30.12
CASH AND CASH EQUIVALENTS AS PER NOTE 16	**38.33**	**103.55**	**26.59**	**30.12**

See accompanying notes forming part of the Restated financial Information

Note - The above Restated Consolidated Statement of Cash flow for the period/year ended on 30th September 2024 31st March 2024, 31st March 2023, 31st March 2022 should be read in conjunction with Notes to the Restated Financial Information appearing in Annexure - V and Summary of Restatement Adjustments appearing in Annexure - VI.

Notes

1. Cash and Cash equivalent at the end of the period

Particulars	For the half year ended 30th September 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
Balances with Banks				
In Current Accounts	0.55	0.15	0.20	1.24
In Cash Credit accounts (Refer below note below)	30.32	27.40	19.34	24.36
In Exchange Earners' Foreign Currency (EEFC) Account	7.11	3.50	7.05	4.52
Bank deposits with original maturity for less than 3 months	0.35	72.50	-	-
Cash and Cash equivalent at the end of the period	**38.33**	**103.55**	**26.59**	**30.12**

2. The above cash flow statement has been prepared under the indirect method setout in Indian Accounting Standard (Ind AS) 7.

3. Figures in brackets indicate cash outgo.

As per our report of even date

For and on behalf of the Board of Directors :lf of the Board of Directors

For CNK & Associates LLP
Chartered Accountants
FRN:-101961W/W-100036

Umed A Fifadra
Whole Time Director
DIN: 00049036

Mukesh R Kapadia
Whole Time Director
DIN: 00048621

Shirish Adi
Managing Director
DIN: 03259129

Rachit Sheth
Partner
Membership No:-158289
Place: Vadodara
Date : 6th February, 2025

Munjal Jani
Chief Financial Officer

Hima Sheth
Company Secretary & Compliance Officer

Place: Vadodara
Date : 6th February, 2025

Advanced Sys-Tek Limited
(Formally known as Advanced Sys-Tek Private Limited)
CIN: U33112GJ1988PLC010464
All amounts in ₹ Millions unless otherwise stated

Annexure IV
Restated Consolidated Statement of Changes In Equity

A. Equity Share Capital

Balance at the beginning of the current reporting period i.e. April 01, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current reporting period	Balance at the end of the current reporting period i.e. September 30, 2024
32.05	-	-	160.23	192.28

Balance at the beginning of the current reporting period i.e. April 01, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period i.e. March 31, 2024
28.03	-	-	4.02	32.05

Balance at the beginning of the previous reporting period i.e. April 01, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the previous reporting period i.e. March 31, 2023
28.03	-	-	-	28.03

Balance at the beginning of the previous reporting period i.e. April 01, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the previous reporting period i.e. March 31, 2022
28.03	-	-	-	28.03

B. Other Equity

Particulars	Reserves and Surplus				Total
	Securities Premium Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	
Balance at the beginning of reporting period i.e. April 01, 2024	**1,143.48**	**2.62**	**20.19**	**672.68**	**1,838.97**
Addition during the year	-	-	-	-	-
Utilised during the year	(168.94)	-	-	-	**(168.94)**
Total Comprehensive Income for the current year	-		-	121.54	**121.54**
Remeasurement of the Net Defined benefit liability/asset, net of tax effect	-		-	(1.83)	**(1.83)**
Balance at the end of reporting period i.e. As at 30th September, 2024	**974.54**	**2.62**	**20.19**	**792.39**	**1,789.74**

Particulars	Reserves and Surplus				Total
	Securities Premium Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	
Balance at the beginning of reporting period i.e. April 01, 2023	**739.00**	**2.62**	**20.19**	**481.37**	**1,243.18**
Addition during the year	425.98	-	-	-	**425.98**
Utilised during the year	(21.50)	-	-	-	**(21.50)**
Total Comprehensive Income for the current year	-		-	192.17	**192.17**
Remeasurement of the Net Defined benefit liability/asset, net of tax effect	-		-	(0.86)	**(0.86)**
Balance at the end of reporting period i.e. March 31, 2024	**1,143.48**	**2.62**	**20.19**	**672.68**	**1,838.97**

Advanced Sys-Tek Limited
(Formally known as Advanced Sys-Tek Private Limited)
CIN: U33112GJ1988PLC010464
All amounts in ₹ Millions unless otherwise stated

Annexure IV
Restated Consolidated Statement of Changes In Equity

Particulars	Reserves and Surplus				Total
	Securities Premium Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	
Balance at the beginning of reporting period i.e. April 01, 2022	**739.00**	**2.62**	**20.19**	**351.23**	**1,113.04**
Total Comprehensive Income for the current year	-	-	-	131.71	131.71
Remeasurement of the Net Defined benefit liability/asset, net of tax effect	-	-	-	(1.57)	(1.57)
Balance at the end of reporting period i.e. March 31, 2023	**739.00**	**2.62**	**20.19**	**481.37**	**1,243.18**

Particulars	Reserves and Surplus				Total
	Securities Premium Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	
Balance at the beginning of reporting period i.e. April 01, 2021	**739.00**	**2.62**	**20.19**	**281.90**	**1,043.71**
Total Comprehensive Income for the current year	-	-	-	**69.89**	69.89
Remeasurement of the Net Defined benefit liability/asset, net of tax effect	-	-	-	**(0.56)**	(0.56)
Balance at the end of reporting period i.e. March 31, 2022	**739.00**	**2.62**	**20.19**	**351.23**	**1,113.04**

See accompanying notes forming part of the Restated financial Information
Note: The above Consolidated Statement of Changes in Equity as on 30th September 2024, 31st March 2024, 31st March 2023 and 31st March 2022 should be read in conjunction with Notes to the to the Restated Financial Information appearing in Annexure - V and Summary of Restatement Adjustments appearing in Annexure - VI.

As per our report of even date

For CNK & Associates LLP
Chartered Accountants
FRN:-101961W/W-100036

For and on behalf of the Board of Directors

Umed A Fifadra
Whole Time Director
DIN: 00049036

Mukesh R Kapadia
Whole Time Director
DIN: 00048621

Shirish Adi
Managing Director
DIN: 03259129

Rachit Sheth
Partner
Membership No:-158289
Place: Vadodara
Date : 6th February, 2025

Munjal Jani
Chief Financial Officer

Hima Sheth
Company Secretary & Compliance Officer

Place: Vadodara
Date : 6th February, 2025

Annexure IV
Notes to the Restated Consolidated Financial Information

1 Corporate Information

Advanced Sys-tek Limited (the 'Holding Company') was incorporated on 16th March, 1988 as a Private company, under the Companies Act, 1956 and converted inti Public company on 06/09/2024 which is a domiciled in India. Advanced Sys-tek Limited together with its subsidiary and associate (collectively referred to as "Group") offers complete automation and metering solution to customers using project management expertise and specialized knowledge of the Oil & Gas measurement industry. This enables customers to measure, automate and control the transportation and distribution of their products through pipelines, tank trucks, barges and rail wagons.

Disclosure related to entities considered in the Restated Consolidated Financial Information

Name of the company	Subsidiary	% of holding/voting power as at 30th September, 2024	% of holding/voting power as at 31st March, 2024	% of holding/voting power as at 31st March, 2023	% of holding/voting power as at 31st March, 2022
AST Environment Solutions Private Limited	Indian Subsidiary	99.90	99.90	99.90	99.90
Terranomous Systems Private Limited*	Indian Associate	49.95	49.95	49.95	Not applicable

* Incorporated on August, 25 2022

2 Material Accounting Policies and Other Explanatory Notes:

2.1 Compliance with Ind AS

The Restated financial information have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 (“the Act”) read with the Companies (Indian Accounting Standards) Rules, 2015(as amended) and other relevant provisions of the Act.

The Restated financial information was authorized for issue by the Company’s Board of Directors on 6th February, 2025.

2.2 Basis of Consolidation

The Restated consolidated Financial Information of the Company comprises of Restated Ind AS Statement of Assets and Liabilities as at 30th September, 2024, March 31, 2024, March 31, 2022 and March 31, 2021; the Restated Statement of Profit and Loss (including Other Comprehensive Income), Restated Statement of Changes in Equity and the Restated Statement of Cash Flows for the year ended March 31, 2024 , March 31, 2023 and March 31, 2022 along with summary statement of material Accounting Policies and the Notes thereon and the summary statements.

The above Restated consolidated Financial Information has been prepared by the Management of the Company under Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 (‘the Act’) read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act, to the extent applicable, in connection with the proposed listing of equity shares of the Company by way of Initial Public Offering (“IPO”), to be filed by the Company with the Securities and Exchange Board of India, Registrar of Companies, Gujarat and the concerned Stock Exchange in accordance with the requirements of:

(i)Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Companies Act");
(ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"); and
(iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI” as amended from time to time (the “Guidance Note”).

Annexure IV

Notes to the Restated Consolidated Financial Information

The Restated Financial Information has been compiled from:

a) Audited Ind AS financial statements of the company as at and for the year ended March 31, 2023 which have been prepared in accordance with the Indian Accounting Standards (referred to as 1Ind AS') as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and revised presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable. other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 17th August 2023;

b) Audited Ind AS financial statements of the Company as at and for the year ended March 31, 2022 prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on 19th September, 2022;

These financial statements are presented in Indian Rupees, which is the Group functional currency, and all values are rounded to the nearest Millions, except otherwise indicated.

ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except the following:

- Certain financial assets and liabilities that are measured at fair value;
- Defined benefit plans – plan assets measured at fair value.

iii) Functional and presentation currency

These financial statements are presented in Indian Rupees, which is the Group functional currency, and all values are rounded to the nearest lakhs, except otherwise indicated.

iv) Composition of Financial Statements

The financial statements are accordance with Ind AS presentation. The financial statements comprise:

- Balance Sheet
- Statement of Profit and Loss
- Statement of Changes in Equity
- Statement of Cash Flow
- Notes to Financial Statements

v) Key Accounting Judgments, Estimates and Assumptions

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Any change in these estimates and assumptions will generally be reflected in the financial statements in current period or prospectively, unless they are required to be treated retrospectively under relevant accounting standards.

Annexure IV
Notes to the Restated Consolidated Financial Information

3.1 Material Accounting Policies

A Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:
- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

B Revenue Recognition:

The Group earns revenue primarily from turnkey projects with respect to automation and related control systems, AMC services and other business solutions.

Revenue from construction of plants and systems with performance obligations satisfied over time are recognized using input method. Revenue from such contracts is recognized over time because of the continuous transfer of control to the customer. With control transferring over time, revenue is recognized based on the extent of progress towards completion of the performance obligation. Cost based input method of progress is used because it best depicts the transfer of control to the customer that occurs as costs are incurred. Under the cost based cost method, the extent of progress towards completion is measured based on the proportion of costs incurred to date to the total estimated costs at completion of the performance obligation. Cost estimates on significant contracts are reviewed on a periodic basis, or when circumstances change and warrant a modification to a previous estimate.

Revenue from contract with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration Group expects to be entitled in exchange for those goods or services. Service sales, principally representing software development are recognized over the contractual period or as services are rendered.

Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price;

Revenue includes adjustments made towards liquidated damages and variation wherever applicable. Escalation and other claims, which are not ascertainable/acknowledged by customers are not taken into account;

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately;

Annexure IV
Notes to the Restated Consolidated Financial Information

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset. For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability.

C Other Income:

(i) Interest Income:

Interest income from the financial assets is recognized on a time basis, by reference to the principle outstanding using the effective interest method provided it is probable that the economic benefits associated with the interest will flow to the Group and the amount of interest can be measured provided it is probable that the economic benefits associated with the interest will flow to the Group and the amount of interest can be measured.

(ii) Export Incentive

Export benefits available under prevalent schemes are accounted to the extent considered receivable.

(iii) Any Other Incomes

Other income is comprised primarily of gain / loss on investments, exchange gain/loss on foreign currency transactions is accounted for an accrual basis for except where the receipt of income is uncertain in which case it is accounted for on receipt basis. Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

D Property, Plant and Equipment (PPE)

All items of PPE are stated at cost, which includes capitalized borrowing costs, less accumulated depreciation, and impairment loss, if any. Cost includes purchase price, including non-refundable duties and taxes, expenditure that is directly attributable to bring the assets to the location and condition necessary for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located, if any;

Spare parts are treated as capital assets when they meet the definition of property, plant and equipment; Otherwise, such items are classified as inventory.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for, as separate items (major components) of property, plant and equipment. Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognised in the Statement of Profit or Loss;

Subsequent Expenditure:

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

De-Recognition:

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from its use. Any gain or loss arising from its de-recognition is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss when the asset is de-recognised;

Annexure IV
Notes to the Restated Consolidated Financial Information
Depreciation methods, estimated useful lives and residual value:
Tangible assets, including lease hold land, are depreciated on a pro-rata basis based on the Straight Line method as per rates specified in Schedule II of the Companies Act, 2013.

Depreciation on following asset categories is provided on straight-line method at rates different than those prescribed under Schedule II of the Companies Act, 2013:

Assets	Useful life
Building	5/30/60 years
Computer	3/5/10 years
Electronic Installation	5 years
Office Equipment	2 - 10 years
Vehicles	5 years
Plant and machinery	5/10/15 years
Furniture and Fixtures	5/10 years

Capital Work-in-Progress:
Plant and properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying asset, borrowing costs capitalized in accordance with the Group's accounting policies. Such plant and Properties are classified and capitalized to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the asset are ready for their intended use.

E Intangible Assets:
Recognition and Measurement:
Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. Intangible Assets are stated at cost of acquisition less accumulated amortization and accumulated impairment, if any.

Assets	Useful life
Intangible Asset	5 - 10 years

Subsequent Expenditure:

(A) Other intangible assets:
Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures, including expenditures on internally generated goodwill and brands, is recognised in the statement of profit and loss as incurred.

Amortisation:
Intangible assets are amortized over the period the Group expects to derive economic benefits from their use. The Management believes that the period of amortization is representative of the period over which the Group expects to derive economic benefits from the use of the asset.

De- recognition of intangible assets:
Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use. Losses arising on such de-recognition are recorded in the statement of profit and loss, and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

F Intangible Assets under development
Intangible assets consisting of development expenditure of certain products, are evaluated for potential impairment on an annual basis or when there are indications that the carrying value may not be recoverable.

Annexure IV
Notes to the Restated Consolidated Financial Information

G Impairment of Non financial assets:

At the end of each reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the Cash Generating Unit (CGU) to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU, or otherwise they are allocated to the smallest group of CGU for which a reasonable and consistent allocation basis can be identified;
The Group's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs;

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

H Reversal of Impairment of Non financial assets:

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

I Inventories:

Inventories which comprise raw materials, work-in-progress and stock-in-trade are carried at the lower of cost and net realizable value.

Inventories have been valued at lower of weighted average cost or net realisable value. Cost of inventories comprises of purchase cost and other costs for bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.
The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

Provision for inventory obsolescence is assessed annually and is provided for as considered necessary.

J Fair Value Measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value
measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value
measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above."

Annexure IV
Notes to the Restated Consolidated Financial Information

K Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets:
Initial recognition, classification and measurement:
The Group recognises financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

Subsequent Measurement
Debt instruments at amortized cost

A debt instrument' is measured at its amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest Rate (EIR) method.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statement of profit or loss. The losses arising from impairment are recognized in the statement of profit or loss.

Debt instruments at FVTOCI

A debt instrument' is classified at FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial Assets, and

b) The asset's contractual cash flows represent solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Profit and Loss. Interest earned while holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL;

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL.

However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has designated certain debt instrument as at FVTPL;

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Annexure IV
Notes to the Restated Consolidated Financial Information
Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL;

For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity;

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) the Group has transferred substantially all the risks and rewards of the asset, or

(b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;

b) Financial assets that are debt instruments and are measured as at FVTOCI;

c) Trade receivables or any contractual right to receive cash or another financial asset.

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables and
- Other receivables

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition;

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Financial Liabilities:

Initial recognition and Measurement

The Group's financial liabilities include trade and other payables, loans and borrowings. All financial liabilities are recognized initially at fair value and in the case of loans, borrowings and payables recognized net of directly attributable transaction costs;

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Annexure IV
Notes to the Restated Consolidated Financial Information
Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process;

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

L Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value;

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

M Cash Flows

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated. The Group considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

N Foreign Currency Translation:

Initial Recognition:

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Annexure IV
Notes to the Restated Consolidated Financial Information

O Employee benefits:

Short-term Employee Benefits:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Contribution towards defined benefit contribution schemes:

Contribution towards provident fund is made to the regulatory authorities. Contributions to the above scheme are charged to the Statement of profit and loss in the year when the contributions are due. Such benefits are classified as defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions to be made.

Defined benefit Plan:

Gratuity plan:

The Holding Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for gratuity on post employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Company. The aforesaid liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. The scheme is funded with an insurance Company in the form of a qualifying insurance policy. Current service cost, Past-service costs are recognised immediately in Statement of profit or loss;

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Re-measurements are not reclassified to profit or loss in subsequent periods.

Compensated Absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end;

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in profit or loss in the period in which they arise.

Phantom Stock Option Scheme,2022 :

The Holding Company grants phantom stock options to certain employees. The company pays for phantom stock options at fair value at the time of settlement to employees. The share-based awards are classified as a cash-settled share based payment plan.The Company process vested options for settlement at each vesting date and determine appreciation in respect of all such Options with reference to Fair Market Value prevailing as on date of Vesting calculated. The Company recognises the fair value of the liability and expense for this plan over the vesting period based on the management's estimate of the vesting and forfeiture conditions.

Phantom share awards are accrued over the vesting period, which generally range between 1 to 5 years. Certain awards vest at grant date and are therefore accrued fully at grant date.Changes in fair value of the above share plan obligations between grant date and settlement date are expensed within operating expenses. Total value of awards accrued and outstanding at end of the accounting period is classified as a liability.

Annexure IV
Notes to the Restated Consolidated Financial Information
Share-based payments

The Company measures the cost of equity-settled transactions with employees using a model to determine the fair value of the liability incurred.

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

P Borrowing costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred;

Q Income taxes :

The tax expense comprises of current income tax and deferred tax.

Current income tax:

Income tax expense comprises of current tax and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity/OCI, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted on the reporting date;

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax:

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements;

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward unused tax losses can be utilised;

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised;

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

R Provisions and Contingent liabilities and contingent assets :

a) Provisions:

A provision is recognized if, as a result of past event, the Group has a present obligation that can be estimated reliably, and it is probably that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditures required to settle the present obligations at the balance sheet date. The provisions are measured on an undiscounted basis.

Warranties

Warranty costs are provided based on a technical estimate of the costs required to be incurred for repair, replacement, material cost, servicing and past experience in respect of warranty cost. It is expected that this expenditure will be incurred over the contractual warranty period.

Contingencies

Provision in respect of loss contingencies relating to claims, litigations, assessments, fines, penalties, etc. are recognized when it is probable that a liability has been incurred and the amount can be estimated reliably.

Liquidated damages

Liquidated damages are provided based on contractual terms when the delivery/ commissioning dates of an individual project have exceeded or are likely to exceed the delivery/ commissioning dates as per the respective contracts. This expenditure is expected to be incurred over the respective contractual terms up to closure of the contract.

Annexure IV
Notes to the Restated Consolidated Financial Information
Onerous contracts
A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

b) Contingent Liabilities and Contingent assets:
A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.
A contingent assets is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements;
Contingent liabilities and contingent assets are reviewed at each balance sheet date.

S **Earnings per Share:**
Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial period, adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any, that have changed the number of equity shares outstanding, without a corresponding change in resources. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

T **Leases:**
A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
Group as a lessee
Initial measurement
(A) Lease Liability
At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The
lease payments shall be discounted using incremental borrowing rate.
(B) Right-of-use assets
Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.
Subsequent measurement
(A) Lease Liability
Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.
(B) Right-of-use assets
Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the under lying asset.

Annexure IV
Notes to the Restated Consolidated Financial Information
Impairment

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Short term Lease

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

As a lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever, the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease income is recognised in the statement of profit and loss on straight line basis over the lease term.

Advanced Sys-Tek Limited
(Formally known as Advanced Sys-Tek Private Limited)
CIN: U33112GJ1988PLC010464
All amounts in ₹ Millions unless otherwise stated

Annexure V
Notes to the Restated Consolidated Financial Information

4 Property, Plant and Equipment

Particulars	Right to use assets /Lease hold Land	Building	Plant and Machinery	Electrical Installation	Furniture and Fixtures	Office Equipment	Vehicles	Computers	Total
Gross carrying amount									
As at 1st April, 2024	**14.13**	**41.66**	**13.08**	**0.76**	**0.52**	**1.95**	**8.45**	**5.90**	**86.45**
Additions	-	0.31	0.02	0.24	0.12	0.43	-	0.26	1.38
Disposals	-	-	-	-	-	-	-	-	-
As at 30th September, 2024	**14.13**	**41.97**	**13.10**	**1.00**	**0.64**	**2.38**	**8.45**	**6.16**	**87.83**
Accumulated depreciation									
As at 1st April, 2024	**1.06**	**3.51**	**1.98**	**0.36**	**0.05**	**0.50**	**5.63**	**1.93**	**15.02**
Depreciation charge for the year 2024-25	0.13	0.51	0.65	0.07	0.04	0.13	0.80	0.48	2.81
On Disposals	-	-	-	-	-	-	-	-	-
As at 30th September, 2024	**1.19**	**4.02**	**2.63**	**0.43**	**0.09**	**0.63**	**6.43**	**2.41**	**17.83**
Net carrying amount:									
As at 30th September, 2024	12.94	37.95	10.47	0.57	0.55	1.75	2.02	3.75	70.00
As at 31st March, 2024	13.07	38.15	11.10	0.40	0.47	1.45	2.82	3.97	71.43

Note:
The Property, Plant and Equipment of the Group including immovable property situated at 299 - 300 G.I.D.C Makapura, Vadodara 390010 is mortgaged in favour of HDFC Bank Limited and ICICI Bank Limited for availing working capital facilities from the said Banks.

Particulars	Right to use assets /Lease hold Land	Building	Plant and Machinery	Electrical Installation	Furniture and Fixtures	Office Equipment	Vehicles	Computers	Total
Gross carrying amount									
As at 1st April, 2023	**14.13**	**41.66**	**12.74**	**0.76**	**0.22**	**1.29**	**8.45**	**4.33**	**83.58**
Additions	-	0.00	0.34	-	0.30	0.66	-	1.57	2.87
Disposals	-	-	-	-	-	-	-	-	-
As at 31st March, 2024	**14.13**	**41.66**	**13.08**	**0.76**	**0.52**	**1.95**	**8.45**	**5.90**	**86.45**
Accumulated depreciation									
As at 1st April, 2023	**0.81**	**2.50**	**0.96**	**0.22**	**0.02**	**0.31**	**4.02**	**1.20**	**10.04**
Depreciation charge for the year 2023-24	0.25	1.01	1.02	0.14	0.03	0.19	1.61	0.73	4.98
On Disposals	-	-	-	-	-	-	-	-	-
As at 31st March, 2024	**1.06**	**3.51**	**1.98**	**0.36**	**0.05**	**0.50**	**5.63**	**1.93**	**15.02**
Net carrying amount:									
As at 31st March, 2024	13.07	38.15	11.10	0.40	0.47	1.45	2.82	3.97	71.43
As at 31st March, 2023	13.32	39.15	11.78	0.54	0.20	0.98	4.43	3.13	73.54

Note:
The Property, Plant and Equipment of the Group including immovable property situated at 299 - 300 G.I.D.C Makapura, Vadodara 390010 is mortgaged in favour of HDFC Bank Limited and ICICI Bank Limited for availing working capital facilities from the said Banks.

Annexure V
Notes to the Restated Consolidated Financial Information

4 Property, Plant and Equipment

Particulars	Right to use assets /Lease hold Land	Building	Plant and Machinery	Electrical Installation	Furniture and Fixtures	Office Equipment	Vehicles	Computers	Total
Gross carrying amount									
As at 1st April, 2022	**14.13**	**41.45**	**2.30**	**0.76**	**0.15**	**0.82**	**8.45**	**4.33**	**72.39**
Additions	-	0.21	10.44	-	0.07	0.47	-	-	11.19
Disposals	-	-	-	-	-	-	-	-	-
As at 31st March, 2023	**14.13**	**41.66**	**12.74**	**0.76**	**0.22**	**1.29**	**8.45**	**4.33**	**83.57**
Accumulated depreciation									
As at 1st April, 2022	**0.56**	**1.50**	**0.49**	**0.08**	**0.01**	**0.19**	**2.41**	**0.62**	**5.86**
Depreciation charge for the year 2022-23	0.25	1.00	0.47	0.14	0.01	0.12	1.61	0.58	4.18
On Disposals	-	-	-	-	-	-	-	-	-
As at 31st March, 2023	**0.81**	**2.50**	**0.96**	**0.22**	**0.02**	**0.31**	**4.02**	**1.20**	**10.04**
Net carrying amount:									
As at 31st March, 2023	13.32	39.16	11.78	0.54	0.20	0.98	4.43	3.13	73.53
As at 31st March, 2022	13.57	39.95	1.81	0.68	0.14	0.63	6.04	3.71	66.53

Note:
The Property, Plant and Equipment of the Group including immovable property situated at 299 - 300 G.I.D.C Makarpura, Vadodara 390010 is mortgaged in favour of HDFC Bank Limited and ICICI Bank Limited for availing working capital facilities from the said Banks.

Particulars	Right to use assets /Lease hold Land	Building	Plant and Machinery	Electrical Installation	Furniture and Fixtures	Office Equipment	Vehicles	Computers	Total
Gross carrying amount									
As at 1st April, 2021	**14.13**	**31.78**	**1.09**	**0.16**	**0.14**	**0.66**	**8.45**	**1.38**	**57.79**
Additions	-	9.67	1.21	0.60	0.01	0.16	-	2.95	14.60
Disposals	-	-	-	-	-	-	-	-	-
As at 31st March, 2022	**14.13**	**41.45**	**2.30**	**0.76**	**0.15**	**0.82**	**8.45**	**4.33**	**72.39**
Accumulated depreciation									
As at 1st April, 2021	**0.28**	**0.66**	**0.27**	**0.01**	**0.00**	**0.10**	**0.80**	**0.41**	2.53
Depreciation charge for the year 2021-22	0.28	0.84	0.22	0.07	0.01	0.09	1.61	0.21	3.33
On Disposals	-	-	-	-	-	-	-	-	-
As at 31st March, 2022	**0.56**	**1.50**	**0.49**	**0.08**	**0.01**	**0.19**	**2.41**	**0.62**	5.86
Net carrying amount:									
As at 31st March, 2022	13.57	39.95	1.81	0.68	0.14	0.64	6.04	3.71	66.53
As at 31st March, 2021	13.85	31.12	0.82	0.15	0.14	0.56	7.65	0.97	55.26

Note:
The Property, Plant and Equipment of the Group including immovable property situated at 299 - 300 G.I.D.C Makarpura, Vadodara 390010 is mortgaged in favour of HDFC Bank Limited and ICICI Bank Limited for availing working capital facilities from the said Banks.

Advanced Sys-Tek Limited
(Formally known as Advanced Sys-Tek Private Limited)
CIN: U33112GJ1988PLC010464
All amounts in ₹ Millions unless otherwise stated

Annexure V
Notes to the Restated Consolidated Financial Information

5 Capital work-in-Progress

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Capital work-in-Progress	-	-	0.13	9.41

Capital Work in Progress (CWIP) Ageing as at 30th September, 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress:	-	-	-	-	-

Capital Work in Progress (CWIP) Ageing as at 31st March, 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress:	-	-	-	-	-

Capital Work in Progress (CWIP) Ageing as at 31st March, 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress:	0.13	-	-	-	0.13

Capital Work in Progress (CWIP) Ageing as at 31st March, 2022

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress:	9.41	-	-	-	9.41 -

Notes:
1. There are no projects which are temporarily suspended as on 30.09.2024, 31.03.2024 ,31.03.2023 and 31.03.2022
2. There are no projects whose completion is overdue or has exceeded its cost as compared with its initial plan.

6 Intangible Asset

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Computer Software				
Gross Carrying Amount				
Carrying amount	1.88	1.88	1.13	1.11
Additions	-	-	0.75	0.02
Disposals	-	-	-	-
Closing Gross Carrying Amount	**1.88**	**1.88**	**1.88**	**1.13**
Accumulated Amortization				
Carrying amount	0.91	0.68	0.48	0.31
Amortization charged during the period/year	0.09	0.23	0.20	0.17
Disposals			-	-
Closing Accumulated Amortization	**1.00**	**0.91**	**0.68**	**0.48**
Net Carrying Amount (A)	**0.88**	**0.97**	**1.20**	**0.65**
CPU Card				
Gross Carrying Amount				
Carrying amount	7.26	-	-	-
Additions	-	7.26	-	-
Disposals	-	-	-	-
Closing Gross Carrying Amount	**7.26**	**7.26**	**-**	**-**
Accumulated Amortization				
Carrying amount	0.63	-	-	-
Amortization charged during the year	0.73	0.63	-	-
Disposals	-	-	-	-
Closing Accumulated Amortization	**1.36**	**0.63**	**-**	**-**
Net Carrying Amount (B)	**5.90**	**6.63**	**-**	**-**
Net Carrying Amount (A)+(B)	**6.78**	**7.60**	**1.20**	**0.65**

7 **Intangible Assets under development**

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Intangible Assets under development	-	-	4.45	3.97

Intangible assets under developed Ageing as at 30th September, 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress:	-	-	-	-	-

Intangible assets under developed Ageing as at 31st March, 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress:	-	-	-	-	-

Intangible assets under developed Ageing as at 31st March, 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress:	0.48	1.19	1.75	1.04	4.45

Intangible assets under developed Ageing as at 31st March, 2022

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress:	1.19	1.75	1.04	-	3.97

Notes:
1. There are no projects which are temporarily suspended as on 30.09.2024, 31.03.2024 ,31.03.2023 and 31.03.2022
2. There are no projects whose completion is overdue or has exceeded its cost as compared with its initial plan.

Annexure V
Notes to the Restated Consolidated Financial Information

Non Current-Financial Assets

8 Investments

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Investment In Associate (Unquoted) Valued at Cost				
Equity Shares (Fully paid up):				
Terranomous Systems Private Limited (30th September, 2024 - 14,985 units, 31st March, 2024 - 14,985 units, 31st March, 2023 - 14,985 units, 31st March 2022 - NIL units) (Refer note below)	0.15	0.15	0.15	-
-Share in post acquisition profit (net of losses)	(0.15)	(0.15)	(0.15)	-
(Share of Associate's Loss as on date 30th September, 2024 Rs.3.14 Millions, As on 31st March 2024 Rs. 1.91 Millions (As on 31st March 2023 Rs. 0.60 Millions and As on 31st March 2022 Nil))				
Total	-	-	-	-

Note: The Holding company has acquired 14,985 equity shares of Rs. 10/- each during the Financial Year 2022-23 of Terranomous Systems Private Limited.

9 Other financial assets

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good				
Security Deposit	4.13	3.68	3.16	2.73
Bank deposits under lien held as margin money with original maturity of more than 12 months	231.88	120.93	100.84	83.83
Total	**236.01**	**124.61**	**104.00**	**86.56**

10 Loans

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good				
Loan to Related Parties (Refer below note)	17.09	15.08	7.50	-
Total	**17.09**	**15.08**	**7.50**	-

(i) Refer Note no. 43 (D) and (E) for other disclosures.
(ii) The rate of interest for the above loan ranges from 9.00 % p.a. to 12.26 % p.a.

11 Deferred Tax Asset (Net)

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Deferred Tax Liability				
Related to Property, Plant and Equipment	3.97	3.86	4.85	4.76
Financial assets at fair value through profit and loss	3.32	1.66	0.32	0.98
Total	**7.29**	**5.52**	**5.17**	**5.74**
Deferred Tax Assets				
Provision for Doubtful debts	9.92	9.02	10.56	9.99
Provision for warranties	14.97	14.16	13.92	12.68
Provision for pending sales tax form and other disputes	-	-	2.04	2.32
Provision for retirement benefits	5.82	9.82	7.37	5.81
Remeasurements of defined benefit plans	1.48	0.87	0.58	0.05
Total	**32.19**	**33.87**	**34.47**	**30.85**
Deferred tax assets/(liabilities))(Net)	**24.90**	**28.35**	**29.30**	**25.11**

12 Other Non - Current Assets

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good				
Balances with government authorities	33.24	33.24	36.27	36.52
Taxes paid in advances (Net of Provision)	19.88	25.24	27.14	24.43
Total	**53.12**	**58.48**	**63.41**	**60.95**

Annexure V
Notes to the Restated Consolidated Financial Information

13 Inventories (At lower of cost and net realizable value)

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Raw Materials/Components	175.47	198.53	65.11	27.20
Work-in-progress	23.34	17.70	13.40	20.02
Goods-in-Transit	10.72	39.07	14.43	-
Stock-in-Trade/ Trading stock	62.44	32.04	30.34	48.14
Total	**271.97**	**287.34**	**123.28**	**95.36**

Current-Financial Assets

14 Investments

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Investments at fair value through profit or loss				
Investments in Market linked Non convertible Debentures (Quoted)				
Alpha Alternatives Financial Services Private Limited (30th September 2024 - 848 Units, 31st March 2024 - NIL Units)	107.00	-	-	-
Investments in Mutual Funds (Quoted)				
HDFC Corporate Bond Fund - Growth (30th September 2024 - Nil, 31st March 2024 - 694467.596 Units, 31st March 2023 - 183949.596 Units, 31st March 2022 - 385882.926 units)	-	20.37	5.00	10.08
HDFC Liquid Fund - Direct Plan (30th September 2024 - Nil, 31st March 2024 - Nil , 31st March 2023 - 1156.005 Units, 31st March 2022 - Nil)	-	-	5.11	-
ICICI Prud Medium Term Bond Fund Growth (30th September 2024 - Nil, 31st March 2024 - Nil , 31st March 2023 - Nil , 31st March 2022- 595734.92 Units)	-	-	-	21.30
HDFC Ultra Short Term Fund - Regular Growth (30th September 2024 - Nil, 31st March 2024 - 7233957.914 Units, 31st March 2023 - Nil, 31st March 2022 - Nil)	-	100.17	-	
ICICI Prud Ultra Short Term Fund (30th September 2024 - Nil, 31st March 2024 - Nil , 31st March 2023 - 302041.298, 31st March 2022 - Nil)	-	-	7.64	-
Invesco India Arbitrage fund - Growth plan (30th September 2024 - Nil, 31st March 2024 - Nil , 31st March 2023 - 562340.493 Units, 31st March 2022 - Nil)	-	-	15.29	-
SBI Dynamic Bond Fund - Regular Plan (30th September 2024 - Nil, 31st March 2024 - 823592.229 Units, 31st March 2023 - 333772.82 Units, 31st March 2022 - Nil)	-	26.74	10.00	-
SBI Magnum Ultra Short Duration Fund Regular (30th September 2024 - Nil, 31st March 2024 - Nil , 31st March 2023 - 1492.344 Units, 31st March 2022 - Nil)		-	7.60	-
Edelweiss Arbitrage Fund - Direct Plan Growth (30th September 2024 - 5,146,529 Units, 31st March 2024 - NIL Units)	101.15			
Tata Arbitrage Fund-Regular-Plan Growth (30th September 2024 - Nil, 31st March 2024 - Nil , 31st March 2023 - Nil ,31st March 2022 - 655384.032 Units)	-	-	-	7.66
SBI Liquid Fund Direct Growth (30th September 2024 - Nil, 31st March 2024 -1451.364 Units, 31st March 2023 - 1451.364 Units, 31st March 2022 - Nil)	-	5.49	5.11	-
Kotak PSU Debit Fund- Growth (30th September 2024 - Nil, 31st March 2024 - Nil , 31st March 2023 - 181547.333 Units, 31st March 2022 - Nil)	-	-	10.00	-
HDFC Short Term Debt Fund - Growth (30th September 2024 - 171,597 Units, 31st March 2024 - NIL Units)	5.17	-	-	-
Kotak Bond Short Term Fund Growth - CAMS (30th September 2024 - Nil, 31st March 2024 - Nil , 31st March 2023- Nil , 31st March 2022 - 117669.971 Units)	-	-	-	5.01
Kotak Money market fund - Direct Plan (30th September 2024 - Nil, 31st March 2024 - 2268.05 Units, 31st March 2023 - 1331.008 Units, 31st March 2022 - Nil)	-	9.35	5.10	-
Kotak FMP Series 307 - Direct Plan (30th September 2024 - Nil, 31st March 2024 - Nil , 31st March 2023 - 2016171.191 Units, 31st March 2022 - Nil)	-	-	20.30	-
Kotak Saving fund - Direct Plan - Growth (30th September 2024 - Nil, 31st March 2024 - Nil , 31st March 2023 - 296041.385 Units, 31st March 2022- 268881.588 Units)	-	12.11	10.24	
Kotak Nifty SDL Apr.27 Equal Index fund (30th September 2024 - 493144.944 Units, 31st March 2024 - 493144.944 Units, 31st March 2023 - 493144.944 Units)	5.73	5.48	5.11	
HDFC Arbitrage Fund Wholesale Plan Regular Plan - Growth (30th September 2024 - 176,103 Units, 31st March 2024 - NIL Units)	5.13			
Kotak Equity Arbitrage Fund (30th September 2024 - 534,958.62 Units, 31st March 2024 - NIL Units)	20.24	-	-	-
Aditya Birla Short Term Fund (30th September 2024 - Nil, 31st March 2024 - Nil , 31st March 2023 - Nil , 31st March 2022-395151.97)	-	-	-	15.13
Aditya Birla Short Term Fund IDCW Reinvestment (30th September 2024 - Nil, 31st March 2024 - Nil , 31st March 2023 - Nil , 31st March 2022- 304025.555)	-	-	-	5.12
Axis Corporate Bond Fund (31st March 2024 - Nil , 31st March 2023 - Nil , 31st March 2022- 559176.926)	-	-	-	7.69
Kotak Long Duration Fund Direct Plan-Growth (30th September 2024 - Nil, 31st March 2024 - 1749912.504 Units, 31st March 2023 - Nil , 31st March 2022 - Nil)	-	17.57	-	-
Kotak Fixed Maturity Plan Series 329-Direct Plan-Growth (30th September 2024 - Nil, 31st March 2024 - 1999900.005 Units, 31st March 2023 - Nil , 31st March 2022 - Nil)	-	20.05	-	-
Kotak Liquid Fund Direct Plan Growth (30th September 2024 - 20359.59 Units 31st March 2024 - 32880.744 Units, 31st March 2023 - Nil)	102.95	160.43	-	-
ICICI Prudential Liquid Fund - Direct Plan -Growth (30th September 2024 - Nil, 31st March 2024 - 280207.69 Units ,31st March 2023 - Nil , 31st March 2022 - 15990.921 units)	-	100.15	-	5.04
ICICI Prudential Short Term Fund - Growth (30th September - 316252.077 Units, 31st March 2024 - 316252.077 Units, 31st March 2023 - Nil)	17.90	17.22	-	15.59
Kotak Bond Fund Regular Plan Growth (30th September 2024 - Nil, 31st March 2024 - Nil , 31st March 2023 - Nil ,31st March 2022 - 159182.77 units)	-	-	-	10.03
Kotak Equity Arbitrage Fund (30th September 2024 - Nil, 31st March 2024 - Nil , 31st March 2023 - Nil ,31st March 2022 - 169789.824 units)	-	-	-	5.13
L&T Resurgent India Bond Fund (30th September 2024 - Nil,31st March 2024 - Nil , 31st March 2023 - Nil ,31st March 2022 - 2195743.79 units)	-	-	-	36.31

UTI Liquid Fund Cash Plan (30th September 2024 - Nil, 31st March 2024 - Nil , 31st March 2023 - Nil , 31st March 2022 - 1445.35 units)	-	-	-	5.04
Tata Ultra Short Term Fund - Regular Plan - Growth (30th September 2024 - Nil, 31st March 2024 - 3847411.726 Units, 31st March 2023 - Nil , 31st March 2022 - Nil)	-	50.04	-	-
Tata Short Term Bond Fund Regular Plan - Growth (30th September 2024 - Nil, 31st March 2024 - 731823.571 Units, 31st March 2023 - Nil , 31st March 2022 - Nil)	-	31.89	-	-
Total	**365.27**	**577.06**	**106.50**	**149.13**

Advanced Sys-Tek Limited
(Formally known as Advanced Sys-Tek Private Limited)
CIN: U33112GJ1988PLC010464
All amounts in ₹ Millions unless otherwise stated

Annexure V
Notes to the Restated Consolidated Financial Information

15 Trade Receivables

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Trade Receivables consider Good - Secured				
Trade Receivables Unsecured, consider good	1,246.63	1,212.96	1,085.85	1,066.99
Trade Receivables which have significant increase in credit risk	-	-	-	-
Trade Receivables - Credit Impaired	-	-	-	-
	-			
Less : Loss Allowance	39.41	35.82	41.96	39.70
Total	**1,207.22**	**1,177.14**	**1,043.89**	**1,027.29**

Refer note 48 for other disclosure.

16 Cash and cash equivalents

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Balances with Banks				
In Current Accounts	0.55	0.15	0.20	1.24
In Cash Credit accounts (Refer below note below)	30.32	27.40	19.34	24.36
In Exchange Earners' Foreign Currency (EEFC) Account	7.11	3.50	7.05	4.52
Bank deposits with original maturity for less than 3 months	0.35	72.50	-	-
Total	**38.33**	**103.55**	**26.59**	**30.12**

Note
1: Cash Credit facilities from bank carry interest rate ranging between 8.30% - 11.26% p.a computed on a daily basis on the actual amount utilized, and are repayable on demand.

2: The above working capital facilities are secured in favour of HDFC Bank Limited and ICICI Bank Limited by hypothecation of Book Debts,Fixed Deposit,Fixed Deposit for 25%Margin,Industrial Property,Personal Guarantee,Stocks.
3: The Property, Plant and Equipment of the Group including immovable property situated at 299 - 300 G.I.D.C Makarpura, Vadodara 390010 is mortgaged in favour of HDFC Bank Limited and ICICI Bank Limited for availing working capital facilities from the said Banks.
The above facilities are also secured by hypothecation of Current Asset of the company.

17 Bank balances other than cash and cash equivalents

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Bank deposits with original maturity for more than 3 months but less than 12 months	65.20	1.84	15.35	48.23
Total	**65.20**	**1.84**	**15.35**	**48.23**

18 Financial Asset - Other Financial assets

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Other financial Assets carried at amortised cost				
Security Deposit	3.23	3.16	2.77	2.83
Interest accrued on deposits with banks and loan	3.83	2.29	1.07	0.89
Unbilled Revenue	33.33	26.91	23.29	17.70
Total	**40.39**	**32.36**	**27.13**	**21.42**

19 Current Tax Assets (Net)

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Taxes paid in advances (Net of Provision for taxation)	4.18	3.54	0.67	-
Total	**4.18**	**3.54**	**0.67**	**-**

20 Other Current Assets

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Advances other than capital advances				
Advances to suppliers	17.18	30.01	24.98	9.48
Advance to Employees	2.02	-	0.52	0.70
Others				
Contract Asset	157.06	146.99	105.91	-
Expense paid in advance	10.61	9.61	6.78	8.82
Balances with government authorities	15.15	27.21	12.96	12.13
Export Benefit Receivable	0.14	1.43	1.30	0.46
Total	**202.16**	**215.25**	**152.45**	**31.59**

Annexure V
Notes to the Restated Consolidated Financial Information

21 Share Capital

(i) Authorised Share Capital

Particulars	Equity Share Capital	
	No. of Shares	Amount
As at 1st April 2021	**48,00,000**	**48.00**
Increase /(decrease) during the year		
As at 31st March 2022	**48,00,000**	**48.00**
Increase /(decrease) during the year		
As at 31st March 2023	**48,00,000**	**48.00**
Increase /(decrease) during the year	-	-
As at 31st March 2024	**48,00,000**	**48.00**
Increase /(decrease) during the year	2,52,00,000	252.00
As at 30th September 2024	**3,00,00,000**	**300.00**

(ii) Issued Share Capital

Particulars	Equity Share Capital	
	No. of Shares	Amount
As at 1st April 2021 (Equity shares having face value of Rs. 10 each)	**28,02,922**	**28.03**
Increase /(decrease) during the year	-	-
As at 31st March 2022 (Equity shares having face value of Rs. 10 each)	**28,02,922**	**28.03**
Increase /(decrease) during the year	-	-
As at 31st March 2023 (Equity shares having face value of Rs. 10 each)	**28,02,922**	**28.03**
Increase /(decrease) during the year	4,01,756	4.02
As at 31st March 2024 (Equity shares having face value of Rs. 10 each)	**32,04,678**	**32.05**
Increase /(decrease) during the year	1,60,23,390	160.23
As at 30th September 2024 (Equity shares having face value of Rs. 10 each)	**1,92,28,068**	**192.28**

(iii) Pursuant to resolution passed by board of Directors dated 18th March 2024 , the Company had issued and allotted 4,01,756 fully paid equity shares, having face value Rs. 10/- each, at an issue price of Rs. 1,070.30/- per share (including securities premium of Rs. 1,060.30/- per share), aggregating to Rs. 429.99 Million on private placement basis through preferential allotment.

Expenses incurred by the company aggregating to Rs. 21.50 Millions in connection with preferential allotment have been utilised out of Securities Premium Reserve.

(iv) The Board of Directors in its meeting held on 23rd August 2024, recommended the issue of Bonus Equity Share, in the proportion of 1:5, i.e. 5 (Five) bonus Equity Share of ₹ 10/- (Rupees Ten only) each for every 1 (One) fully paid-up Equity Shares of ₹ 10/- (Rupees Ten only) each held by the Members of the Company. The said bonus issue was approved by the Members of the Company dated 23rd August 2024.

(v) The Board of Directors vide its meeting held on 11th September 2024 approved transfer of 4,80,500 equity shares each held by Director Shri Umed Amarchand Fifadra and Director Shri Mukesh Kapadia.

(vi) The rights, preferences and restrictions attaching to each class of shares :

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholders on a poll are in proportion to its share of the paid-up-equity capital of the Company. Voting rights cannot be exercised in respect of shares on which call or other sums presently payable have not been paid. Failure to pay amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, if any, in proportion to the number of equity shares held.

(vii) Shares held by shareholders each holding more than 5% of the shares

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
	No. of shares/ Percentage	No. of shares/ Percentage	No. of shares/ Percentage	No. of shares/ Percentage
Equity shares with voting rights having a face value of Rs. 10 each				
Mr. Umed A Fifadra	84,08,766	14,01,461	14,01,461	14,01,461
Percentage (%)	43.73%	43.73%	50.00%	50%
Mr. Mukesh R Kapadia	84,08,766	14,01,461	14,01,461	14,01,461
Percentage (%)	43.73%	43.73%	50.00%	50%
Mr. Mukul M Agarwal	13,45,806	2,24,301	-	-
Percentage (%)	7.00%	7.00%	0.00%	0%

(viii) Details of shares bought back by the company in immediately preceding five years from the date of balance sheet:

The Board of Directors of the Company had approved the proposal for Buy Back of Equity Shares at its meeting held on 24th February, 2020. In furtherance to the same, on 30th March, 2020 the Company had completed the settlement for Buy Back of 2,62,000 Equity Shares of Rs. 10/- each (representing 8.55% of total pre Buy Back paid up Equity Capital) from the shareholders on a proportionate basis by the way of a letter of offer at a price of Rs. 326/- per Equity Share for an aggregate amount of Rs. 8,54,12,000/-, in accordance with the provision of the Companies Act, 2013. The details of the same are as under.

Year	Shares (Number)	Face Value per share	Total Face Value	Premium per share	Total Premium	Grand Total
2019-20	262000	10	2.62	316.00	82.79	85.41

(ix) Details of Promoter's Shareholding

Name of the Promoter	As at 30th September, 2024		
	No. of Shares	% of total shares	% change during the year
Mr. Umed A Fifadra	84,08,766	43.73%	0.00%
Mr. Mukesh R Kapadia	84,08,766	43.73%	0.00%

Name of the Promoter	As at 31st March, 2024		
	No. of Shares	% of total shares	% change during the year
Mr. Umed A Fifadra	14,01,461	43.73%	(6.27%)
Mr. Mukesh R Kapadia	14,01,461	43.73%	(6.27%)

Annexure V
Notes to the Restated Consolidated Financial Information

Name of the Promoter	As at 31st March, 2023		
	No. of Shares	% of total shares	% change during the year
Mr. Umed A Fifadra	14,01,461	50.00%	-
Mr. Mukesh R Kapadia	14,01,461	50.00%	-

Name of the Promoter	As at 31st March, 2022		
	No. of Shares	% of total shares	% change during the year
Mr. Umed A Fifadra	14,01,461	50%	-
Mr. Mukesh R Kapadia	14,01,461	50%	-

22 Other Equity

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
General Reserve	20.19	20.19	20.19	20.19
Securities Premium Reserve	974.54	1,143.48	739.00	739.00
Capital Redemption Reserve	2.62	2.62	2.62	2.62
Retained Earnings	792.39	672.68	481.37	351.23
Total	**1,789.74**	**1,838.97**	**1,243.18**	**1,113.04**

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
General Reserve				
Opening balance	20.19	20.19	20.19	20.19
Add: Changes during the period/year	-	-	-	-
Closing balance	20.19	20.19	20.19	20.19
Securities Premium Reserve				
Opening balance	1,143.48	739.00	739.00	739.00
Add : Addition during the period/year	-	425.98	-	-
Less : Utilised during the period/year (Refer note below)	(168.94)	(21.50)	-	-
Closing balance	974.54	1,143.48	739.00	739.00
Capital Redemption Reserve				
Opening balance	2.62	2.62	2.62	2.62
Add: Changes during the period/year	-	-	-	-
Closing balance	2.62	2.62	2.62	2.62
Retained Earnings				
Opening balance	672.68	481.37	351.23	281.90
Add: Net profit for the period/year	121.54	192.17	131.71	69.89
Add/(Less): Remeasurement of the Net Defined benefit liability/asset, net of tax effect *	(1.83)	(0.86)	(1.57)	(0.56)
Closing balance	**792.39**	**672.68**	**481.37**	**351.23**
Grand Total	**1,789.74**	**1,838.97**	**1,243.18**	**1,113.04**

*This comprises of other comprehensive income arising from remeasurement of defined benefit obligation net of income tax, which is directly recognised under retained earning.

Note
During the period ended September 2024, the company has utilised securities premium reserve for the issue of bonus shares of Rs. 160.23 millions and related expense Rs. 8.71 millions..
During the year ended March 2024 the company has utilised securities premium reserve for expenditure on issue of equity share Rs. 21.50 millions.

Nature and purpose of each Reserve
General Reserve : The reserve is created by transfer of a portion of the net profit.

Securities Premium : Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with provisions of the Companies Act, 2013.

Capital Redemption Reserve : The reserve is created on account of Buyback of Shares.

- -

Advanced Sys-Tek Limited
(Formally known as Advanced Sys-Tek Private Limited)
CIN: U33112GJ1988PLC010464
All amounts in ₹ Millions unless otherwise stated

Annexure V
Notes to the Restated Consolidated Financial Information

23 Provisions

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits				
Provision for Gratuity (Refer note no. 43(A)(a))	17.36	19.78	20.60	15.93
Provision for compensated absences (Refer note no. 43(A)(b))	4.42	3.47	3.11	2.93
Provision for Employee Phantom Stock Option Scheme (Refer note no. 43(B))	-	-	2.91	-
Other provisions:				
Provision for warranties (Refer Note 43(F))	44.59	42.14	24.34	19.83
Total	**66.37**	**65.39**	**50.96**	**38.69**

24 Trade payables

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Trade payables				
-Total outstanding dues of Micro enterprises and small enterprises	56.51	81.32	52.33	48.99
-Total outstanding dues other than Micro and small enterprises	352.06	522.12	254.47	321.46
Total	**408.57**	**603.44**	**306.80**	**370.45**

Refer note 44(A) and 47 for other disclosures.

25 Other Financial Liabilities

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Interest on dues of micro and small enterprises (Refer note 44(A))	-	-	1.45	3.09
Total	**-**	**-**	**1.45**	**3.09**

26 Other current liabilities

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Contract Liability	43.41	57.91	37.94	-
Statutory dues payable	4.34	9.72	3.69	4.04
Salary and wages payables	18.02	25.42	11.40	12.36
Advances from customers	9.57	1.23	16.84	6.16
Other payable	0.62	1.00	1.63	1.02
Total	**75.96**	**95.28**	**71.50**	**23.58**

Annexure V
Notes to the Restated Consolidated Financial Information

27 Provisions

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits				
Provision for Gratuity (Refer note no. 43(A)(a))	6.13	5.12	4.27	3.68
Compensated absences (Refer note no. 43(A)(b))	1.11	0.75	0.70	0.54
Other provisions:				
Provision for warranties (Refer Note 43(F))	14.89	14.10	30.97	30.53
Provision for pending sales tax form and Indirect tax litigations (Refer Note 43(F))	-	-	8.09	9.20
Provision for liquidated damages (Refer Note 43(F))	35.21	35.21	33.43	31.42
Provision for Employee Phantom Stock Option Scheme (Refer note no. 43(B))	-	13.33	-	-
Provision for Corporate Social Responsibility	2.21	-	-	-
Total	**59.55**	**68.51**	**77.46**	**75.37**

28 Current Tax Liabilities

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Provision for Income Tax (Net of advance tax and TDS)	10.16	-	-	4.08
Total	**10.16**	**-**	**-**	**4.08**

Annexure V
Notes to the Restated Consolidated Financial Information

29 Revenue From Operations

Particulars	For the half year ended 30th September 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Sales and Services				
- Sale of project related supplies	584.06	1,098.11	769.63	657.91
- Sale of Traded products	173.99	287.02	240.77	340.32
- Sale of Services	300.38	497.19	393.83	357.78
Total	**1,058.43**	**1,882.32**	**1,404.23**	**1,356.01**

Refer note 43(C) for other disclosure.

30 Other Income

Particulars	For the half year ended 30th September 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest (Refer below note)	5.71	8.04	6.30	19.96
Fair value changes arising on financial asset designated as at FVTPL	6.67	5.29	(2.67)	2.86
Liabilities / Provision no longer required written back (net)	0.25	17.29	4.78	5.58
Dividend from Investments	-	-	-	0.77
Gain/(Loss) on sale of investments (Net)	16.81	5.70	6.32	4.38
Net gain on foreign currency transactions	0.65	1.37	2.12	2.72
Export Incentives	-	0.14	0.85	0.04
Refund of taxes and duties	-	-	-	18.27
Rent Income	0.03	0.06	0.07	-
Miscellaneous income	0.05	1.30	0.74	0.96
Total	**30.17**	**39.19**	**18.51**	**55.54**

30.1 Interest income comprises of:

Particulars	For the half year ended 30th September 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(a) Interest Income on Bank Deposits	4.80	6.75	6.14	5.34
(b) Interest Received on Income Tax Refund and VAT Refund	-	-	-	14.47
(c) Interest Received on Unsecured Loan	0.89	1.26	0.14	-
(d) Others	0.02	0.03	0.02	0.15
Total	**5.71**	**8.04**	**6.30**	**19.96**

31 Cost of Raw material and Project related supplies

Particulars	For the half year ended 30th September 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Cost of Raw material and Project related supplies	499.56	934.48	639.68	554.36
Total	**499.56**	**934.48**	**639.68**	**554.36**

32 Purchase of Traded Products

Particulars	For the half year ended 30th September 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Purchase of Stock in Trade	156.11	262.55	200.30	298.78
Total	**156.11**	**262.55**	**200.30**	**298.78**

33 Changes in inventories of stock-in-trade and work-in-progress

Particulars	For the half year ended 30th September 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Inventories at the end of the year:				
Work in progress	23.34	17.70	13.40	20.02
Goods-in-Transit	10.72	39.07	14.43	-
Stock in Trade	62.44	32.04	30.34	48.14
	96.50	**88.81**	**58.17**	**68.16**
Inventories at the beginning of the year:				
Work in progress	17.70	13.40	20.02	20.90
Goods-in-Transit	39.07	14.43	-	-
Stock in Trade	32.04	30.34	48.14	31.74
	88.81	**58.17**	**68.16**	**52.64**
Total	**(7.69)**	**(30.64)**	**9.99**	**(15.52)**

Advanced Sys-Tek Limited
(Formally known as Advanced Sys-Tek Private Limited)
CIN: U33112GJ1988PLC010464
All amounts in ₹ Millions unless otherwise stated

Annexure V
Notes to the Restated Consolidated Financial Information

34 Subcontracting and Other Project Expenses

Particulars	For the half year ended 30th September 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Subcontracting Expenses	104.70	191.72	131.03	103.03
Other Project Related Expenses	2.22	9.22	3.67	3.72
Total	**106.92**	**200.94**	**134.70**	**106.75**

35 Employee benefits expense

Particulars	For the half year ended 30th September 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Salaries, wages , bonus and others	97.13	173.01	136.94	119.48
Contributions to Provident and other funds	6.72	7.49	6.75	5.80
Gratuity and compensated absence (Refer note no. 43(A))	-	5.28	4.49	3.85
Share based payment transaction expenses	-			
- Cash settled share based payments (Refer note no. 43(B))	-	10.42	2.91	-
Staff welfare expenses	0.59	0.24	0.34	0.19
Total	**104.44**	**196.44**	**151.43**	**129.32**

36 Finance costs

Particulars	For the half year ended 30th September 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest Expense	0.14	0.31	0.38	0.05
Bank Charges	4.77	6.24	6.97	7.49
Total	**4.91**	**6.55**	**7.35**	**7.54**

37 Depreciation and amortisation expenses

Particulars	For the half year ended 30th September 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Depreciation and amortization for the period on tangible assets (Refer note no.4)	2.81	4.98	4.18	3.33
Amortization for the period on intangible assets (Refer note no.6)	0.82	0.86	0.20	0.17
Total	**3.63**	**5.84**	**4.38**	**3.50**

38 Other expenses

Particulars	For the half year ended 30th September 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Power and fuel	1.58	2.74	2.87	2.29
Legal and Professional charges	5.49	7.78	6.18	5.99
Insurance expenses	5.08	5.66	7.35	4.75
Travelling and Conveyance	17.22	34.86	31.76	20.97
Security expenses	0.56	1.01	0.74	0.70
Rates and taxes	1.95	1.30	3.48	0.97
Repair and maintenance				
-Others	0.52	1.62	1.09	0.59
Communication Expenses	2.32	4.80	4.07	2.59
Payment to Auditors (Refer below note)	0.53	0.88	1.57	1.04
Corporate Social Responsibility expenditure (Refer note 44(B))	2.21	4.00	4.60	3.95
Rent expenses	0.27	0.76	1.09	0.66
Sales tax and service tax balances written off	0.68	1.39	2.88	14.69
Bad Debts Written Off	3.29	2.48	3.29	-
Allowance for doubtful debts (Expected Credit Loss Allowance)	2.32	0.75	2.71	2.04
Provision for doubtful debts	-	-	-	25.24
Provision for Warranty Expense	4.25	2.70	14.89	11.04
Miscellaneous expenses	3.94	10.29	5.23	2.45
Total	**52.21**	**83.02**	**93.80**	**99.96**

38.1 Auditor's Remuneration

Particulars	For the half year ended 30th September 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Payments to the auditors comprises:				
Statutory Audit	0.38	0.61	0.61	0.59
Tax Audit	-	0.14	0.14	0.13
GST Review services	-	0.03	0.32	0.27

Annexure V
Notes to the Restated Consolidated Financial Information

Other services including certification fees	0.15	0.10	0.50	0.05
Total	**0.53**	**0.88**	**1.57**	**1.04**

Advanced Sys-Tek Limited
(Formally known as Advanced Sys-Tek Private Limited)
CIN: U33112GJ1988PLC010464
All amounts in ₹ Millions unless otherwise stated

Annexure V
Notes to the Restated Consolidated Financial Information

39 Additional information to the financial statements
(A) Contingent liabilities and Capital commitments

	Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
(a)	**Contingent liabilities**				
	(i) Claims against the Group not acknowledge as debts (On account of outstanding law suits)	-	-	-	-
(b)	**No provision has been made for following demands raised by the authorities since the Group has reason to believe that the above demands are not tenable and are highly likely to be retained.**				
	(i) Disputed Outstanding Income Tax Demand	3.26	3.26		
	(ii) Disputed Outstanding Tax Deducted at Source	1.99	1.99	1.99	1.99
	(iii) Disputed Sales Tax/Value Added Tax (VAT)/Goods and Service Tax (GST) Liability	21.19	19.04	29.92	29.92
	(Refer note (i) and (ii))				
	Total	**26.44**	**24.29**	**31.91**	**31.91**
(c)	**Commitments**				
	(i) Estimated amount of contracts remaining to be executed on capital account & not provided for (Net of Advances)				
	- Intangible Under Development	-	-	2.58	3.13
	- Tangible Assets	-	0.28	-	-

Notes:
(i) Amount as per demand orders including interest and penalty, wherever indicated in the order.
(ii)The Group is of the firm belief that the above demands are not tenable.

40 Bank Guarantees

Bank Guarantees issued by Company Bankers not included in Contingent Liabilities in absence of Counter Guarantee given by Company at years/period ended on 30th September 2024 Rs- 879.29 millions 31st March, 2024- Rs. 664.51 millions (31st March, 2023- Rs. 600.64 millions, 31st March 2022 - 472.35 millions).

41 Tax Expense

Particular	As at 30th September, 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(a) Income tax expense				
Current tax				
Current tax on profits for the peiord	42.90	68.25	51.82	66.82
Income Tax adjustments for earlier years	-	0.67	1.10	96.20
	42.90	68.92	52.92	163.02
Deferred tax				
Deferred tax for the year*	4.07	1.24	(3.67)	(6.06)
	4.07	1.24	(3.67)	(6.06)
	46.97	70.16	49.25	156.96
*excludes below tax impact on Other Comprehensive Income				
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate				
Profit before income tax expense	170.96	262.33	181.12	226.86
Tax at the Indian tax rate of 25.17 % (2021-22 – 25.17%)	43.03	66.02	45.58	57.09
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:				
Expenditure for which deduction is not allowed under Income Tax Act	0.59	1.08	1.29	1.14
Differential rate on fair value of investments and sale of investments #	3.61	-	-	0.00
Non-deductible tax expenses (Disallowances u/s 43B etc.)	0.19	0.43	1.07	2.34
Depreciation	-	(1.19)	(0.04)	(0.09)
Income Tax adjustments for earlier years	(0.45)	0.67	1.10	96.20
Others	-	3.14	0.25	0.27
Income Tax Expense	46.97	70.16	49.25	156.96

Amount less than lakh for period ended on 31st March 2022

42 Earnings per share (EPS) (as per Ind AS 33)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity Share holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity share holders of the Company by the weighted average number of Equity shares outstanding during the year.

i. Profit attributable to Equity holders of Company

Particular	As at 30th September, 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Profit attributable to equity share holders of the Company for basic and diluted earnings per share	121.54	192.17	131.71	69.89

ii. Weighted average number of ordinary shares

Particular	As at 30th September, 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Issued ordinary shares(in Nos)	32,04,678	28,02,922	28,02,922	28,02,922
Add: Effect of share issued during year		15,410	-	-
Add: Bonus shares Impact	1,60,23,390	1,60,23,390	1,60,23,390	1,60,23,390
Weighted average number of shares at 31 March for basic and diluted earnings per shares	1,92,28,068	1,88,41,722	1,88,26,312	1,88,26,312
Basic and diluted earnings per share (in Rs.)*	**6.32**	**10.20**	**7.00**	**3.71**

* Basic and diluted earning per share for the year ended 31 March 2024, for the year ended 31 March 2023 and for the year ended 31 March 2022 have been adjusted with bonus issue impact of 1:5.

43 Disclosure under Indian Accounting Standards
(A) Employee benefits

(a) Defined benefit plan:
The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded. The following tables summaries the components of net benefit expense recognized in the Statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

The following table sets out the status of the gratuity plan and the amounts recognised in the Group's financial statements as at 31st March.

a) Reconciliation in present value of obligations (PVO) - defined benefit obligation:	Gratuity - Funded as on			
	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
PVO at the beginning of the year	32.47	28.30	25.63	22.87
Current service cost	1.25	2.06	1.91	1.70
Interest cost	1.17	2.07	1.64	1.39
Actuarial (Gains)/Losses on obligations	2.61	1.35	1.89	0.65
Benefits paid	(0.27)	(1.31)	(2.77)	(0.97)
PVO at the end of the year	**37.22**	**32.47**	**28.30**	**25.63**

b) Change in fair value of plan assets:	Gratuity - Funded as on			
	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
Fair value of plan assets at the beginning of the year	7.58	3.43	6.02	4.42
Interest Income	0.27	0.25	0.39	0.27
Return on Plan Assets, Excluding Interest Income	0.17	0.20	(0.21)	(0.10)
Contributions by the employer	6.00	5.00	-	2.40
Benefits paid	(0.27)	(1.31)	(2.77)	(0.97)
Fair value of plan assets at the end of the year	**13.74**	**7.58**	**3.43**	**6.02**

c) Reconciliation of PVO and fair value of plan assets:	Gratuity - Funded as on			
	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
PVO at the end of period	37.22	32.47	28.30	25.63
Fair value of planned assets at the end of year	13.74	7.58	3.43	6.02
Funded status	(23.48)	(24.89)	(24.87)	(19.60)
Net asset/(liability) recognised in the balance sheet	**(23.48)**	**(24.89)**	**(24.87)**	**(19.60)**

Net Interest Cost for Current Period	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
Fair Value of Plan Assets at the Beginning of the Period	7.58	3.43	6.02	4.42
Present Value of Defined Benefit Obligation at the Beginning of the Period	32.47	28.30	25.63	22.87
Net Liability/ (Asset) at the Beginning	**24.89**	**24.87**	**19.60**	**18.45**
Interest cost	1.17	2.07	1.64	1.39
Interest Income	(0.27)	(0.25)	(0.39)	(0.27)
Net Interest Cost for Current Period	**0.89**	**1.82**	**1.26**	**1.12**

Expenses Recognized in the Statement of Profit or Loss for Current Period	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
Current Service Cost	1.25	2.06	1.91	1.70
Interest Cost	0.89	1.82	1.26	1.12
Expenses Recognized	**2.14**	**3.88**	**3.16**	**2.82**

Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
Actuarial (Gains) Losses on Obligation for the Period	2.61	1.35	1.89	0.65
Return on Plan Assets, Excluding Interest Income	(0.17)	(0.20)	0.21	0.10
Net (Income)/ Expense For the Period Recognized in OCI	**2.44**	**1.15**	**2.10**	**0.75**

Balance Sheet Reconciliation	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
Opening Net Liability	24.89	24.87	19.60	18.45
Expense Recognized in Statement of Profit Or Loss	2.14	3.88	3.16	2.82
Expense Recognized in OCI	2.44	1.15	2.10	0.75
Employer's Contribution	(6.00)	(5.00)	-	(2.40)
Net Liability Non current Liability recognized in the Balance Sheet	17.36	19.78	20.60	15.93
Net Liability current Liability recognized in the Balance Sheet	6.13	5.12	4.27	3.68
Total net liability/(Assets) Recognized in the Balance Sheet	**23.49**	**24.90**	**24.88**	**19.61**

Advanced Sys-Tek Limited
(Formally known as Advanced Sys-Tek Private Limited)
CIN: U33112GJ1988PLC010464
All amounts in ₹ Millions unless otherwise stated

Annexure V
Notes to the Restated Consolidated Financial Information

Category of Assets	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
Insurance Fund	13.74	7.58	3.43	6.02
Total	**13.74**	**7.58**	**3.43**	**6.02**

d) Major category of assets as at:	Gratuity - Funded as on			
	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
Insurer Managed funds	13.74	7.58	3.43	6.02

e) Assumption used in accounting for the gratuity plan:	Gratuity - Funded as on			
	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
Expected return on plan assets (%)	6.78%	7.31%	6.41%	6.06%
Rate of Discounting	6.78%	7.31%	6.41%	6.06%
Rate of Salary Increase	10.00%	10.00%	9.00%	9.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2006-08 Ultimate table
Mortality Rate after Employment	N.A	N.A	N.A	N.A

Expected rate of return on plan assets: The expected rate of return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Salary escalation rate : The estimates of future salary escalation rate considered in actuarial valuation takes into account the inflation, seniority, promotion and other relevant factors on a long-term basis.

Sensitivity analysis

Particulars	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
	₹	₹	₹	₹
Projected Benefit Obligation on Current Assumptions	37.22	32.47	28.30	25.63
Delta Effect of +0.1% Change in Rate of Discounting	(1.37)	(1.22)	(1.09)	(1.20)
Delta Effect of -0.1% Change in Rate of Discounting	1.49	1.32	1.18	1.33
Delta Effect of +0.1% Change in Rate of Salary Increase	1.43	1.27	1.14	1.28
Delta Effect of -0.1% Change in Rate of Salary Increase	(1.34)	(1.20)	(1.07)	(1.19)
Delta Effect of +0.1% Change in Rate of Employee Turnover	(0.28)	(0.23)	(0.20)	(0.21)
Delta Effect of -0.1% Change in Rate of Employee Turnover	0.30	0.25	0.21	0.23

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.
Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's financial statements as at balance sheet date:

(b) Other long term Benefit:
The Group's Long Term benefits includes Leave Encashment payable at the time of retirement subject to , policy of maximum leave accumulation of company. The scheme is not funded.

Changes in the present value of the obligation in respect of leave encashment

Particulars	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
	₹	₹	₹	₹
Obligation at the year beginning	4.22	3.81	3.46	3.25
Actuarial (gains) / losses on obligation	1.31	0.41	0.35	0.22
Non current Liability recognized in the Balance Sheet	4.42	3.47	3.11	2.93
Current Liability recognized in the Balance Sheet	1.11	0.75	0.70	0.54
Obligation at the year end	5.53	4.22	3.81	3.47

(c) Defined Contribution plans:
Amounts recognized as expense for the period towards contribution to the following funds:

Annexure V
Notes to the Restated Consolidated Financial Information

Particulars	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
	₹	₹	₹	₹
Employers contribution to:				
-Provident Fund	3.38	7.04	6.30	5.42
-Employees' State Insurance Scheme	0.01	0.03	0.05	0.05
Total	**3.39**	**7.07**	**6.35**	**5.46**

Annexure V
Notes to the Restated Consolidated Financial Information

(B) Employees Share Based Payments (Employees Phantom Stock Scheme,2022)

(I) On 30th September, 2022, Board of Director of the Holding company approved Employees Phantom Stock Scheme,2022. The plan came into force during the Financial Year 2022-23 and it shall continue to be in force until its termination by the company in accordance with the provisions for applicable law or the date on which all the units available under the plan have been vested. The maximum number of Phantom Stocks that may be granted under the plan will not exceed 3% of Companies total Common Stock. The participants shall be eligible to settle the vested units only after the last Vesting date as per the vesting Period mentioned below or as on occurrence of Events specified in Phantom Stock Sheme,2022 or as decided by the board of directors.

(II) The Holding Company will process vested options for settlement at each vesting date and determine appreciation in respect of all such Options with reference to Fair Market Value prevailing as on date of Vesting calculated. The Company recognises the fair value of the liability and expense for this plan over the vesting period based on the management's estimate of the vesting and forfeiture conditions.

(III) **Employees Phantom Stock Option Plan**

Financial Year	No of Options Outstanding 1st April	Options vested during the year	Compensation Per Share	Options exercised during the year	Options Outstanding as on 31st March
Period Ended 30th September 2024	43,407	-	-	43,407.00	-
2023-24	23,965	19,442	307.00	-	43,407
2022-23	-	23,965	121.38	-	23,965
2021-22	-	-	-	-	-

(IV) **Method and assumptions for Fair Value**
Fair value means the value of equity share of face value Rs. 10 (Ten) each of the company as determined by the Board on the basis of EBITDA multiplier of six (6), calculated as per methodology given in Employees Phantom Stock Scheme, 2022.

(V) **Total Expenses recognised for the year ended:**
The total expense recognised from share-based payment transactions for the years/period ended on 30th September 2024 Nil, 31st March 2024 is Rs. 10.42 millions, 31st March 2023 Rs. 2.91 millions, 31st March 2022 Nil.

(VI) **Cash settlement of Employees Share Based Payments (Employees Phantom Stock Scheme,2022)**

On 21st June, 2024, the board of directors has given consent and approval for settle the cash redemption of the vested 43,407 Phantom shares as on 31st March, 2024. The amount of Phantom Stock has been subsequently disbursed to all the employees listed in the Phantom Stock Scheme, 2022.

(C) Disclosure pursuant to Ind AS 115 -Revenue from Contracts with Customers:

The Group derives revenue from sale of products and service from its contract with customers.

Particulars	For the half year Ended on 30th September, 2024	For the year Ended on 31st March, 2024	For the Year Ended on 31st March, 2023	For the Year Ended on 31st March, 2022
Revenue from contracts with customers				
Revenue from sale of products	758.05	1,385.13	1,010.40	998.23
Revenue from services income	300.38	497.19	393.83	357.78

Gross Revenue and Carrying Value as per Geographical Location

Particulars	For the half year Ended on 30th September, 2024	For the year Ended on 31st March, 2024	For the Year Ended on 31st March, 2023	For the Year Ended on 31st March, 2022
Total revenue from contracts with customers:				
India	1,034.76	1,836.39	1,332.60	1,321.19
Export	23.67	45.93	71.63	34.82
Total	**1,058.43**	**1,882.32**	**1,404.23**	**1,356.01**
Total Carrying Value				
India	2,592.61	2,693.77	1,768.16	1,649.99
Export	10.01	9.86	11.22	6.34
Total	**2,602.62**	**2,703.63**	**1,779.38**	**1,656.33**

The Group's Operates only in one segment that is complete automation and metering solution to customers using project management expertise and specialized knowledge of the Oil & Gas measurement industry.

Reconciliation the amount of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	For the half year Ended on 30th September, 2024	For the year Ended on 31st March, 2024	For the Year Ended on 31st March, 2023	For the Year Ended on 31st March, 2022
Revenue from contracts with customers:	1,058.43	1,887.35	1,408.78	1,362.60
Adjustments				
Liquidated damages	-	5.03	4.55	6.59
Revenue from contract with customers	**1,058.43**	**1,882.32**	**1,404.23**	**1,356.01**

Disaggregation of revenue

Particulars	For the half year Ended on 30th September, 2024	For the year Ended on 31st March, 2024	For the Year Ended on 31st March, 2023	For the Year Ended on 31st March, 2022
(A) Disaggregation of revenue				
(a) Timing of revenue recognition				
Point in time	462.96	776.99	695.24	753.97
Over time	595.47	1,105.32	708.99	602.04
	1,058.43	**1,882.31**	**1,404.23**	**1,356.01**

Contract assets and liabilities

Particulars	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
(a) Opening balances				
Contract Receivables (net of expected credit loss allowance)	1,177.14	1,043.89	1,027.29	755.95
Contract Assets (net of expected credit loss allowance)	146.99	105.91	-	-
Contract Liabilities	57.91	37.94	-	-
(b) Closing balances				
Contract Receivables (net of expected credit loss allowance)	1,207.22	1,177.14	1,043.89	1,027.29
Contract Assets (net of expected credit loss allowance)	157.06	146.99	105.91	-
Contract Liabilities	43.41	57.91	37.94	-
(c) Revenue recognised from opening balance of contract liability (net)	-	7.25	-	-
(d) Revenue recognised in the reporting year from performance obligations satisfied (or partially satisfied) in previous years	-	-	-	-

Note: Number of customers individually accounted for more than 10% of the revenue in the period/year ended 30 September, 2024 - 3 (31st March, 2024 - 3, 31st March, 2023- No. 3 and 31st March, 2022 -No 3)

(D) Disclosure pursuant to section 186(4) of the Companies Act, 2013
The Holding Company has given corporate loan to following parties and the outstanding balances are as under:

Particulars	For the half year Ended on 30th September, 2024	For the year Ended on 31st March, 2024	For the Year Ended on 31st March, 2023	For the Year Ended on 31st March, 2022
(A) Loan				
Terranomous Systems Private Limited	17.09	15.08	7.50	-
Total	**17.09**	**15.08**	**7.50**	**-**

The above loan has been given to the above entities for meeting their business requirements.

Details of Loan provided to the promoters, directors, KMP's and the related parties for the half year ended 30th September, 2024

Particulars	Loans	Percentage to total loans	Total
Balance outstanding as at the opening balance sheet date in respect of above cases			
i) Joint Venture	-		-
ii) Associates	15.08	100.00	15.08
iii) Related Parties	-	-	-
iv) Others	-	-	-
Aggregate amount granted/provided during the year			
i) Joint Venture	-		-
ii) Associates	2.01	100.00	2.01
iii) Related Parties	-	-	-
iv) Others	-	-	-
Balance outstanding as at the balance sheet date in respect of above cases			
i) Joint Venture	-	-	-
ii) Associates	17.09	100.00	17.09
iii) Related Parties	-	-	-
iv) Others	-	-	-

Details of Loan provided to the promoters, directors, KMP's and the related parties for the year 2023-24

Particulars	Loans	Percentage to total loans	Total
Balance outstanding as at the opening balance sheet date in respect of above cases			
i) Joint Venture	-	-	-
ii) Associates	7.50	100.00	7.50
iii) Related Parties	-	-	-
iv) Others	-	-	-
Aggregate amount granted/provided during the year			
i) Joint Venture	-	-	-
ii) Associates	7.58	100.00	7.58
iii) Related Parties	-	-	-
iv) Others	-	-	-
Balance outstanding as at the balance sheet date in respect of above cases			
i) Joint Venture	-	-	-
ii) Associates	15.08	100.00	15.08
iii) Related Parties	-	-	-
iv) Others	-	-	-

Details of Loan provided to the promoters, directors, KMP's and the related parties for the year 2022-23

Particulars	Loans	Percentage to total loans	Total
Balance outstanding as at the opening balance sheet date in respect of above cases			
i) Joint Venture	-	-	-
ii) Associates	-	-	-
iii) Related Parties	-	-	-
iv) Others	-	-	-
Aggregate amount granted/provided during the year			
i) Joint Venture	-	-	-
ii) Associates	7.50	100.00	7.50
iii) Related Parties	-	-	-
iv) Others	-	-	-
Balance outstanding as at the balance sheet date in respect of above cases			
i) Joint Venture	-	-	-
ii) Associates	7.50	100.00	7.50
iii) Related Parties	-	-	-
iv) Others	-	-	-

Details of Loan provided to the promoters, directors, KMP's and the related parties for the year 2021-22

Particulars	Loans	Percentage to total loans	Total
Balance outstanding as at the opening balance sheet date in respect of above cases			
i) Joint Venture	-	-	-
ii) Associates	-	-	-
iii) Related Parties	-	-	-
iv) Others	-	-	-
Aggregate amount granted/provided during the year			
i) Joint Venture	-	-	-
ii) Associates	-	-	-
iii) Related Parties	-	-	-
iv) Others	-	-	-
Balance outstanding as at the balance sheet date in respect of above cases			
i) Joint Venture	-	-	-
ii) Associates	-	-	-
iii) Related Parties	-	-	-
iv) Others	-	-	-

Advanced Sys-Tek Limited
(Formally known as Advanced Sys-Tek Private Limited)
CIN: U33112GJ1988PLC010464
All amounts in ₹ Millions unless otherwise stated

Annexure V
Notes to the Restated Consolidated Financial Information
(E) Related Party Disclosures (as per Ind AS 24)

List of related parties with whom the company has entered into transactions during the year.

(a) Wholly owned Subsidiary Company
AST Environment Solutions Private Limited (w.e.f 02/02/2022)

(b) Associate
Terranomous Systems Private Limited (w.e.f 25/08/2022)

(c) Key Managerial Personnel

Mr. Mukesh Rajnikant Kapadia	Whole time director
Mr. Umed Amarchand Fifadra	Whole time director
Mr. Chirag Umed Fifadra	Non-Executive Director (up to 12/07/2024)
Mr. Neil Kiran Shah	Non-Executive Director (up to 12/07/2024)
Mr. Shirish Adi	Managing Director (w.e.f. 16/10/2023)
Mr Sunil Chinubhai Vakil	Independent Director (w.e.f. 05/07/2024)
Mrs Deepti Sharma	Independent Director (w.e.f. 05/07/2024)
Mr. Hemant Vithaldas Udeshi	Independent Director (w.e.f. 23/08/2024)
Mr. Munjal Navnit Jani	Chief Financial Officer (w.e.f. 16/10/2023)
Ms. Hima Sheth	Company Secretary and Compliance Officer (w.e.f. 04/12/2023)

(d) Relatives of Key Managerial Personnel

Mrs. Monali Shah	Relative of Whole time Director - Mr. Mukesh Rajnikant Kapadia
Mrs. Shobha Mukesh Kapadia	Relative of Whole Time Director - Mr. Mukesh Rajnikant Kapadia

(e) Key Managerial Personnel Compensation

Particulars	For the Half year ended 30th September, 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Short-term employee benefits	16.76	45.16	10.08	10.41
Terminal Benefits	0.64	0.74	-	-
Total Compensation	**17.40**	**45.90**	**10.08**	**10.41**

(f) Transactions with Related Parties:
During the year, the following transactions were carried out with related parties and relative of Key Managerial Personnel in the ordinary course of the business.

Key Managerial Personnel and their relatives	Name of Parties	For the Half year ended 30th September, 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
i. a) Managerial Remuneration					
	Mr. Mukesh Rajnikant Kapadia	3.81	5.23	5.09	5.03
	Mr. Umed Amarchand Fifadra	3.74	5.13	4.99	5.38
	Mr. Shirish Adi	7.44	10.13	-	-
	Mr. Munjal Navnit Jani	1.80	1.26	-	-
	Ms. Hima Sheth	0.60	0.39	-	-
i. b) Others					
Commission	Mr. Mukesh Rajnikant Kapadia	-	6.00	-	-
Commission	Mr. Umed Amarchand Fifadra	-	6.00	-	-
Cash settlement of Employees Share Based Payments	Mr. Shirish Adi	-	8.30	-	-
Incentive	Mr. Shirish Adi	-	2.54	-	-
Cash settlement of Employees Share Based Payments	Mr. Munjal Navnit Jani	-	0.74	-	-
Incentive	Mr. Munjal Navnit Jani	-	0.20	-	-
ii) Salary and Wages	Mrs. Monali Shah	1.00	1.53	1.37	1.19
iii) Investment in Associate	Terranomous Systems Private Limited	-	-	0.15	-
iv) Loan Given	Terranomous Systems Private Limited	2.01	7.58	7.50	-
v) Interest Income on Loan Given	Terranomous Systems Private Limited	0.89	1.26	0.14	-
vi) Rent Income	Terranomous Systems Private Limited	0.03	0.06	0.04	-
vii) Reimbursement of expenses	Terranomous Systems Private Limited	0.01	0.46	0.02	-
viii) Rent Expense	Mrs. Shobha Mukesh Kapadia	0.14	-		-
ix) Security deposit paid	Mrs. Shobha Mukesh Kapadia	0.07	-	-	-

Advanced Sys-Tek Limited
(Formally known as Advanced Sys-Tek Private Limited)
CIN: U33112GJ1988PLC010464
All amounts in ₹ Millions unless otherwise stated

Annexure V
Notes to the Restated Consolidated Financial Information

(g) Transactions eliminated on Consolidation:

Nature of Transaction	Name of Parties	For the Half year ended 30th September, 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(i) Rent Income	AST Environment Solutions Private Limited	0.57	1.14	1.14	-
(ii) Interest Income on Loan Given	AST Environment Solutions Private Limited	1.01	1.63	0.59	-
(iii) Loan Given	AST Environment Solutions Private Limited	1.78	6.78	12.50	-
(iv) Reimbursement of expenses	AST Environment Solutions Private Limited	0.00	0.02	-	0.15
(v) Purchase of Capital Goods	AST Environment Solutions Private Limited	-	0.56	-	
(vi) Sale of Goods	AST Environment Solutions Private Limited	-	-	0.03	9.41
(vii) Investment in Subsidiary	AST Environment Solutions Private Limited	-	-	-	1.00

(h) Closing Balance as at end of the period/year

Particulars	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
Mr. Mukesh Rajnikant Kapadia	0.40	4.72	0.25	0.25
Mr. Umed Amarchand Fifadra	0.40	4.55	0.25	0.25
Mr. Shirish Adi	0.62	2.80	-	-
Mr. Munjal Navnit Jani	0.20	0.30	-	-
Ms. Hima Sheth	0.08	0.09	-	-
Mrs. Monali Shah	0.11	0.10	0.09	0.08
Terranomous Systems Private Limited - Interest Receivable	2.15	1.26	0.14	-
Terranomous Systems Private Limited - Loan granted	17.09	15.08	7.50	-
Terranomous Systems Private Limited - Investment in equity shares	0.15	0.15	0.15	-
Terranomous Systems Private Limited - Rent and Reimbursement Receivable	0.04	-	-	-
Mrs. Shobha Mukesh Kapadia - Security deposit receivable	0.07	-	-	-

(i) Closing Balance eliminated on consolidation as at end of the period/year

Particulars	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
AST Environment Solutions Private Limited - Interest Receivable	3.00	2.00	0.59	-
AST Environment Solutions Private Limited - Loan granted	21.05	19.28	12.50	-
AST Environment Solutions Private Limited - Rent and Reimbursement Receivable	0.67	0.27	-	-
AST Environment Solutions Private Limited - Sale of Goods	-	-	-	11.12
AST Environment Solutions Private Limited - Investment in Equity Shares	1.00	1.00	1.00	1.00

(F) Disclosures pursuant to Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"

a) Movement in provision of liquidated damages:

Particulars	Amount
Carrying amount as 31st March, 2022	**31.41**
Provision made/increase in provision	2.02
Provision amount used/reversed during the year	-
Carrying amount as 31st March, 2023	**33.43**
Provision made/increase in provision	2.20
Provision amount used/reversed during the year	0.42
Carrying amount as 31st March, 2024	**35.21**
Provision made/increase in provision	-
Provision amount used/reversed during the year	-
Carrying amount as 30th September, 2024	**35.21**

Nature of provision

Liquidated damages are provided based on contractual terms when the delivery/ commissioning dates of an individual project have exceeded or are likely to exceeds the delivery/ commissioning dates as per the respective contracts. This expenditure is expected to be incurred within the next 12 months.

Annexure V
Notes to the Restated Consolidated Financial Information

b) Movement in provision of warranties

Particulars	Amount
Carrying amount as 31st March, 2022	**50.36**
Provision made/increase in provision	14.89
Provision amount used/reversed during the year	9.95
Carrying amount as 31st March, 2023	**55.30**
Provision made/increase in provision	2.70
Provision amount used/reversed during the year	1.76
Carrying amount as 31st March, 2024	**56.24**
Provision made/increase in provision	4.60
Provision amount used/reversed during the year	(1.35)
Carrying amount as 30th September, 2024	**59.49**

Nature of provision
Warranty costs are provided based on a technical estimate of the costs required to be incurred for repair, replacement, material cost, servicing and past experience in respect of warranty cost. It is expected that this expenditure will be incurred over the contractual warranty period.

c) Movement in provision of pending sales tax forms indirect tax litigations

Particulars	Amount
Carrying amount as 31st March, 2022	**9.21**
Provision made/increase in provision	**-**
Provision amount used/reversed during the year	1.12
Carrying amount as 31st March, 2023	**8.09**
Provision made/increase in provision	-
Provision amount used/reversed during the year	8.09
Carrying amount as 31st March, 2024	**-**
Provision made/increase in provision	-
Provision amount used/reversed during the year	**-**
Carrying amount as 30th September, 2024	**-**

Nature of provision:
This represents provision for probable sales tax liabilities and other claims due to non-receipt of concessional tax forms for earlier years and litigations regarding indirect taxes. The provision is based on reliable estimate of the obligations derived from historical experience of the Group. The Group, however, could not estimate with reasonable certainty the period of utilisation of the same.

44 Other Disclosures:
(A) Disclosures related to the Micro, Small and Medium Enterprises.
Based on the information available with the Group, the company has identified Micro ,Small and Medium enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006.The Company has made payments of dues to Micro, Small and Medium enterprises, generally within stipulated period of 45 days as prescribed under Micro, small and Medium Enterprises Development Act,2006.

The details relating to Micro, Small and medium enterprise is disclosed as under :

Particulars	As at 30th September, 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
The principle amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;				
i) Principle Amount	56.51	81.32	52.33	48.99
ii) Interest Due thereon	-	-	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year:				
i) Principle Amount	-	-	-	-
ii) Interest Due thereon	-	-	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	1.45	3.09
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-	-

(B) Corporate Social Responsibility
As per section 135 of the Companies Act, 2013 , a CSR committee has been formed by the company. The areas for CSR activities are promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects as specified in Schedule VII of the Companies Act, 2013. The amount needs to be spent by the Group for the year is 2% of average net profits for previous three financial years, calculated as per Section 198 of the Companies Act, 2013
The details of amount required to be spent and actual expenses spent during the year is as under:

Advanced Sys-Tek Limited
(Formally known as Advanced Sys-Tek Private Limited)
CIN: U33112GJ1988PLC010464
All amounts in ₹ Millions unless otherwise stated

Annexure V
Notes to the Restated Consolidated Financial Information

	Particulars	As at 30th September, 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(i)	Amount required to be spent by the company during the year	2.21	4.00	4.60	3.95
(ii)	Amount of expenditure incurred (Refer Note 2 below)	2.21	4.00	4.60	3.95
(iii)	Shortfall/(surplus) at the end of the year	-	-	-	-
(iv)	Total of previous years shortfall	-	-	-	-
(v)	Reason for shortfall	-	-	-	-
(vi)	Nature of CSR activities	-	Refer below note 1	Refer below note 1	Refer below note 1
(vii)	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant AS	-	-	-	-
(viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	-	-	-	Refer below note 3

Note 1: Contributed for CSR activities in the area of healthcare and education purpose.
Note 2: The company has provided of Rs. 2.21 Millions for Corporate Social Responsibility for the half year
Note 3: Movements in the provision of CSR during the year

	Particulars	As at 30th September, 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(i)	Balance at the beginning of the year	-	-	-	1.18
(ii)	Provision made during the year	-	-	-	-
(iii)	Provision utilised during the year	-	-	-	-
(iv)	Balance at the end of the year	-	-	-	1.18

45 Financial instruments:

i) Fair value measurement hierarchy

Particulars	As at 30th September, 2024				As at 31st March, 2024				As at 31st March, 2023				As at 31st March, 2022			
	Carrying amount	Level of input used in			Carrying amount	Level of input used in			Carrying amount	Level of input used in			Carrying amount	Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial assets																
At Fair Value through Profit and Loss																
Investment in Associate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mutual Funds	258.27	258.27	-	-	577.06	577.06	-	-	106.50	106.50	-	-	149.13	149.13	-	-
Non Convertible Market Linked Debentures	107.00	107.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At Amortised cost																
Trade Receivables	1,207.22	-	-	-	1,177.14	-	-	-	1,043.89	-	-	-	1,027.29	-	-	-
Cash and cash equivalents	38.33	-	-	-	103.55	-	-	-	26.59	-	-	-	30.12	-	-	-
Bank balances other than above	65.20	-	-	-	1.84	-	-	-	15.35	-	-	-	48.23	-	-	-
Others non current financials assets	236.01	-	-	-	124.61	-	-	-	104.00	-	-	-	86.56	-	-	-
Loans	17.09	-	-	-	15.08	-	-	-	7.50				-			
Other current financials assets	40.39	-	-	-	32.36	-	-	-	27.13				21.42			
Total Financial assets	**1,969.51**	**365.27**	**-**	**-**	**2,031.64**	**577.06**	**-**	**-**	**1,330.96**	**106.50**	**-**	**-**	**1,362.75**	**149.13**	**-**	**-**
Financial liabilities																
At Amortised cost																
Trade Payables	408.57	-	-	-	603.44	-	-	-	306.80	-	-	-	370.45	-	-	-
Other Financial Liabilities	-	-	-	-	-	-	-	-	1.45				3.09			
Total Financial liabilities	**408.57**	**-**	**-**	**-**	**603.44**	**-**	**-**	**-**	**308.25**	**-**	**-**	**-**	**373.54**	**-**	**-**	**-**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, The instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the year.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- the fair value of the remaining financial instruments is determined using discounted analysis.

All of the resulting fair value estimates are included in level 1 or 2 except for unlisted equity securities where the fair values have been determined based on present values and the discount rates used were adjusted for counter party or own credit risk.

The carrying amounts of trade receivables, employee advances, cash and cash equivalents and other short term receivables, trade payables, borrowings, capital creditors and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

Annexure V
Notes to the Restated Consolidated Financial Information

46 FINANCIAL RISK MANAGEMENT

The Group principal financial liabilities, other than derivatives, comprise trade payables. The main purpose of these financial liabilities is to manage finances for the Group's operations. The Group's principal financial assets include investments in marketable securities, loans , trade and other receivables and cash and short-term deposits that arise directly from its operations.

The Group has exposure to credit risk, liquidity risk and market risk arising from financial instruments.
The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities.

The Group monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

(A) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

(i) Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Group has used expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data to credit losses from various customers.

(ii) Reconciliation of loss allowance provision – Trade receivables

Loss allowance on 31st March, 2021	**18.01**
Utilised During the year	-
Addition during the year	21.69
Loss allowance on 31st March, 2022	**39.70**
Utilised During the year	-
Addition during the year	2.26
Loss allowance on 31st March, 2023	**41.96**
Utilised During the year	(6.89)
Addition during the year	0.75
Loss allowance on 31st March, 2024	**35.82**
Utilised During the year	-
Addition during the year	3.59
Loss allowance on 30th September, 2024	**39.41**

(iii) Other than trade and other receivables, the Group has no other financial assets that are past due but not impaired.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Maturities of financial liabilities

The tables herewith analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities

Particular	Less than 1 year	More than 1 year	Total
As at 30th September, 2024			
Non-derivatives			
Trade payables	408.57	-	408.57
Other Financial Liabilities	-	-	-
Total Non-derivative liabilities	**408.57**	**-**	**408.57**
As at 31st March, 2024			
Non-derivatives			
Trade payables	603.43	-	603.43
Other Financial Liabilities	-	-	-
Total Non-derivative liabilities	**603.43**	**-**	**603.43**
As at 31st March, 2023			
Non-derivatives			
Trade payables	306.80	-	306.80
Other Financial Liabilities	1.45	-	1.45
Total Non-derivative liabilities	**308.25**	**-**	**308.25**
As at 31st March, 2022			
Non-derivatives			
Trade payables	370.45	-	370.45
Other Financial Liabilities	3.09		3.09

Annexure V
Notes to the Restated Consolidated Financial Information

Total Non-derivative liabilities	**373.54**	**-**	**373.54**

Annexure V
Notes to the Restated Consolidated Financial Information

(C) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign currency risk

The risk is measured through a forecast of foreign currency for the Group operations.

Currency	As at 30th September, 2024 Trade Receivable & other Receivable	As at 31st March, 2024 Trade Receivable & other Receivable	As at 31st March, 2023 Trade Receivable & other Receivable	As at 31st March, 2022 Trade Receivable & other Receivable
USD (in Millions)	0.21	0.16	0.22	0.19
Equivalent INR (in Millions)	17.12	13.36	18.27	14.05

Currency	As at 30th September 2024 Trade Payable	As at 31st March, 2024 Trade Payable	As at 31st March, 2023 Trade Payable	As at 31st March, 2022 Trade Payable
USD (in Millions)	0.05	0.09	0.00	0.08
Equivalent INR (in Millions)	4.28	7.66	0.32	5.88
EUR (in Millions)	-	0.02	0.03	0.01
Equivalent INR (in Millions)	-	1.60	2.51	1.05
AUD (in Millions)	-	-	0.02	0.03
Equivalent INR (in Millions)	-	-	1.32	1.86

The sensitivity of profit or loss to changes in the exchange rates arises mainly from unhedged foreign currency denominated financial instruments.

Currency	Impact on profit after tax			
	As at 30th September 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
USD sensitivity				
INR/USD increases by 5%	0.64	0.28	0.90	0.41
INR/USD decreases by 5%	(0.64)	(0.28)	(0.90)	(0.41)
EUR sensitivity				
INR/EUR increases by 5%	-	0.08	0.13	0.05
INR/EUR decreases by 5%	-	(0.08)	(0.13)	(0.05)
AUD sensitivity				
INR/AUD increases by 5%	-	-	0.07	0.09
INR/AUD decreases by 5%	-	-	(0.07)	(0.09)

(D) Capital Management

For the purpose of Company's Capital Management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Group. The Group manages its capital to optimise returns to the share holders and make adjustments to it in light of changes in economic conditions or its business requirements. The Group's objective is to safe guard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to share holders through continuing growth and maximise the share holders value.

(E)

GEARING RATIO	As at 30th September 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Gross Debt (Long term and short term borrowings including current maturities)	-	-	-	-
Less: Cash and bank balances (excluding margin deposits)	38.33	103.55	26.59	30.12
Net Debt	(38.33)	(103.55)	(26.59)	(30.12)
Total Equity	1,982.01	1,871.01	1,271.21	1,141.07
Net Debt to equity Ratio	NA	NA	NA	NA

Advanced Sys-Tek Limited
(Formally known as Advanced Sys-Tek Private Limited)
CIN: U33112GJ1988PLC010464
All amounts in ₹ Millions unless otherwise stated

Annexure V
Notes to the Restated Consolidated Financial Information

47 Trade Payable Ageing summary
All amounts in ₹ Millions unless otherwise stated

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As at 30th September, 2024					
Micro Enterprises and Small Enterprises	56.51	-	-	-	56.51
Others	341.80	7.19	2.93	0.14	352.06
Disputed Dues - Micro Enterprises and Small Enterprises	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
As at 31st March, 2024					
Micro Enterprises and Small Enterprises	81.32	-	-	-	81.32
Others	511.85	8.45	1.76	0.06	522.12
Disputed Dues - Micro Enterprises and Small Enterprises	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
As at 31st March, 2023					
Micro Enterprises and Small Enterprises	52.33	-	-	-	52.33
Others	238.88	9.95	4.68	0.96	254.47
Disputed Dues - Micro Enterprises and Small Enterprises	-	-	-	-	
Disputed Dues - Others	-	-	-	-	
As at 31st March, 2022					
Micro Enterprises and Small Enterprises	48.99	-	-	-	48.99
Others	312.41	7.84	0.33	0.88	321.46
Disputed Dues - Micro Enterprises and Small Enterprises	-	-	-	-	
Disputed Dues - Others	-	-	-	-	

48 Trade Receivable Ageing summary
All amounts in ₹ Millions unless otherwise stated

Particulars	Not Due*	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As at 30th September, 2024							
Undisputed Trade Receivable - Considered Good	1,011.51	131.48	29.13	18.56	11.40	23.42	1,225.49
Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivable - credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivable - Considered Good	-	-	-	-	-	21.13	21.13
Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivable - credit impaired	-	-	-	-	-	-	-
Less : Loss Allowance							(39.41)
Total							**1,207.22**
As at 31st March, 2024							
Undisputed Trade Receivable - Considered Good	592.98	516.86	26.13	20.70	12.20	22.96	1,191.83
Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivable - credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivable - Considered Good	-	-	-	-	-	21.13	21.13
Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivable - credit impaired	-	-	-	-	-	-	-
Less : Loss Allowance							(35.82)
Total							**1,177.14**
As at 31st March, 2023							
Undisputed Trade Receivable - Considered Good	546.19	402.27	30.06	32.15	35.38	18.67	1,064.72
Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivable - credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivable - Considered Good	-	-	-	-	-	21.13	21.13
Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivable - credit impaired	-	-	-	-	-	-	-
Less : Loss Allowance	-	-	-	-	-	-	(41.96)
Total							**1,043.89**

As at 31st March, 2022							
Undisputed Trade Receivable - Considered Good	480.77	492.99	31.20	19.68	21.18	0.03	1,045.86
Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivable - credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivable - Considered Good	-	-	-	-	-	21.14	21.14
Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivable - credit impaired	-	-	-	-	-	-	-
Less : Loss Allowance							(39.70)
Total							**1,027.29**

* It includes customer retention.

Annexure V
Notes to the Restated Consolidated Financial Information

49 Paragraph 2 of the general instructions for

Name of the company	Net Assets, i.e. total assets minus total liabilities		Share in Profit or loss		Share in other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated Profit and Loss	Amount	As % of consolidated Profit and Loss	Amount	As % of consolidated Profit and Loss	Amount
Parent								
Advanced Sys-Tek Private Limited								
As at September 30, 2024	100.63%	1,994.43	102.02%	123.99	100.00%	(1.83)	102.05%	122.16
As at March 31, 2024	100.53%	1,880.97	103.86%	199.59	100.00%	(0.86)	103.88%	198.73
As at March 31, 2023	100.20%	1,273.74	101.87%	134.17	100.00%	(1.57)	101.89%	132.60
As at March 31, 2022	100.01%	1,141.14	100.10%	69.97	100.00%	(0.56)	100.11%	69.40
Subsidiary								
AST Environment Solutions Private Limited								
As at September 30, 2024	(0.54%)	(10.72)	(2.03%)	(2.47)	0.00%	-	(2.06%)	(2.47)
As at March 31, 2024	(0.44%)	(8.25)	(3.57%)	(6.86)	0.00%	-	(3.59%)	(6.86)
As at March 31, 2023	(0.11%)	(1.39)	(1.76%)	(2.32)	0.00%	-	(1.78%)	(2.32)
As at March 31, 2022	0.08%	0.93	(0.10%)	(0.07)	0.00%	-	(0.10%)	(0.07)
Associate								
Terranomous Systems Private Limited (Investment as per equity method)								
As at September 30, 2024	(0.01%)	(0.15)	0.00%	-	0.00%	-	0.00%	-
As at March 31, 2024	(0.01%)	(0.15)	0.00%	-	0.00%	-	0.00%	-
As at March 31, 2023	(0.01%)	(0.15)	(0.11%)	(0.15)	0.00%	-	(0.12%)	(0.15)
As at March 31, 2022	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Non Controlling Interest in subsidiary								
As at September 30, 2024	(0.00%)	(0.01)	(1.08%)	(0.01)	0.00%	-	0.00%	-
As at March 31, 2024	(0.00%)	(0.01)	(0.69%)	(0.01)	0.00%	-	0.00%	-
As at March 31, 2023	(0.00%)	(0.00)	(0.23%)	(0.00)	0.00%	-	0.00%	-
As at March 31, 2022	0.00%	(0.00)	0.00%	-	0.00%	-	0.00%	-
Adjustments arising out of consolidation								
As at September 30, 2024	(0.08%)	(1.53)	0.01%	0.01	0.00%	-	0.01%	0.01
As at March 31, 2024	(0.08%)	(1.54)	(0.30%)	(0.56)	0.00%	-	(0.29%)	(0.56)
As at March 31, 2023	(0.08%)	(0.98)	0.00%	0.01	0.00%	-	0.00%	0.01
As at March 31, 2022	(0.09%)	(1.00)	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Total								
As at September 30, 2024	100.00%	1,982.02	63.24%	121.54	100.00%	(1.83)	62.57%	119.71
As at March 31, 2024	100.00%	1,871.02	100.00%	192.17	100.00%	(0.86)	100.00%	191.31
As at March 31, 2023	100.00%	1,271.21	100.00%	131.71	100.00%	(1.57)	100.00%	130.14
As at March 31, 2022	100.00%	1,141.07	100.00%	69.89	100.00%	(0.56)	100.00%	69.33

Note
1. Net assets means total assets minus total liabilities excluding shareholders funds.
2. The disclosure as above represents separate information for each of the consolidated entities before elimination of inter company transactions. The net impact on elimination of intercompany transactions/profits/consolidation adjustments have been disclosed separately. Based on the group structure, the management is of the view that the above disclosure is appropriate under requirements of the Companies Act, 2013.

50 Working Capital Facilities:

Details of credit facilities from banks
The Company has sanctioned credit facilities from HDFC Bank and ICICI Bank of Rs. 1100 millions and Rs. 500 millions respectively
(i.e. cash credit facility - Rs. 200 millions , Bank Guarantee including letter of credit Rs. 1400 millions)

Terms of loan
a) The credit facility carries interest at mutually agreed rates, (interest payable on monthly rests).
b) The credit facility is secured by: Hypothecation of Current Assets, Immovable Fixed Assets, Movable Fixed Assets

Utilisation of borrowings:
a) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
b) The quarterly returns/statements of current assets filed by the Company with banks or financial institutions in relation to secured borrowings wherever applicable, are in agreement with the books of accounts.

Quarter ended	Details of security provided	Amount as per books	Amount reported in quarterly returns	Amount of Difference	% Difference	Reasons for material discrepancies > 20%
June 2023	Inventory	115.69	114.23	1.46	1.26%	-
	Receivables	777.25	784.78	(7.53)	(0.97%)	-
September 2023	Inventory	129.96	135.71	(5.75)	(4.42%)	-
	Receivables	952.97	959.03	(6.06)	(0.64%)	-
December 2023	Inventory	123.41	123.16	0.26	0.21%	-
	Receivables	1,019.76	1,025.70	(5.94)	(0.58%)	-
March 2024	Inventory	287.22	287.22	-	0.00%	-
	Receivables	1,176.98	1,173.79	3.19	0.27%	-
June 2024	Inventory	165.18	165.18	-	0.00%	-
	Receivables	1,100.65	1,100.65	-	0.00%	-
September 2024	Inventory	271.22	271.22	(0.00)	(0.00%)	-
	Receivables	1,206.87	1,232.87	(26.01)	(2.15%)	-

51 Gross Revenue and Carrying Value as per Geographical Location As per Ind AS 108

The Company offers complete automation and metering solution to customers using project management expertise and specialized knowledge of the Oil & Gas measurement industry. This enables customers to measure, automate and control the transportation and distribution of their products through pipelines, tank trucks, barges and rail wagons. Managing Director monitors the operating results of its business units for the purpose of making decisions about resource allocation and performance assessment as a whole. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The Managing Director reviews the Company's performance on the analysis of the profit of the company on an entity level basis. The management is of the opinion that the company continues to operate under a single segment of complete automation and metering solution to customers using project management expertise and specialized knowledge of the Oil & Gas measurement industry and hence the Company has only one reportable segment.

Entity level disclosure as required in Ind AS 108 - "Segment Reporting" of the Companies (Indian Accounting Standards) Rules, 2015

The Company principally operates in the business of complete automation and metering solution to customers using project management expertise and specialized knowledge of the Oil & Gas measurement industry

Number of customers individually accounted for more than 10% of the revenue in the period/year ended 30th September 2024 - 3, 31st March, 2024 - 3, 31st March, 2023- No. 3 and 31st March, 2022 -No 3.

Particulars	For the Half year ended 30th September, 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Total revenue from contracts with customers:				
India	1,034.76	1,836.39	1,332.60	1,321.19
Export	23.67	45.93	71.63	34.82
Total	**1,058.43**	**1,882.32**	**1,404.23**	**1,356.01**
Total Carrying Value				
India	2,592.61	2,693.77	1,768.16	1,649.99
Export	10.01	9.86	11.22	6.34
Total	**2,602.62**	**2,703.63**	**1,779.38**	**1,656.33**

Annexure V
Notes to the Restated Consolidated Financial Information

52 The Accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations:

Particulars	For the Half Year Ended 30th September, 2024	As at & for the year ended 31st March, 2024	As at & for the year ended 31st March, 2023	As at & for the year ended 31st March, 2022
Basic Earnings per Share (in Rs.)	6.32	10.20	7.00	3.71
Diluted Earnings per Share (in Rs.)	6.32	10.20	7.00	3.71
Return on Net Worth (%)	6.13%	10.27%	10.36%	6.13%
Net Asset Value per share (in Rs.)	103.08	99.30	67.52	60.61
Pre-Provision Operating profit before tax (in Millions)	168.51	262.33	181.11	226.86
EBITDA (in Millions)	146.88	235.53	174.18	182.35

Notes: The Ratios have been computed as under:

1 Basic and diluted EPS:
Basic Earnings per Share and Diluted Earnings per Share calculations are done in accordance with the notified Indian Accounting Standard (Ind AS) 33 “Earnings Per Share” prescribed by the Companies (Indian Accounting Standard) Rules, 2015 as per Restated Financial Information, as follows:

Basic Earnings per Share = $\frac{\text{Net Profit After Tax, as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the period/year}}$

2 Return on net worth %:
Return on Net Worth (%) is calculated as Profit after tax for the relevant period/year as a percentage of Net Worth as of the last day of the relevant period/year

3 Net worth:
Net Worth as of the last day of the relevant period/year represents net worth which includes paid up share capital and all reserves and surplus and securities premium account as per the Restated Financial Information.

4 Net assets value per share (in ₹):
Net Asset Value per Share represents Net Asset Value per Equity Share as per Restated Financial Information. It is calculated as Net Worth as of the end of relevant period/year divided by number of equity used in calculating earnings per shares.

The Board of Directors in its meeting held on 23rd August 2024, recommended the issue of Bonus Equity Share, in the proportion of 1:5, i.e. 5 (Five) bonus Equity Share of ₹ 10/- (Rupees Ten only) each for every 1 (One) fully paid-up Equity Shares of ₹ 10/- (Rupees Ten only) each held by the Members of the Company. The said bonus issue was approved by the Members of the Company dated 23rd August 2024.

5 Pre-provision operating profit before tax
Pre-provision operating profit before tax represents profit before tax after adding back impairment on financial instruments as per the Restated Financial Information

6 EBITDA:
EBITDA is calculated as profit/ (loss) for the period/year less exceptional items and other income plus finance costs, depreciation and amortisation, and total income tax expenses. of the relevant period/year as per Restated Financial Information.

7 Accounting and other ratios are derived from the Restated Financial Information.

Advanced Sys-Tek Limited

(Formally known as Advanced Sys-Tek Private Limited)

CIN: U33112GJ1988PLC010464

All amounts in ₹ Millions unless otherwise stated

Annexure V

Notes to the Restated Consolidated Financial Information

53 Accounting Ratios for the half year ended on 30th September 2024

SN	Particulars	Numerator	Denominator	Current Period	Previous Period	% Variance
1	Current Ratio (in times)	Current Asset	Current Liabilities	3.96	3.13	26.69%
2	Debt-Equity Ratio (in times)	Total Debt	Shareholder's Equity	Nil	Nil	-
3	Debt Service Coverage Ratio (in times)	Earnings available for debt service	Debt Service	Nil	Nil	-
4	Return on Equity Ratio (in %)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	6.31	12.23	-48.42%
5	Inventory Turnover Ratio (in times)	COGS	Average Value of Inventory	1.79	4.55	-60.75%
6	Trade Receivables turnover ratio (in times)	Revenue From Operations	Average Trade Receivable	0.89	1.69	-47.62%
7	Trade Payable turnover ratio (in times)	Cost of sales+Other expense	Average Trade Payable	1.09	2.24	-51.23%
8	Net capital turnover ratio (in times)	Revenue From Operations	Working Capital	0.65	1.15	-44.10%
9	Net profit ratio (in %)	Net profit After Tax	Revenue From Operations	11.48	10.21	12.47%
10	Return on Capital employed (in %)	EBIT	Capital Employed	9.13	17.43	-47.64%
11	Return on Investment (in %)	Income from Investment	Average Investment	NA	NA	NA
Note: September, 2024 ratios are not annualised hence not comparable and reason for variance not given.						

Advanced Sys-Tek Limited

(Formally known as Advanced Sys-Tek Private Limited)

CIN: U33112GJ1988PLC010464

All amounts in ₹ Millions unless otherwise stated

Annexure V

Notes to the Restated Consolidated Financial Information

Accounting Ratios for the year 2023-2024

SN	Particulars	Numerator	Denominator	Current Period	Previous Period	% Variance	Reasons for variance (if +/- 25%)
1	Current Ratio (in times)	Current Asset	Current Liabilities	3.13	3.27	-4.46%	-
2	Debt-Equity Ratio (in times)	Total Debt	Shareholder's Equity	Nil	Nil	-	-
3	Debt Service Coverage Ratio (in times)	Earnings available for debt service	Debt Service	Nil	Nil	-	-
4	Return on Equity Ratio (in %)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	12.23	10.93	11.91%	-
5	Inventory Turnover Ratio (in times)	COGS	Average Value of Inventory	4.55	5.86	-22.33%	-
6	Trade Receivables turnover ratio (in times)	Revenue From Operations	Average Trade Receivable	1.69	1.35	25.56%	-
7	Trade Payable turnover ratio (in times)	Cost of sales+Other expense	Average Trade Payable	2.24	2.17	3.22%	-
8	Net capital turnover ratio (in times)	Revenue From Operations	Working Capital	1.15	1.35	-14.63%	-
9	Net profit ratio (in %)	Net profit After Tax	Revenue From Operations	10.21	9.39	8.72%	-
10	Return on Capital employed (in %)	EBIT	Capital Employed	17.43	15.99	9.06%	
11	Return on Investment (in %)	Income from Investment	Average Investment	NA	NA	NA	

Advanced Sys-Tek Limited

(Formally known as Advanced Sys-Tek Private Limited)

CIN: U33112GJ1988PLC010464

All amounts in ₹ Millions unless otherwise stated

Annexure V

Notes to the Restated Consolidated Financial Information

Accounting Ratios for the year 2022-2023

SN	Particulars	Numerator	Denominator	Current Period	Previous Period	% Variance	Reasons for variance (if +/- 25%)
1	Current Ratio (in times)	Current Asset	Current Liabilities	3.27	2.96	10.37%	-
2	Debt-Equity Ratio (in times)	Total Debt	Shareholder's Equity	Nil	Nil	-	-
3	Debt Service Coverage Ratio (in times)	Earnings available for debt service	Debt Service	Nil	Nil	-	-
4	Return on Equity Ratio (in %)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	10.93	6.32	177.80%	In view of increased in profit as compared to previous year.
5	Inventory Turnover Ratio (in times)	COGS	Average Value of Inventory	5.86	6.43	-8.82%	-
6	Trade Receivables turnover ratio (in times)	Revenue From Operations	Average Trade Receivable	1.35	1.52	-11.27%	
7	Trade Payable turnover ratio (in times)	Cost of sales+Other expense	Average Trade Payable	2.19	2.11	3.57%	-
8	Net capital turnover ratio (in times)	Revenue From Operations	Working Capital	1.35	1.46	-7.27%	-
9	Net profit ratio (in %)	Net profit After Tax	Revenue From Operations	9.39	5.15	86.47%	In view of increased in profit as compared to previous year.
10	Return on Capital employed (in %)	EBIT	Capital Employed	15.99	21.61	-27.65%	Due to decrease in other income
11	Return on Investment (in %)	Income from Investment	Average Investment	2.85	4.74	-42.99%	Due to decrease in fair value of the investments

Advanced Sys-Tek Limited

(Formally known as Advanced Sys-Tek Private Limited)

CIN: U33112GJ1988PLC010464

All amounts in ₹ Millions unless otherwise stated

Annexure V

Notes to the Restated Consolidated Financial Information

Accounting Ratios for the year 2021-22

SN	Particulars	Numerator	Denominator	Current Period	Previous Period	% Variance	Reasons for variance (if +/- 25%)
1	Current Ratio (in times)	Current Asset	Current Liabilities	2.96	3.42	-13.48%	-
2	Debt-Equity Ratio (in times)	Total Debt	Shareholder's Equity	Nil	Nil	-	-
3	Debt Service Coverage Ratio (in times)	Earnings available for debt service	Debt Service	Nil	Nil	-	-
4	Return on Equity Ratio (in %)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	6.32	14.76	-69.64%	In view of decreased in turnover and decreased in profit after taxes during the year.
5	Inventory Turnover Ratio (in times)	COGS	Average Value of Inventory	6.43	7.46	-13.86%	-
6	Trade Receivables turnover ratio (in times)	Revenue From Operations	Average Trade Receivable	1.52	2.27	-32.82%	In view of lower collection as compare to previous year.
7	Trade Payable turnover ratio (in times)	Cost of sales+Other expense	Average Trade Payable	2.11	4.09	-48.36%	In view of decreased in trade payable
8	Net capital turnover ratio (in times)	Revenue From Operations	Working Capital	1.46	1.67	-12.52%	-
9	Net profit ratio (in %)	Net profit After Tax	Revenue From Operations	5.15	10.18	-49.65%	In view of decreased in turnover and decreased in profit after taxes during the year.
10	Return on Capital employed (in %)	EBIT	Capital Employed	21.61	23.09	0.21%	
11	Return on Investment (in %)	Income from Investment	Average Investment	4.74	8.01	-40.79%	The Holding company shifted from dividend plan investment to growth plan investment in current year and dividend received higher in previous year as compare to current year

Advanced Sys-Tek Limited
(Formally known as Advanced Sys-Tek Private Limited)
CIN: U33112GJ1988PLC010464
All amounts in ₹ Millions unless otherwise stated

Annexure V
Notes to the Restated Consolidated Financial Information

54 Capitalization Statement

Particulars	Pre-Offer as at September 30, 2024	As adjusted for the proposed Offer
Total Borrowings		Refer notes below.
Current Borrowings (A)	-	
Non Current Borrowings (B)	-	
Total Borrowings (C)	**-**	
Total Equity		
Equity Share Capital	192.28	
Other Equity	1,789.74	
Non-Controlling Interest	(0.01)	
Total Equity(D)	**1,982.01**	
Ratios:		
Non Current Borrowings (B)/ Total Equity (D)	-	
Total Borrowings (C)/ Total Equity (D)	-	

Notes:
(1) All the above terms shall carry the meaning as per Schedule III of the Companies Act.
(2) The corresponding post Offer capitalization data for each of the amounts given in the above table is not determinable at this stage pending the completion of the book building process and hence the same has not been provided in the above statement. To be updated upon finalization of the Offer Price and the Offer expense.

Annexure V
Notes to the Restated Consolidated Financial Information

55 Reconciliation of Net Profit for the year to EBITDA:

Particulars	For the Half Year Ended 30th September, 2024	As at & for the year ended 31st March, 2024	As at & for the year ended 31st March, 2023	As at & for the year ended 31st March, 2022
Profit for the year/ Period (I)	121.54	192.17	131.71	69.89
Total tax Expense (II)	46.97	70.16	49.25	156.96
Impairment on Financial Instruments (III)	-	-	-	-
Other Income (IV)	30.17	39.19	18.51	55.54
Finance Cost (V)	4.91	6.55	7.35	7.54
Depreciation & Amortisation (VI)	3.63	5.84	4.38	3.50
Pre Provision Operating Profit before tax (I+II+III)	168.51	262.33	180.96	226.85
EBITDA (I+II-IV+V+VI)	146.88	235.53	174.18	182.35

* EBITDA is calculated as profit/ (loss) for the period/year less exceptional items and other income plus finance costs, depreciation and amortisation, and total income tax expenses. of the relevant period/year as per Restated Financial Information.

In accordance with the SEBI ICDR Regulations, the audited financial statements of our Group as at and for the Financial years/period ended September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 are available on our website at https://www.advancedsystek.com.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. Except as disclosed in this Red Herring Prospectus, the Audited Financial Statements do not constitute, (i) a part of this Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document or recommendation or solicitation to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere.

Except as disclosed in this Red Herring Prospectus, the Audited Financial Statements should not be considered as part of information that any investor should consider for subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision.

None of our Company or any of its advisors, nor BRLMs or the Selling Shareholders, nor any of their respective employees, directors, auditors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

Annexure V
Notes to the Restated Consolidated Financial Information

56 Other Statutory information's

i. The Group does not have any Benami property, where any proceeding has been initiated or pending against The Company for holding any Benami property.
ii. The Group does not have any transactions with companies struck off.
iii. The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
iv. The Group has not traded or invested in Crypto currency or Virtual Currency during the year.
v. The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
vi. The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that The Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vii. The Group do not have any such transaction which is not recorded in the books of accounts and that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
viii. The Group holds all the title deeds of immovable property in its name.
ix. There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
x. The Group is not declared as willful defaulter by any bank or financial Institution or other lender.
xi.The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on Number of Layers) Rules, 2017.

57 The Board of Directors vide resolution dated 11th September, 2024 approved Employee Stock Option Plan which shall be called Advanced Sys-Tek Employee Stock Option Plan 2024' ("ESOP 2024"/ "Plan").

58 The Restated Consolidated financial information was authorized for issue by the Company's Board of Directors on 6th February, 2025.

See accompanying notes forming part of the financial statements.

For and on behalf of the Board of Directors

For CNK & Associates LLP
Chartered Accountants
FRN:-101961W/W-100036

Umed A Fifadra
Whole Time Director
DIN: 00049036

Mukesh R Kapadia
Whole Time Director
DIN: 00048621

Shirish Adi
Managing Director
DIN: 03259129

Munjal Jani
Chief Financial Officer

Hima Sheth
Company Secretary & Compliance Officer

Rachit Sheth
Partner
Membership No:-158289
Place: Vadodara
Date : 6th February, 2025

Place: Vadodara
Date : 6th February, 2025

Advanced Sys-Tek Limited
(Formally known as Advanced Sys-Tek Private Limited)
CIN: U33112GJ1988PLC010464
All amounts in ₹ Millions unless otherwise stated

Annexure VI - Statement of Restated Adjustments to the Audited Consolidated Financial Information
Note - All financial is prepared as per IND AS and hence no reconcilation required for IND AS
Part A: Statement of adjustments to Restated Consolidated Financial Information

Reconciliation between audited equity and restated equity

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Total equity (as per audited financial statements)	1,982.01	1,871.01	1,271.21	1,141.07
(i) Audit qualifications	-	-	-	-
(ii) Adjustments due to change in accounting policy / material errors / other adjustment	-	-	-	-
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable	-	-	-	-
Total Adjustments (i+ii+iii)	-	-	-	-
Total Equity as per restated consolidated summary statement of assets and liabilities	**1,982.01**	**1,871.01**	**1,271.21**	**1,141.07**

Reconciliation between audited profit and restated profit

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Profit after tax (as per audited financial statements)	121.54	192.17	131.71	69.89
(i) Audit qualifications	-	-	-	-
(ii) Adjustments due to change in accounting policy / material errors / other adjustment	-	-	-	-
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable	-	-	-	-
Total Adjustments (i+ii+iii)	-	-	-	-
Restated profit after tax for the period / year	**121.54**	**192.17**	**131.71**	**69.89**

Part B: non-adjusting events

(a) Audit qualifications for the respective period/years, which do not require any adjustment in the Restated Consolidated Financial Information:
There are no audit qualification in auditor's report for the financial years/period ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 which require adjustments.

(b) Matters reported with respect to Other Legal and Regulatory Requirements which do not require any adjustment in the Restated Consolidated Financial Information:
There are no matters reported with respect to Other Legal and Regulatory Requirements in auditor's report for the financial years/period ended September 30, 2024, ended 31, 2024, March 31, 2023 and March 31, 2022.

(c) Emphasis of matters which do not require any adjustment in the Restated Consolidated Financial Information:

There are no Emphasis of matters in auditor's report for the years/period ended September 30, 2024, ended March 31, 2024, March 31, 2023 and March 31, 2022.

Material regroupings :
Division II - Schedule III to the Companies Act, 2013 has been further amended vide the Government Notification dated March 24, 2021 to include certain additional presentation and disclosures requirements and changes to some of the existing requirements. In the month of January 2022, Guidance note on Division II - Schedule III to the Companies Act, 2013 was issued by the ICAI to give effect to these amendments, which was applicable to the Group for preparation and presentation of its Restated Consolidated Financial Information from financial year ended March 31, 2022. It may be noted that in preparing and presenting the audited Restated Consolidated Financial Information for the years/period ended September 30, 2024, ended March 31, 2023 and March 31, 2024, the Group had reclassified the comparative figures in accordance with the requirements of the Guidance note. Accordingly, these restated consolidated summary statements have been compiled based on the above requirement. The adoption of the said amendment does not impact recognition and measurement principles followed for preparation of the historical Restated Consolidated Financial Information.

OTHER FINANCIAL INFORMATION

Accounting ratios derived from the Restated Consolidated Financial Information

The accounting ratios derived from Restated Consolidated Financial Information required to be disclosed under the SEBI ICDR Regulations are set forth below. The table below should be read in conjunction with the sections titled '*Risk Factors*', '*Financial Information*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*', on pages 29, 258 and 330 respectively:

(*amounts in ₹ million*)

Particulars	6 months ended September 30, 2024*	As at and for the financial year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Earnings per share (basic)[1] (in ₹)#	6.32	10.20	7.00	3.71
Earnings per share (diluted)[2] (in ₹)#	6.32	10.20	7.00	3.71
Return on net worth[3] (%)	6.13	10.27	10.36	6.13
Net asset value per Equity Share (in ₹)[4#]	103.08	99.30	67.52	60.61
EBITDA[5] (in ₹ million)	146.88	235.53	174.18	182.35

** Not Annualised*

 # Pursuant to the recommendation and resolution passed at the meetings of the Board of Directors and shareholders held on August 23, 2024, and September 11, 2024, respectively has approved the Bonus issue of Equity Share of the value ₹10 each for 5 Equity Shares for every 1 Equity Share held. EPS has been calculated in accordance with the Indian Accounting Standard 33 - 'Earning per share' notified under the Companies (Indian Accounting Standards) Rules, 2015.

***Notes**:*

1. *Basic EPS (₹) = Basic earnings per share are calculated by dividing the profit/ (loss) for the year attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year.*
2. *Diluted EPS (₹) = Diluted earnings per share are calculated by dividing the profit/ (loss) for the year attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all dilutive potential Equity Shares during the year.*
3. *Return on net worth is calculated as profit/ (loss) for the year divided by total equity.*
4. *Net asset value per equity share is calculated as total equity divided by number of equity used in calculating earnings per shares.*
5. *EBITDA is calculated as profit/ (loss) for the year less exceptional items and other income plus finance costs, depreciation and amortisation, and total income tax expenses.*

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company as at and for Fiscal 2024, Fiscal 2023 and Fiscal 2022 (collectively, the "**Audited Standalone Financial Statements**") are available on our website at https://www.advancedsystek.com/annual_reports.php.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Standalone Financial Statements and reports thereon do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere.

The Audited Standalone Financial Statements and reports thereon should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of the entities specified above, nor any of their advisors, nor the BRLMs, nor the Promoter Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Standalone Financial Statements, or the opinions expressed therein.

Reconciliation of non-GAAP measures

Reconciliation for the following non-GAAP financial measures included in this section, is set out below:

Reconciliation of Restated Profit for the period/ year to EBITDA and EBITDA Margin

The table below reconciles profit for the period to EBITDA. EBITDA is calculated as profit for the period minus other income plus finance costs, depreciation and amortization expense and total tax expense, while EBITDA Margin is calculated as EBITDA divided by revenue from operations.

(₹ million, unless otherwise stated)

Particulars	6 months ended September 30, 2024	As at/ for the financial year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Profit for the period (I)	121.54	192.17	131.71	69.89
Other income (II)	30.17	39.19	18.51	55.54
Finance costs (III)	4.91	6.55	7.35	7.54
Depreciation and amortisation expense (IV)	3.63	5.84	4.38	3.50
Total tax expense (V)	46.97	70.16	49.25	156.96
EBITDA (VI = I-II+III+IV+V)	146.88	235.53	174.18	182.35
Revenue from operations (VII)	1058.43	1882.32	1404.23	1356.01
EBITDA Margin (%) (VIII) = (VI/VII)	13.88	12.51	12.40	13.45

Reconciliation of total equity to net asset value per equity share

The table below reconciles total equity to net asset value per equity share. Net asset value per equity share is calculated as total equity divided by weighted average number of equity shares.

Particulars	6 months ended September 30, 2024	As at and for the financial year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Total equity (I) (₹ million)	1982.01	1871.01	1271.21	1141.07
Weighted average number of equity shares (II)	19,228,068	18,841,722	18,826,312	18,826,312
Net Asset Value per equity share (III) = (I/II) (₹ per share)	103.08	99.30	67.52	60.61

Related Party Transactions

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind AS 24 'Related Party Disclosures' for 6 month period ended September 30, 2024 and for Fiscal 2024, Fiscal 2023 and Fiscal 2022, read with the SEBI ICDR Regulations, and as reported in the Restated Consolidated Financial Information, see '*Restated Consolidated Financial Information – Transactions with Related Parties*' on page 303.

FINANCIAL INDEBTEDNESS

Our Company avails loans in the ordinary course of its business for the purposes of working capital and other business requirements. For details of the borrowing powers of our Board, see '*Our Management – Borrowing Powers of Board*' on page 234.

Our Company has obtained the necessary consents required under the loan agreements entered into in connection with and for undertaking activities in relation to the Offer, including effecting a change in our capital structure, change in our shareholding pattern, change in our constitutional documents including amending the Memorandum of Association and Articles of Association of our Company, change in the management or board composition, as applicable.

The following table sets forth the details of our aggregate outstanding borrowings as on December 31, 2024:

(in ₹ million, unless stated otherwise)

Category of Borrowing	Sanctioned Amount	Amount outstanding as on December 31, 2024
Secured		
Fund Based Borrowings		
Cash Credit Facility (HDFC Bank)	100.00	27.47
Cash Credit Facility (ICICI Bank)	100.00	0.00*
Total fund based borrowings (A)	**200.00**	**27.47**
Non Fund Based Borrowings		
Bank Guarantee including Letter of Credit (HDFC Bank)	1,000.00	789.20
Bank Guarantee including Letter of Credit (ICICI Bank)	400.00	118.59
Total Non Fund Based Borrowings (B)	**1,400.00**	**907.79**
Unsecured Borrowings		
-	-	-
Total Unsecured Borrowings (C)	-	-
Total Borrowings (A + B + C)	**1,600.00**	**935.26**

** Debit balance of ₹ 7.61 million*

As certified by CNK & Associates LLP, Statutory Auditors, pursuant to a certificate dated February 6, 2025.

(Remainder of this page has been intentionally left blank)

Non-Fund Based Borrowings

A brief summary of non-fund based borrowings of our Company as on December 31, 2024, is set out below:

Sr. No.	Nature of borrowing	Purpose of borrowing	Amount Sanctioned (in ₹ million)	Amount outstanding as on December 31, 2024 (in ₹ million)	Commission	Tenure	Repayment
HDFC Bank Limited							
1	Bank Guarantee including Letter of Credit	Working capital	1,000.00	789.20	0.75%	Yearly Renewal	On demand
2	Cash Credit Facility	Working capital	100.00	27.47	9.29% The spread will be modified basis the TBILL rate applicable on the loan booking date.	Yearly Renewal	On demand
Overall Security		Book Debts, Fixed Deposits, Fixed Deposit for 25% Margin, Industrial Property, Stocks Personal Guarantee by our Promoters i.e., Mukesh R Kapadia and Umed Amarchand Fifadra. Collateral security – Industrial Property situated at 299-300, GIDC, Makarpura, B/H Novino, Battery, Vadodara - 390010 Gujarat, India					
ICICI Bank Limited							
1	Bank Guarantee including Letter of Credit	Working capital	400.00	118.59	0.75%	Yearly Renewal	On demand
2	Cash Credit Facility	Working capital	100.00	0.00*	Repo Rate + 3.50%	Yearly Renewal	On demand
Overall Security		First Pari passu charge on immovable fixed assets situated at Plot No 299/300, GIDC, Makarpura, GIDC, Makarpura, B/H Novino, Battery, Vadodara - 390010 Gujarat, India and Current Assets and Movable Assets and Fixed Deposits (Other). Personal Guarantee by our Promoters i.e., Mukesh R Kapadia and Umed Amarchand Fifadra.					

** Debit balance of ₹ 7.61 million*

Principal terms of the financial arrangements entered into by our Company are disclosed below:

1. ***Penal Interest***: The terms of financing facilities availed by our Company prescribes penalties for non-compliance of certain obligations by our Company. These include, *inter alia*, non-submission of documents for renewal of credit facilities, non-submission of stock statement, non-submission of stock and property insurance policy including renewal policy, and non-compliance in documentation for the credit facility etc.

2. ***Events of Default***: The financing arrangements entered into by our Company contain standard events of default, including:

    i. Default in performance of covenants, conditions, or agreements in respect of the loan.

    ii. Availing or usage of the facility or use the proceeds of the Facility in any transaction that is in breach of the purpose of availing the said facility.

    iii. Default in the payment of principal / interest on due date(s).

    iv. Default committed by the company under any loan agreement/ facility agreement entered into by the company for availing any other facility/facilities.

    The details above are indicative and there are additional terms that may amount to an event of default under the financing arrangements entered into by our Company. We are required to ensure that the aforementioned events of default and other events of default, as specified under the agreements relating to the financing arrangements entered into by our Company, are not triggered.

3. ***Consequences of Events of Default:*** The financing arrangements entered into by our Company set out the consequences of occurrence of events of default, including:

    i. Bank may levy additional interest/default.

    ii. Costs and expenses to cover a comprehensive insurance over the assets issued as security to be borne by the Company.

    iii. Interest payable by the Company if the security is not created in the bank's favour within the sanctioned timeline.

4. ***Restrictive Covenants***: Certain financing arrangements entered into by us contain restrictive covenants. An indicative list of such restrictive covenants is disclosed below. Our Company shall not without the prior approval of the lenders:

    i. Make any further borrowings or create a fresh charge on the assets of the Company.

    ii. Change the equity, management and operating structure of the Company.

    iii. Declare any dividends.

    iv. Issue guarantees of any kind.

The details provided above are indicative and there may be additional terms, conditions and requirements under the specific financing arrangements entered into by our Company.

CAPITALISATION STATEMENT

The following table sets forth our capitalisation as at September 30, 2024, on the basis of our Restated Consolidated Financial Information, and as adjusted for the proposed Offer. This table should be read in conjunction with '*Risk Factors*', '*Management's Discussion and Analysis of Financial Condition and Results of Operations*', '*Restated Consolidated Financial Information*' on pages 29, 330 and 258, respectively.

The following tables set forth the Company's capitalisation as at September 30, 2024 derived from the Restated Consolidated Financial Information of the Company.

(*in ₹ million*)

Particulars		**Pre-Offer as at September 30, 2024**	**Post-Offer(1)**
Borrowings:			
Current borrowings (2)		-	[●]
Non-current borrowings (including current maturity interest accrued and due on borrowings) (3)		-	[●]
Total borrowings (4)	**(A)**	-	[●]
Shareholders' funds:			
Equity Share capital (5)		192.28	[●]
Other equity (6)		1,789.74	[●]
Non-Controlling Interest		(0.01)	[●]
Total Equity	**(B)**	**1,982.01**	[●]
Ratio: Total Borrowings / Total equity	**(A)/(B)**	**NA**	[●]
Ratio: Non-current borrowings/ Total equity		**NA**	[●]

The above table has been computed on the basis of the Restated Consolidated Financial Information.

Notes:

1. *The corresponding post-Offer data is not determinable at this stage pending the completion of the Book Building Process. Accordingly, this data has not been provided in the above table.*
2. *Current borrowing is considered as borrowing due within 12 months from the balance sheet date.*
3. *Non-current borrowing is considered as borrowing other than current borrowing, as defined above and also includes the current maturities of long term borrowing.*
4. *Total borrowing excludes interest accrued and due on borrowings.*
5. *Equity share capital includes fully paid 19,228,068 no of shares at a face value of ₹ 10 each.*
6. *Other equity includes General Reserve, Security Premium Reserve, Capital redemption Reserve and Retained Earnings and excludes debenture redemption reserve, revaluation surplus, gain on bargain purchase and reserve on account of capital contribution.*

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey our management's perspective on our financial condition and results of our operations. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year or a Fiscal are to the twelve months ended March 31 of that year.

You should read the following discussion in conjunction with the Restated Consolidated Financial Information for the 6 months ended September 30, 2024, and the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 including the related notes, schedules, and annexures.

The Restated Consolidated Financial Information included in this Draft Red Herring Prospectus are prepared and presented in accordance with requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on 'Reports in Company Prospectuses (Revised 2019)' issued by the ICAI, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries, and our assessment of the factors that may affect our prospects and performance in future periods. This discussion may include certain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors or contingencies, including those described below and elsewhere in, this Draft Red Herring Prospectus. For further information, see 'Forward-Looking Statements' on page 27. Also read 'Risk Factors' and 'Restated Consolidated Financial information ' on pages 29 and 258, respectively, for a discussion of certain factors or contingencies that may affect our business, financial condition or results of operations.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled 'Industry Report on Industrial Automation and Terminal Automation' dated February, 2025 (**CARE Report**) prepared by CARE Analytics and Advisory Private Limited which has been commissioned and paid for by our Company in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year, refers to such information for the relevant calendar year. CARE was appointed by our Company and is not connected to our Company, our Directors, our Promoters, our Key Managerial Personnel, Senior Management or BRLMs. A copy of the CARE Report shall be available on the website of our Company at https://www.advancedsystek.com/industry_reports.php. from the date of the Draft Red Herring Prospectus till the Bid/ Offer Closing Date. The data included herein includes excerpts from the CARE Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular calendar year/ Fiscal refers to such information for the relevant calendar year/ Fiscal. For further information, see 'Risk Factor - This Draft Red Herring Prospectus contains information from an industry report prepared by CARE which our Company has commissioned and paid for.' on page 58. Also see, 'Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation' on page 24.*

OVERVIEW

We have experience of more than 30 years in providing large and complex, measurement, control and industrial automation solutions, including but not limited to terminal automation for oil & gas industry (solutions for inter alia metering, loading, unloading, storage and distribution, for all industrial applications including for ports, airports etc.). We are the only established Indian player in the oil and gas terminal automation market. Our business is primarily focussed on Industrial Automation Solutions (**IA Solutions**) and we specialize in setting up completely automated metering systems in oil and gas terminals and upgrading existing manually operated oil and gas terminals. (*Source: CARE Report*) As on September 30, 2024, we have completed over 200 installations in India and overseas.

We also provide anti-icing additive injection systems for aircraft jet fuel, and have also, through our Subsidiary, forayed into manufacturing diesel exhaust fluid (**DEF**).

Industrial Automation Solutions

We specialize in providing comprehensive automation solutions for (i) large and complex petroleum, oil and lubricants (**POL**) storage and distribution terminals i.e. terminal automation (**TA**), and (ii) other industrial automation solutions such as custody transfer metering of hydrocarbons i.e. providing metering skids which enable precise measurement of gas flow through gas pipelines and facilitate billing. Further, we have also provided automation solutions for a liquified petroleum gas (**LPG**) bottling plant, and are also in the process of executing fuel farm automation projects at airports in India. Our Control and Monitoring System integrates High Availability Redundant Computer Platforms with proprietary software to provide robust and efficient terminal automation (*Source: CARE Report*). Our control system for a process or plant, uses a distributed architecture, i.e. where control functions are distributed among multiple devices and are not centralised. High Availability Redundant Computer Platform's operation is achieved by implementing redundancy, when individual components fail. Multiple identical components (like servers, storage devices, or network connections) seamlessly takes over in case of a primary component failure, minimizing downtime and ensuring high availability. *(Source: CARE Report)*

Our industrial automation solutions comprise:

- POL terminal automation systems (**TAS**) – a system that integrates field instrumentation using process controls for product storage, distribution, and movement operations of liquids and gases in an accurate efficient, safe, and secure manner. POL terminal automation systems automate load authorization, blending, loading / unloading, level measurement, product reconciliation, product movement, product measurement, documentation, and reporting using terminal management software (*Smart Terminal Manager* - **STM**) which interfaces with field instruments, various sub-systems like CCTV, hydrocarbon detection, access control, pumps, end user's ERP system, tank gauging systems etc.

- Liquid and gas fiscal metering system (**Metering Skids**) –A *'skid'* is a pre-assembled metering system that is mounted on a base platform which facilitates easy transportation and installation of the unit. These are systems designed for accurate measurement and continuous flow of large quantity of fluids or gases. In general, these systems comprise of proving, filtration, metering & pressure reduction skids.

- Additive injection and blending system – these systems are designed to dispense exact quantity of additive into the main product. The quantity of injection could be in terms of either parts per million (*ppm*) or percentage of volume of the main product.

Our software solutions for IA cover a wide range of integrated computer system solutions for networking, database management, SCADA (Supervisory Control and Data Acquisition) and embedded software. Our services and products offering vary from small standalone software application to Plant Automation software solutions covering a spectrum of software technologies/platforms viz. Real Time applications, web, cloud, analytics, embedded, AI/ML mobile etc. We have developed trademarked software products such as *'AST SCADA', 'STM' and 'Asset Surveiller'* with an aim to provide our customers a comprehensive suite of software solutions for automation applications. Our software solutions are backed by our partnership with leading technology solution providers.

Products

The products that we market include Batch controller (**SmartLoad**), Smart ground detector (**SGD**), Access Control Card Readers, Pulse transmitter etc. The products are manufactured by us. They form an integral part of the terminal automation systems. The products are also sold in allied industries like paint, pharmaceutical etc. We are an ISO 9001:2015 and ISO 45001:2018 accredited Company and have obtained licenses from the Petroleum and Explosives Safety Organisation, Government of India, (**PESO**) the nodal agency for regulating safety of hazardous substances such as explosives, compressed gases and petroleum in India. Further, we have also obtained ATEX certification under the Potentially Explosive Atmospheres Directive 2014/34/EU, and IECEx certification in terms of applicable regulations of the European Union.

Further, we undertake upgradation of, and provide long term maintenance services for, POL TAS and Metering Skids. We count some of India's largest public and private sector oil companies as our customers. Set out below is a break-up of the revenue contribution of our top customer, top 3 customers and top 5 customers to our revenues from operations in the 6 months ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022 based on our Restated Consolidated Financial Information.

Particular	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations
Top customer	508.35	48.03	819.85	43.56	643.60	45.83	563.37	41.55
Top 3 customers	856.96	80.97	1,578.44	83.86	1,176.40	83.78	1,017.80	75.06
Top 5 customers	960.90	90.79	1,690.83	89.83	1,226.07	87.31	1,127.28	83.13

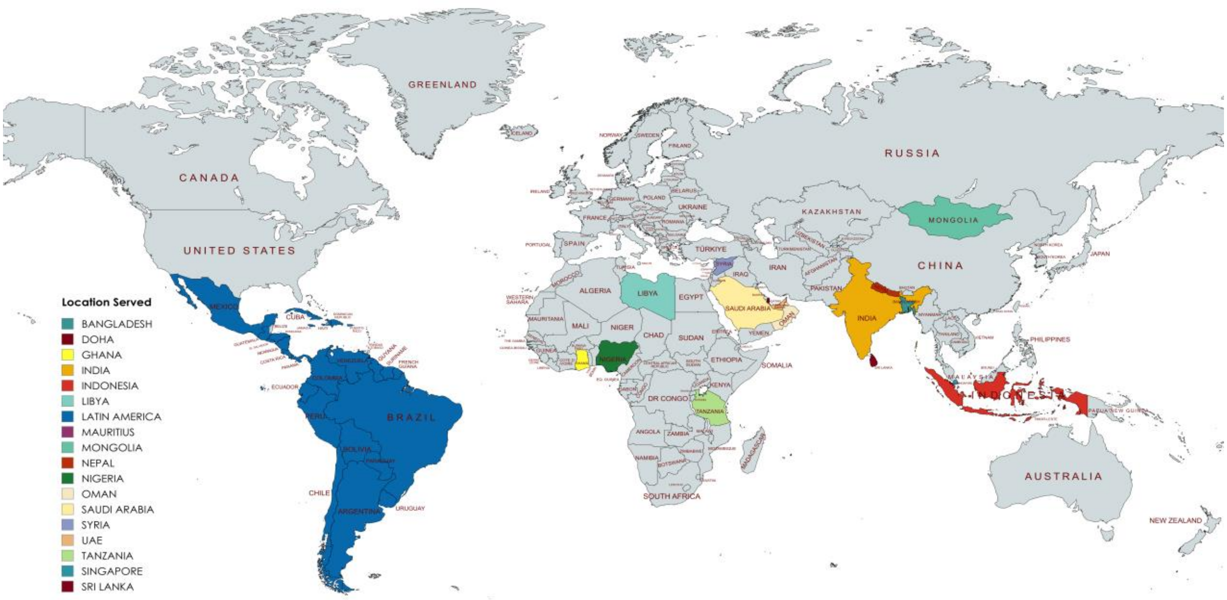
We undertook our first terminal automation project at a port terminal in Dahej, Gujarat, in 1999, and since then we have undertaken POL Terminal Automation projects across 9 countries in Asia (excluding India) and Africa including Bangladesh, Ghana, Nigeria, Oman, Switzerland and Saudia Arabia. In the 6 month ended September 30, 2024, and Fiscal 2024, Fiscal 2023 and Fiscal 2022 we had undertaken an aggregate of 41 POL terminal automation projects in India and overseas.

Set out below is a geographical break-up of our revenue from operations from the IA Solutions undertaken by us in the 6 months ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022 based on our Restated Consolidated Financial Information.

Particular	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations
Industrial Automation Domestic	1,030.35	97.35	1,833.48	97.41	1329.70	94.69	1320.51	97.38
Industrial Automation Export	23.67	2.24	45.93	2.44	71.63	5.10	34.82	2.57
Total	**1,054.02**	**99.58***	**1,879.41**	**99.85**	**1,401.33**	**99.79**	**1,355.33**	**99.95**

** Rounded off.*

The map below displays the geographies where we have supplied Systems, Services & Products.



Note: This map is not according to scale and is for representational purposes only.

Diesel Exhaust Fluid

We are into manufacturing of diesel exhaust fluid (**DEF**) i.e. a precise mixture of urea and de-ionized water that is used in the selective catalytic reduction process in Diesel Vehicles. DEF reduces the Nitrous Oxide (**NOx**) content in the vehicle exhaust – this is an essential for compliance with BS VI norms. We have, through our subsidiary AST Environment Solutions Private Limited (**AST Enviro**), set up a manufacturing facility in Vadodara, Gujarat, with a capacity to manufacture 16,000 litres per day, of DEF. The DEF manufactured by us has received the approval of the VDA (German Association of Automotive Industry). We also have the expertise to design, manufacture plants that produce DEF. We have supplied large capacity DEF production plants in India.

Defence

We have been contracted to supply high technology anti-icing additive injection systems for a period of 5 years. Our system is used to infuse specified aircraft fuel with the additives to ensure efficient operations at high altitudes. We are in the process of developing force multipliers (Unmanned Ground Vehicle – UGV) through our Associate Company, i.e., Terranomous Systems Private Limited. This UGV has many applications such as mine detection, surveillance, tow tugs, transportation in rugged terrain etc.

Set out below is a break-up of our revenue from operations across our business verticals in the 6 months ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022 based on our Restated Consolidated Financial Information.

Particular	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations
IA Solutions	1,054.02	99.58	1,879.41	99.85	1,401.33	99.79	1,355.33	99.95
Diesel Exhaust Fluid	0.85	0.08	0.81	0.04	0.07	0.01	0.0	0.00
Defence	3.56	0.34	2.10	0.11	2.83	0.20	0.68	0.05
Total	**1,058.43**	**100.00**	**1,882.32**	**100.00**	**1,404.23**	**100.00**	**1,356.01**	**100.00**

Our business was founded, and is anchored by, our technocrat Promoters, Umed Amarchand Fifadra and Mukesh R Kapadia. The operations of our Company are spearheaded by Shirish Adi, our Managing Director, who has extensive experience in the Industrial Automation industry. We also have a strong Board of Directors who has a significant experience in their respective areas of expertise. Our Board of Directors is ably supported by team of experienced and qualified key management personnel and senior management and a capable and motivated pool of employees.

Our restated total income on consolidated basis for the 6 months September 30, 2024 and for Fiscal 2024, Fiscal 2023 and Fiscal 2022, was ₹ 1,088.60 million, ₹ 1,921.51 million, ₹ 1,422.74 million and ₹ 1,411.55 million, respectively. Our restated profit after tax on a consolidated basis for 6 months September 30, 2024 and for Fiscal 2024, Fiscal 2023 and Fiscal 2022, was ₹ 121.54 million, ₹ 192.17 million, ₹ 131.71 million, and ₹ 69.89 million, respectively. Our restated total income and restated profit after on a consolidated basis, grew at a CAGR of 16.67% and 65.82%, respectively, between the Fiscals 2022 and 2024

PRINCIPAL FACTORS AFFECTING OUR FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our results of operations have been, and will be, affected by many factors, some of which are beyond our control. The following is a discussion of certain factors that have had, and will continue to have, a significant effect on our financial condition and results of operations:

Ability to retain our existing customers

We derive a significant portion of our revenue from operations from select clients. The table below sets out the contribution from our top customer, top 3 customers and top 5 customers to our revenue from operations in the 6 months ended September 30, 2024, and in Fiscal 2024, Fiscal 2023 and Fiscal 2022.

Particular	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations
Top customer	508.35	48.03	819.85	43.56	643.60	45.83	563.37	41.55
Top 3 customers	856.96	80.97	1,578.44	83.86	1,176.40	83.78	1,017.80	75.06
Top 5 customers	960.90	90.79	1,690.83	89.83	1,226.07	87.31	1,127.28	83.13

As can be noticed above, the revenues generated by us from our top 5 customers comprises a vast majority of our revenue from operations. Oil marketing companies (**OMCs**) in India are major players in the petroleum and energy sector (*CARE Report*) and we cater to some of the prominent OMCs in India. Oil marketing companies in India regularly expand and enhance their marketing terminal infrastructure to improve distribution and reach. These terminals serve as crucial nodes in the supply chain for petroleum products, facilitating storage, blending, and distribution. (*CARE Report*) Accordingly, our growth is closely aligned to the addition of new terminals and automation of existing terminals by these OMCs.

Our bidding and execution capacity

A vast majority of our projects, in particular, our Terminal and Port Automation projects are awarded through tender and are subject to stringent technical knowledge, financial capabilities, proven track record and experience requirements. One of the factors that we believe weighs in our favour is the extensive number of projects we have successfully executed. The average duration of our relationship with our top customer and top 3 customers, in terms of revenue in the 6 months ended September 30, 2024, and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, based on our Restated Consolidated Financial Statements, is 3 decades. Our long term relationship with our marquee customers is a key facet of our business and the loss of any of our key clients could have a material adverse effect on our business, results of operations and financial condition.

Augmenting our client base and diversifying our existing products portfolio

Currently, a vast majority of our revenue is generated from our IA Solution business vertical. The table below sets out the contribution of the IA Solutions product vertical to our revenue from operations in the 6 months ended September 30, 2024, and in Fiscal 2024, Fiscal 2023 and Fiscal 2022.

Particular	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations
IA Solutions business	1,054.02	99.58	1,879.41	99.85	1,401.33	99.79	1,355.33	99.95

While the IA Solutions business will continue to be a significant aspect of our operations we are also keen on diversifying our product offerings to broad base our portfolio. Accordingly, we have through our subsidiary AST Environment Solutions Private Limited (**AST Enviro**), ventured into, and set up a manufacturing facility at GIDC, Vadodara, with an installed capacity of 16,000 litres per day to manufacture DEF. AST Enviro through which we are undertaking these operations is one of the few entities in India to obtain a license to use the Adblue® trademark from the VDA (*Verband der Automobilindustrie*, *Germany*). We are evaluating the potential of setting up additional manufacturing facilities in India to benefit from the anticipated increase in requirement for DEF in India and overseas. Further, we have, recently, through our Associate Company, i.e., Terranomous Systems Private Limited (**Terranomous**) ventured into development and manufacturing of AI based force multipliers. The success of the aforementioned initiatives is essential towards our ability to broad-base our source of revenue, reduce our reliance on our select customers and also enable us to benefit from economies of scale.

Expanding our geographical footprint

We are an India based company and a vast majority of our business operations are located in, and revenues are generated from, India. We have been, though, selectively undertaking projects outside India and in our revenue from exports in the 6 months ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, is set out in the table below.

Particular	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations	Revenue (in ₹ million)	% of revenue from operations
Export revenue	23.67	2.24%	45.93	2.44%	71.63	5.10%	34.82	2.57%

Over the years we have undertaken Terminal Automation projects across 9 countries across Asia (other than India), Africa and Europe. We have secured and executed a few contracts in Africa. We propose to undertake more Terminal Automation projects overseas, in particular in Africa. Expanding our geographical footprint will enable us to diversify our source of revenue and continued expansion will be a key aspect of growth strategy and could have a significant bearing on our business, results of operations and financial condition.

MATERIAL ACCOUNTING POLICIES TO THE RESTATED CONSOLIDATED FINANCIAL INFORMATION

1. Compliance with Ind AS

The Restated financial information have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015(as amended) and other relevant provisions of the Act.

The Restated financial information was authorized for issue by the Company's Board of Directors on February 6, 2025.

2. Basis of Consolidation

The Restated consolidated Financial Information of the Company comprises of Restated Ind AS Statement of Assets and Liabilities as at 30th September, 2024, March 31, 2024, March 31, 2022 and March 31, 2021; the Restated Statement of Profit and Loss (including Other Comprehensive Income), Restated Statement of Changes in Equity and the Restated Statement of Cash Flows for the year ended March 31, 2024 , March 31, 2023 and March 31, 2022 along with summary statement of material Accounting Policies and the Notes thereon and the summary statements.

The above Restated consolidated Financial Information has been prepared by the Management of the Company under Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act, to the extent applicable, in connection with the proposed listing of equity shares of the Company by way of Initial Public Offering ("IPO"), to be filed by the Company with the Securities and Exchange Board of India, Registrar of Companies, Gujarat and the concerned Stock Exchange in accordance with the requirements of:

(i) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Companies Act");

(ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"); and

(iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

(i) The Restated Financial Information has been compiled from:

a) Audited Ind AS financial statements of the company as at and for the year ended March 31, 2023 which have been prepared in accordance with the Indian Accounting Standards (referred to as 1Ind AS') as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and revised presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable. other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 17th August 2023;

b) Audited Ind AS financial statements of the Company as at and for the year ended March 31, 2022 prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on 19th September, 2022;

These financial statements are presented in Indian Rupees, which is the Group functional currency, and all values are rounded to the nearest Millions, except otherwise indicated.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except the following:

• Certain financial assets and liabilities that are measured at fair value;

• Defined benefit plans – plan assets measured at fair value.

(iii) Functional and Presentation Currency

These financial statements are presented in Indian Rupees, which is the Group functional currency, and all values are rounded to the nearest lakhs, except otherwise indicated.

(iv) Composition of Financial Statements

The financial statements are accordance with Ind AS presentation. The financial statements comprise:

- Balance Sheet
- Statement of Profit and Loss
- Statement of Changes in Equity
- Statement of Cash Flow
- Notes to Financial Statements

(v) Key Accounting Judgements, Estimates and Assumptions

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Any change in these estimates and assumptions will generally be reflected in the financial statements in current period or prospectively, unless they are required to be treated retrospectively under relevant accounting standards.

3. Material Accounting Policies

A. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

B. Revenue Recognition:

The Group earns revenue primarily from turnkey projects with respect to automation and related control systems, AMC services and other business solutions.

Revenue from construction of plants and systems with performance obligations satisfied over time are recognized using input method. Revenue from such contracts is recognized over time because of the continuous transfer of control to the customer. With control transferring over time, revenue is recognized based on the extent of progress towards completion of the performance obligation. Cost based input method of progress is used because it best depicts the transfer of control to the customer that occurs as costs are incurred. Under the cost based cost method, the extent of progress towards completion is measured based on the proportion of costs incurred to date to the total estimated costs at completion of the performance obligation. Cost estimates on significant contracts are reviewed on a periodic basis, or when circumstances change and warrant a modification to a previous estimate.

Revenue from contract with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration Group expects to be entitled in exchange for those goods or services. Service sales, principally representing software development are recognized over the contractual period or as services are rendered.

Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price;

Revenue includes adjustments made towards liquidated damages and variation wherever applicable. Escalation and other claims, which are not ascertainable/acknowledged by customers are not taken into account;

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately;

For contracts where the aggregate of contract cost incurred to date plus recognized profits (or minus recognized losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset. For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognized profits (or minus recognized losses, as the case may be), the surplus is shown as contract liability.

C. Other Income:

(i) Interest income:

Interest income from the financial assets is recognized on a time basis, by reference to the principle outstanding using the effective interest method provided it is probable that the economic benefits associated with the interest will flow to the Group and the amount of interest can be measured provided it is probable that the economic benefits associated with the interest will flow to the Group and the amount of interest can be measured.

(ii) Export Incentive

Export benefits available under prevalent schemes are accounted to the extent considered receivable.

(iii) Any Other Incomes

Other income is comprised primarily of gain / loss on investments, exchange gain/loss on foreign currency transactions is accounted for an accrual basis for except where the receipt of income is uncertain in which case it is accounted for on receipt basis. Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

D. Property, Plant and Equipment (PPE):

All items of PPE are stated at cost, which includes capitalized borrowing costs, less accumulated depreciation, and impairment loss, if any. Cost includes purchase price, including non-refundable duties and taxes, expenditure that is directly attributable to bring the assets to the location and condition necessary for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located, if any;

Spare parts are treated as capital assets when they meet the definition of property, plant and equipment; Otherwise, such items are classified as inventory.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for, as separate items (major components) of property, plant and equipment. Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognized in the Statement of Profit or Loss;

Subsequent Expenditure:

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

De-Recognition:

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected to arise from its use. Any gain or loss arising from its de-recognition is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss when the asset is de-recognized;

Depreciation methods, estimated useful lives and residual value:

Tangible assets, including lease hold land, are depreciated on a pro-rata basis based on the Straight Line method as per rates specified in Schedule II of the Companies Act, 2013.

Depreciation on following asset categories is provided on straight-line method at rates different than those prescribed under Schedule II of the Companies Act, 2013:

Assets	Useful Life
Building	5/30/60 years
Computer	3/5/10 years
Electronic Installation	5 years
Office Equipment	2 – 10 years

Vehicles	5 years
Plant and Machinery	5/10/15 years
Furniture and Fixtures	5/10 years

Capital Work-in-Progress:

Plant and properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying asset, borrowing costs capitalized in accordance with the Group's accounting policies. Such plant and Properties are classified and capitalized to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the asset are ready for their intended use.

E. Intangible Assets:
Recognition and Measurement:

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. Intangible Assets are stated at cost of acquisition less accumulated amortization and accumulated impairment, if any.

Assets	**Useful Life**
Intangible Asset	5 – 10 years

Subsequent Expenditure:

(A) Other intangible assets:

Subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures, including expenditures on internally generated goodwill and brands, is recognized in the statement of profit and loss as incurred.

Amortization:

Intangible assets are amortized over the period the Group expects to derive economic benefits from their use. The Management believes that the period of amortization is representative of the period over which the Group expects to derive economic benefits from the use of the asset.

De- recognition of intangible assets:

Intangible assets are de-recognized either on their disposal or where no future economic benefits are expected from their use. Losses arising on such de-recognition are recorded in the statement of profit and loss, and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

F. Intangible Assets under development

Intangible assets consisting of development expenditure of certain products, are evaluated for potential impairment on an annual basis or when there are indications that the carrying value may not be recoverable.

G. Impairment of Non-financial assets:

At the end of each reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the Cash Generating Unit (CGU) to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU, or otherwise they are allocated to the smallest group of CGU for which a reasonable and consistent allocation basis can be identified;

The Group's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs;

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

H. Reversal of Impairment of Non-financial assets:

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

I. Inventories:

Inventories which comprise raw materials, work-in-progress and stock-in-trade are carried at the lower of cost and net realizable value.

Inventories have been valued at lower of weighted average cost or net realizable value. Cost of inventories comprises of purchase cost and other costs for bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

Provision for inventory obsolescence is assessed annually and is provided for as considered necessary.

J. Fair Value Measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above."

K. Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets:

Initial recognition, classification and measurement:

The Group recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

Subsequent Measurement

Debt instruments at amortized cost

A debt instrument' is measured at its amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest Rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statement of profit or loss. The losses arising from impairment are recognized in the statement of profit or loss.

Debt instruments at FVTOCI

A debt instrument' is classified at FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial Assets, and

b) The asset's contractual cash flows represent solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On DE recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Profit and Loss. Interest earned while holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL;

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL.

However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has designated certain debt instrument as at FVTPL;
Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL;

For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity;

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

a) the Group has transferred substantially all the risks and rewards of the asset, or

b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance;

b) Financial assets that are debt instruments and are measured as at FVTOCI;

c) Trade receivables or any contractual right to receive cash or another financial asset.

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables and

- Other receivables

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition;

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Financial Liabilities:

Initial recognition and Measurement

The Group's financial liabilities include trade and other payables, loans and borrowings. All financial liabilities are recognized initially at fair value and in the case of loans, borrowings and payables recognized net of directly attributable transaction costs;

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process;

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the DE recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

L. Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value;

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

M. Cash Flows:

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated. The Group considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

N. Foreign Currency Translation:

Initial Recognition:

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

O. Employee benefits:

Short-term Employee Benefits:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee’s services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Contribution towards defined benefit contribution schemes:

Contribution towards provident fund is made to the regulatory authorities. Contributions to the above scheme are charged to the Statement of profit and loss in the year when the contributions are due. Such benefits are classified as defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions to be made.

Defined benefit Plan:

Gratuity plan:

The Holding Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for gratuity on post-employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Company. The aforesaid liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. The scheme is funded with an insurance Company in the form of a qualifying insurance policy. Current service cost, Past-service costs are recognized immediately in Statement of profit or loss;

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Re-measurements are not reclassified to profit or loss in subsequent periods.

Compensated Absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year-end;

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company’s liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in profit or loss in the period in which they arise.

Phantom Stock Option Scheme,2022:

The Holding Company grants phantom stock options to certain employees. The company pays for phantom stock options at fair value at the time of settlement to employees. The share-based awards are classified as a cash-settled share based payment plan. The Company process vested options for settlement at each vesting date and determine appreciation in respect of all such Options with reference to Fair Market Value prevailing as on date of Vesting calculated. The Company recognizes the fair value of the liability and expense for this plan over the vesting period based on the management's estimate of the vesting and forfeiture conditions.

Phantom share awards are accrued over the vesting period, which generally range between 1 to 5 years. Certain awards vest at grant date and are therefore accrued fully at grant date. Changes in fair value of the above share plan obligations between grant date and settlement date are expensed within operating expenses. Total value of awards accrued and outstanding at end of the accounting period is classified as a liability.

Share-based payments

The Company measures the cost of equity-settled transactions with employees using a model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

P. Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred;

Q. Income taxes:

The tax expense comprises of current income tax and deferred tax.

Current income tax:
Income tax expense comprises of current tax and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity/OCI, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted on the reporting date;

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax:

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements;

Deferred income tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward unused tax losses can be utilized;

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized;

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

R. Provisions and Contingent liabilities and contingent assets:

a) Provisions:

A provision is recognized if, as a result of past event, the Group has a present obligation that can be estimated reliably, and it is probably that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditures required to settle the present obligations at the balance sheet date. The provisions are measured on an undiscounted basis.

Warranties

Warranty costs are provided based on a technical estimate of the costs required to be incurred for repair, replacement, material cost, servicing and past experience in respect of warranty cost. It is expected that this expenditure will be incurred over the contractual warranty period.

Contingencies

Provision in respect of loss contingencies relating to claims, litigations, assessments, fines, penalties, etc. are recognized when it is probable that a liability has been incurred and the amount can be estimated reliably.

Liquidated damages

Liquidated damages are provided based on contractual terms when the delivery/ commissioning dates of an individual project have exceeded or are likely to exceed the delivery/ commissioning dates as per the respective contracts. This expenditure is expected to be incurred over the respective contractual terms up to closure of the contract.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

b) Contingent Liabilities and Contingent assets:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is not recognized unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements;
Contingent liabilities and contingent assets are reviewed at each balance sheet date.

S. Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial period, adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any, that have changed the number of equity shares outstanding, without a corresponding change in resources. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

T. Leases:

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

Initial measurement

(A) Lease Liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that
are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

(B) Right-of-use assets

Initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

Subsequent measurement

(A) Lease Liability

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

(B) Right-of-use assets

Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the under lying asset.

Impairment

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Short term Lease

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognize the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

As a lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever, the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease.

All other leases are classified as operating leases.

Lease income is recognized in the statement of profit and loss on straight line basis over the lease term.

NON-GAAP MEASURES AS PER PROFORMA CONSOLIDATED FINANCIAL INFORMATION

Revenue CAGR, EBITDA CAGR, EBITDA, Earnings before Interest, Taxes, Depreciation and Amortization Expenses (EBITDA) CAGR / EBITDA Margin/ Net profit CAGR / Net asset value per Equity Share / Net worth/ PAT Margin / Return on Equity / Return on net worth / return on capital employed / Net Working Capital as number of days of Revenues from Operations/ Total and net debt to Equity

In addition to our results determined in accordance with Ind AS, we believe the following Non-GAAP measures are useful to investors in evaluating our operating performance and liquidity. We use the following Non-GAAP financial information to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that Non-GAAP financial information, when taken collectively with financial measures disclosed in the financial statements prepared in accordance with Ind AS, may be helpful to investors because it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance. However, our management does not consider these Non-GAAP measures in isolation or as an alternative to financial measures.

Revenue CAGR, EBITDA CAGR, EBIDTA, Earnings before Interest, Taxes, Depreciation and Amortization Expenses (EBITDA) CAGR / EBITDA Margin/ Net profit CAGR / Net asset value per Equity Share / Net worth / PAT Margin / Return on Equity/ Return on net worth / return on capital employed / Net Working Capital as number of days of Revenues from Operations/ Total and net debt to Equity (**Non-GAAP Measures**) presented in this Draft Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, IFRS or US GAAP. Further, EBITDA is not a measurement of our financial performance or liquidity under Ind AS, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, IFRS or US GAAP. In addition, Non-GAAP Measures are not standardised terms, hence a direct comparison of Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although Non-GAAP Measures is not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance. See '*Risk Factors - Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as EBITDA, EBITDA margin, return on capital employed, PAT margin and return on equity have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable*' on page 59. See '*Summary of the Offer Document*', '*Basis for Offer Price*', '*Other Financial Information*' on pages 16, 129, and 324.

PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS

Total Income

Total income comprises (i) revenue from operations; and (ii) other income.

Revenue from operations

Our revenue from operations comprises (i) sale of project related supplies (includes sales of stock in trade used in execution of automation contracts and sale of manufactured products in automation contracts) (ii) sale of stock in trade (includes sale of products procured and sold in the same form without any significant value addition); (iii) sale of services (includes annual maintenance contracts, repair services, technical services and project related services).

Other income

Our other income comprises (i) interest income; (ii) gain on fair valuation of investments measured at FVTPL (i.e., fair value through profit or loss); (iii) liabilities / provision no longer required written back (net); (iv) dividend from investment; (v) gain/(loss) on sale of investments (net); and (vi) net gain on foreign currency transactions; (vii) export incentives; (viii) refund of taxes and duties; (ix) rent income; and (x) miscellaneous income.

Total Expenses

Our total expenses comprise (i) cost of raw material and project related supplies; (ii) purchases of stock-in-trade; (iii) changes in inventories of stock-in-trade and work-in-progress; (iv) subcontracting and other project expenses;

(v) employee benefits expense; (vi) finance costs; (vii) depreciation and amortization expense; (viii) other expenses.

Cost of raw material and project related supplies

Cost of raw material and project related supplies constitutes purchase of raw materials such as capacitors, integrated circuits, and electronic devices and other supplies required for our projects such as mass flow meters, TFMS and cables.

Purchases of stock-in-trade

Purchases of stock-in-trade comprises the purchase of the digital control valves, panels, and additive blocks.

Changes in inventories of stock-in-trade and work in progress

Changes in inventories of stock-in-trade and work in progress reflects the change in our inventories from the beginning of the year to the end of the year.

Subcontracting and other project expenses

Subcontracting and other project expenses comprise subcontracting expenses including labour charges for installation and commissioning at site, purchase of consumables at site and original equipment manufacturer support during installation and commissioning and other project expenses including manpower on contract, weights and measures stamping expenses and original equipment manufacturer visits during annual maintenance contracts.

Employee benefits expense

Employee benefits expense comprises salaries, wages, bonus and others, contributions to provident and other funds, share based payment transaction expenses, cash settled share based payments, staff welfare expenses, finance costs, depreciation and amortization expense, other expenses.

Finance costs

Finance costs comprises interest expense on cash credit facilities availed from Bank and bank charges.

Depreciation and amortisation expense

Depreciation and amortisation expenses comprises depreciation on tangible assets (property, plant and equipment) and amortization expenses on intangible assets and intangible assets under developments.

Other expenses

Other expenses comprise power and fuel, legal and professional charges, insurance expenses, travelling and conveyance, security expenses, rates and taxes, repair and maintenance, communication expenses, payment to auditors, corporate social responsibility expenditure, rent expenses, sales tax and service tax balances written off, bad debts written off, allowance for doubtful debts (expected credit loss allowance), provision for doubtful debts, provision for warranty expense, and miscellaneous expenses.

Tax expenses

Tax expense comprises current tax, deferred tax and income tax adjustment for the earlier years.

Share of Profit / (Loss) of Associates

Share of Profit / (Loss) of Associates refers to the portion of the profit or loss attributable to our Company for its investment in associates.

Other Comprehensive Income

Other comprehensive income comprises of Remeasurement of defined benefits plan and tax thereon which is not classified through profit and loss account.

Total Comprehensive Income

Total comprehensive income includes profit for the period after non-controlling interests as adjusted for other comprehensive income.

OUR RESULTS OF OPERATIONS

The following table sets forth select financial data from our restated consolidated profits and loss statement for the 6 month ended September 30, 2024, and for Fiscal 2024, Fiscal 2023 and Fiscal 2022, the components of which are also expressed as a percentage of total income.

Particulars	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹) in million	**(%) of Total Revenue**	**(₹) in million**	**(%) of Total Revenue**	**(₹) in million**	**(%) of Total Revenue**	**(₹) in million**	**(%) of Total Revenue**
INCOME								
Revenue from operations	1,058.43	97.23	1,882.32	97.96	1,404.23	98.70	1,356.01	96.07
Other income	30.17	2.77	39.19	2.04	18.51	1.30	55.54	3.93
Total Income	**1,088.60**	**100.00**	**1,921.51**	**100.00**	**1,422.74**	**100.00**	**1,411.55**	**100.00**
EXPENSES								
Cost of raw material and Project related supplies	499.56	45.89	934.48	48.63	639.68	44.96	554.36	39.27
Purchases of stock-in-trade	156.11	14.34	262.55	13.66	200.30	14.08	298.78	21.17
Changes in inventories of stock-in-trade and work-in-progress	(7.69)	(0.71)	(30.64)	(1.59)	9.99	0.70	(15.52)	(1.10)
Subcontracting and other project expenses	106.92	9.82	200.94	10.46	134.70	9.47	106.75	7.56
Employee benefits expense	104.44	9.59	196.44	10.22	151.43	10.64	129.32	9.16
Finance costs	4.91	0.45	6.55	0.34	7.35	0.52	7.54	0.53
Depreciation and amortization expense	3.63	0.33	5.84	0.30	4.38	0.31	3.50	0.25
Other expenses	52.21	4.80	83.02	4.32	93.80	6.59	99.96	7.08
Total Expenses	**920.09**	**84.52**	**1,659.18**	**86.35**	**1,241.63**	**87.27**	**1,184.69**	**83.93**
Restated Profit / (Loss) before tax and share of profit/(Loss) of associates (I-II)	**168.51**	15.48	***262.33***	***13.65***	***181.11***	***12.73***	***226.86***	***16.07***
TAX EXPENSES								
(1) Current tax	42.90	3.94	68.25	3.55	51.82	3.64	66.82	4.73
(2) Deferred tax	4.07	0.37	1.24	0.06	(3.67)	(0.26)	(6.06)	(0.43)
(3) Income Tax adjustments for the earlier years	-	-	0.67	0.04	1.10	0.08	96.20	6.82

Particulars	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹) in million	(%) of Total Revenue	(₹) in million	(%) of Total Revenue	(₹) in million	(%) of Total Revenue	(₹) in million	(%) of Total Revenue
PROFIT FOR THE PERIOD	**121.54**	**11.16**	**192.17**	**10.00**	**131.86**	**9.27**	**69.89**	**4.95**
Share of Profit / (Loss) of Associates	-	-	-		(0.15)	(0.01)	-	
Profit for the Period	**121.54**	**11.16**	**192.17**	**10.00**	**131.71**	**9.26**	**69.89**	**4.95**
Other Comprehensive Income								
(i) Items that will not be reclassified to profit or loss								
- Remeasurements of the defined benefit plans	(2.44)	(0.22)	(1.15)	(0.06)	(2.10)	(0.15)	(0.75)	(0.05)
(ii) Income tax relating to items that will not be reclassified to profit or loss								
- Remeasurements of the defined benefit plans	0.61	0.06	0.29	0.02	0.53	0.04	0.19	0.01
Restated Total Comprehensive Income for the period (Comprising Profit and Other Comprehensive Income for the period)	**119.71**	**11.00**	**191.31**	**9.96**	**130.14**	**9.15**	**69.33**	**4.91**

(Remainder of the page has been intentionally left blank)

6 months ended September 30, 2024

Income

Total Income

Our total income was ₹ 1,088.60 million comprising primarily revenue from operations of ₹ 1,058.43 million.

Revenue from operations

Our revenue from operations was ₹ 1,058.43 million comprising sale of (i) project related supplies ₹ 584.06 million, (ii) stock in trade of ₹ 173.99 million, and (iii) services from ₹ 300.38 million.

Other income

Our other income was ₹ 30.17 million comprising primarily gain on sale of investments (net) of ₹ 16.81 million and Fair value changes arising on financial asset designated as at FVTPL of ₹ 6.67 million and interest income of ₹ 5.71 million.

Expense

Total Expense

Our total expenses were ₹ 920.09 million.

Cost of raw material and project related supplies

Our cost of raw material and project related supplies primarily consisting of components such as printed circuit boards, electronic devise for our manufacturing products and equipment's such as mass flow meters, tank farm management systems and cables procured for supply in execution of the automation contracts was ₹ 499.56 million commensurate with the increase in our revenue.

Purchase of stock-in-trade

Our cost purchase of stock in trade such as digital control valves was ₹ 156.11 million.

Changes in inventories of stock-in-trade and work-in-progress

Our changes in inventories of stock-in-trade and work-in-progress was ₹ (7.69) million.

Subcontracting and Other Project Expenses

Our subcontracting and other project expenses such as installation and commissioning expenses, site related expense was ₹ 106.92 million comprising primarily subcontracting expenses of ₹ 104.70 million.

Employee benefits expense

Our employee benefits expense was ₹ 104.44 million comprising primarily salaries, wages, bonus and others of ₹ 97.13 million.

Finance Costs

Our finance costs comprising interest expenses and bank charges were ₹ 4.91 million.

Depreciation and amortization expense

Our depreciation and amortization expense were ₹ 3.63 million comprising primarily depreciation and amortization for the period on tangible assets of ₹ 2.81 million.

Other expenses

Our expenses were ₹ 52.21 million comprising primarily travelling and conveyance expenses of ₹ 17.22 million.

Profit before tax

As a result of the factors outlined above, our profit before tax for the 6 months ended September 30, 2024 was ₹ ₹ 168.51 million.

Tax expense

Our tax expense was ₹ 46.97 million comprising primarily of current tax of ₹ 42.90 million.

Profit for the period

As a result of the foregoing, our profit for the period was ₹ 121.54 million.

FISCAL 2024 COMPARED TO FISCAL 2023

Income

Total Income

Our total income increased by 35.05% from ₹ 1,422.74 million in Fiscal 2023 to ₹ 1,921.51 million in Fiscal 2024, due to an increase in our revenue from operations and other income as discussed below.

Revenue from operations

Our revenue from operations increased by 34.05% from ₹ 1,404.23 million in Fiscal 2023 to ₹ 1,882.32 million in Fiscal 2024. This was due to an increase in revenue from contract with customers from the sale of (i) project related supplies from ₹ 769.63 million to ₹ 1,098.11 million, (ii) stock in trade from ₹ 240.77 million to ₹ 287.02 million, and (iii) services from ₹ 393.83 million to 497.19 million.

Other income

Our other income increased by 111.68% from ₹ 18.51 million in Fiscal 2023 to ₹ 39.19 million in Fiscal 2024, primarily due to an increase in (i) liabilities/provisions no longer required to be written back from ₹ 4.78 million to ₹ 17.29 million and (ii) Fair value changes arising on financial asset designated as at FVTPL from ₹ (2.67) million to ₹ 5.29 million which was partially off-set by a decrease in gain/loss on sale of investments (net) from ₹ 6.32 million to ₹ 5.70 million.

Expense

Total Expense

Our total expenses increased by 33.63% from ₹ 1,241.63 million in Fiscal 2023 to ₹ 1,659.18 million in Fiscal 2024, due to an increase in various expenses as discussed below.

Cost of raw material and project related supplies

Our cost of raw material and project related supplies increased by 46.08% from ₹ 639.68 million in Fiscal 2023 to ₹ 934.48 million in Fiscal 2024 (i) commensurate with the increase in our revenue (ii) due to an increase in cost of raw materials and project supplies such as Mass Flow Meters, Tank Farm Management Systems, and Electronic Devices.

Purchase of stock-in-trade

Our cost purchase of stock in trade increased by 31.08% from ₹ 200.30 million in Fiscal 2023 to ₹ 262.55 million in Fiscal 2024, due to change in the mix of sale of stock in trade as well as increase in the cost of stock in trade such as digital control valve.

Changes in inventories of stock-in-trade and work-in-progress

Our changes in inventories of stock-in-trade and work-in-progress moved from ₹ 9.99 million in Fiscal 2023 to ₹ (30.64) million in Fiscal 2024.

Subcontracting and Other Project Expenses

Our subcontracting and other project expenses increased by 49.18% from ₹ 134.70 million in Fiscal 2023 to ₹ 200.94 million in Fiscal 2024. The said increase was primarily due to an increase in revenue from project services i.e. installation and commissioning services have increased by 68.06% from ₹ 65.00 million to ₹ 109.24 million and, the consequent increase in expenses.

Employee benefits expense

Our employee benefits expense increased by 29.72% from ₹ 151.43 million in Fiscal 2023 to ₹ 196.44 million in Fiscal 2024 primarily due to an increase in our salaries, wages, bonus and others from ₹ 136.94 million to ₹ 173.01 million on account of an increase in the number of employees from 143 to 159.

Finance Costs

Our finance costs decreased marginally from ₹ 7.35 million in Fiscal 2023 to ₹ 6.55 million due to lower utilisation of Cash Credit facilities during the year.

Other expenses

Our expenses decreased by 11.49% from ₹ 93.80 million in Fiscal 2023 to ₹ 83.02 million in Fiscal 2024 primarily due to a decrease in (i) provision for warranty expense from ₹ 14.89 million to ₹ 2.70 million primarily due to the expiry of the warranty period for a major export contract, (ii) rates and taxes from ₹ 3.48 million to ₹ 1.30 million

(iii) insurance expenses from ₹ 7.35 million to ₹ 5.66 million which was partially offset by an increase in (i) travelling and conveyance expense from ₹ 31.76 million to ₹ 34.86 million and (ii) miscellaneous expenses from ₹ 5.23 million to ₹ 10.29 million.

Profit before tax

As a result of the factors outlined above, our profit before tax increased by 44.85% from ₹ 181.11 million in Fiscal 2023 to ₹ 262.33 million in Fiscal 2024.

Tax expense

Our tax expense increased by 42.46% from ₹ 49.25 million in Fiscal 2023 to ₹ 70.16 million in Fiscal 2024 primarily due to an increase in current tax from ₹ 51.82 million to ₹ 68.25 million and incurring deferred tax expenses of ₹ 1.24 million as against a deferred tax credit of ₹ 3.67 million.

Profit for the year

As a result of the foregoing, our profit after tax increased by 45.74% from ₹ 131.86 million in Fiscal 2023 to ₹ 192.17 million in Fiscal 2024.

FISCAL 2023 COMPARED TO FISCAL 2022

Income

Total Income

Our total income increased marginally from ₹ 1,411.55 million in Fiscal 2022 to ₹ 1,422.74 million in Fiscal 2023, due to an increase in our revenue from operations partially offset by a decrease in other income as discussed below.

Revenue from operations

Our revenue from operations increased by 3.56% from ₹ 1,356.01 million in Fiscal 2022 to ₹ 1,404.23 million in Fiscal 2023. This was due to an increase in revenue from contract with customers from the sale of (i) project related supplies from ₹ 657.91 million to ₹ 769.63 million and (ii) services from ₹ 357.78 million to ₹ 393.83 million, which was partially offset by a decrease in sale of stock in trade from ₹ 340.32 million to ₹ 240.77 million due to a reduction in order book.

Other income

Our other income decreased by 66.67% from ₹ 55.54 million in Fiscal 2022 to ₹ 18.51 million in Fiscal 2023, primarily due to an decrease in (i) interest income from ₹ 19.96 million (the interest income comprised of an exceptional interest income of ₹ 14.47 million from sales tax refund) to ₹ 6.30 million (ii) refunds of taxes and duties from ₹ 18.27 million to 'Nil' and (iii) fair value changes arising on financial asset designated as at FVTPL from ₹ 2.86 million to ₹ (2.67) million, which was partially off-set by an increase in gain/loss on sale of investments (net) from ₹ 4.38 million to ₹ 6.32 million.

Expense

Total Expense

Our total expenses increased by 4.81% from ₹ 1,184.69 million to ₹ 1,241.63 million in Fiscal 2023, due to an increase in various expenses as discussed below.

Cost of raw material and project related supplies

Our cost of raw material and project related supplies increased by 15.39% from ₹ 554.36 million in Fiscal 2022 to ₹ 639.68 million in Fiscal 2023 due to an increase in cost of raw materials and project supplies such as Mass Flow Meters, Tank Farm Management Systems, and Electronic Devices.

Purchase of stock-in-trade

Our cost purchase of stock-in-trade decreased by 32.96% from ₹ 298.78 million in Fiscal 2022 to ₹ 200.30 million in Fiscal 2023 commensurate with the decrease in the sale of stock in trade due to 29.25%.

Changes in inventories of stock-in-trade and work-in-progress

Our changes in inventories of stock-in-trade and work-in-progress moved from ₹ (15.52) million in Fiscal 2022 to ₹ 9.99 million in Fiscal 2023.

Subcontracting and Other Project Expenses

Our subcontracting and other project expenses increased by 26.18% from ₹ 106.75 million Fiscal 2022 to ₹ 134.70 million in Fiscal 2023, primarily due to an increase in site execution costs.

Employee benefits expense

Our employee benefits expense increased by 17.09% from ₹ 129.32 million in Fiscal 2022 to ₹ 151.43 million in Fiscal 2023 to primarily due to an increase in our salaries, wages, bonus and others from ₹ 119.48 million to ₹ 136.94 million on account of an increase in the number of employees from 131 to 143 and an increase in cash settled share based payments from 'Nil' to ₹ 2.91 million.

Finance Costs

Our finance costs decreased marginally from ₹ 7.54 million in Fiscal 2022 to ₹ 7.35 million in Fiscal 2023.

Other expenses

Our expenses decreased by 6.16% from ₹ 99.96 million in Fiscal 2022 to ₹ 93.80 million in Fiscal 2023 primarily due to a decrease in (i) provision for doubtful expenses from ₹ 25.24 million to 'Nil' due to a reduction in doubtful expenses from the previous period during which an amount of ₹ 9.90 million was fully written off, and (ii) sales tax and service tax balances written off from ₹ 14.69 million to ₹ 2.88 million which was partially offset by an increase in (i) travelling and conveyance expense from ₹ 20.97 million to ₹ 31.76 million (ii) miscellaneous expense from ₹ 2.45 million to ₹ 5.23 million, and (iii) rates and taxes from ₹ 0.97 million to ₹ 3.48 million.

Profit before tax

As a result of the factors outlined above, our profit before tax decreased by 20.17% from 226.86 million in Fiscal 2022 to ₹ 181.11 million in Fiscal 2023.

Tax expense

Our tax expense decreased by 68.62% from ₹ 156.96 million in Fiscal 2022 to ₹ 49.25 million in Fiscal 2023 primarily due to a decrease in (i) current tax from ₹ 66.82 million to ₹ 51.82 million and (ii) income tax adjustments for the earlier years from ₹ 96.20 million to ₹ 1.10 million.

Profit for the year

As a result of the foregoing, our profit after tax increased by 88.44% from ₹ 69.89 million in Fiscal 2022 to ₹ 131.71 million in Fiscal 2023.

Liquidity and capital resources

As on September 30, 2024, our Company had a sum of ₹ 38.33 million in cash and cash equivalents (balance in current accounts, cash credit accounts, exchange earner's foreign currency account and bank deposits with maturity of less than 3 months) and other bank balances of ₹ 65.20 million (deposits with banks with maturity of more than 3 months but less than 12 months).

Historically, our Company has been able to finance the growth of our business through the funds generated from our operations and equity infusion. Our Company believes that, with the infusion of the Net Proceeds, it will have sufficient capital to meet its anticipated capital requirements for working capital requirements till Fiscal 2026.

The following table sets forth information and liquidity and capital resources as at the dates indicated:

(in ₹ million)

Particulars	As at September 30, 2024	As at March 31 2024	As at March 31 2023	As at March 31 2022
Cash and cash equivalent at the end of the year	38.33	103.55	26.59	30.12
Non-current borrowing	-	-	-	-
Current borrowings	-	-	-	-
Lease liabilities	-	-	-	-
Bank balances other than cash and cash equivalent	65.20	1.84	15.35	48.23

CASH FLOWS

The following table sets forth certain information concerning our cash flows for 6 month ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022:

(in ₹ million)

Particulars	For the 6 months ended September 30, 2024	For year ended March 31, 2024	For year ended March 31, 2023	For year ended March 31, 2022
Net cash flow (used in) / generated from operating activities (**A**)	(113.42)	147.46	(54.35)	(90.98)
Net cash from/(used in) investing activities (**B**)	61.74	(472.44)	58.00	91.59
Net cash flow from/(used in) financing activities (**C**)	(13.62)	401.95	(7.35)	(7.54)
Net increase/(decrease) in cash and cash equivalents **(A+B+C)**	**(65.29)**	**76.97**	**(3.70)**	**(6.92)**

Net cash (used in) / generated from operating activities

6 months ended September 30, 2024

Our net cash flow used in operating activities was ₹ (113.42) million in the 6 months ended September 30, 2024. While our profit before income tax was ₹ 168.51 million, our operating cash flow before working capital changes stood at ₹ 147.31 million after taking into adjustments for *inter alia* depreciation and amortization expense of ₹ 3.63 million, profit on sale of investments (net) of ₹ 16.81 million, fair value gain arising on financial asset designated as at FVTPL of ₹ 6.67 million and interest income of ₹ 5.71 million. Working capital changes included primarily a decrease in (i) trade payables of ₹ 194.88 million and (ii) in inventories of ₹ 15.37 million, (iii) decrease in other liabilities of ₹ 16.74 million and (iv) decrease in other current assets of ₹ 13.10 million, and an increase in *inter alia* trade receivables aggregating ₹ 32.47 million. This was further adjusted by direct taxes paid (net) of ₹ 43.54 million.

Fiscal 2024

Our net cash flow generated from operating activities was ₹ 147.46 million in Fiscal 2024. While our profit before income tax was ₹ 262.33 million, our operating cash flow before working capital changes stood at ₹ 248.38 million after taking into adjustments for *inter alia* depreciation and amortization expense of ₹ 5.84 million, profit on sale of investments (net) of ₹ 5.70 million, fair value gain arising on financial asset designated as at FVTPL of ₹ 5.29 million, liabilities no longer required to be written back of ₹ 17.29 million and interest income of ₹ 8.04 million. Working capital changes included primarily an increase in (i) trade receivables aggregating ₹ 134.00 million, (ii) inventories aggregating ₹ 164.06 million, (iii) trade payables of ₹ 296.67 million and (iv) increase in other current assets of ₹ 62.80 million. This was further adjusted by direct taxes paid (net) of ₹ 71.79 million.

Fiscal 2023

Our net cash flow used in operating activities was ₹ (54.35) million in Fiscal 2023. While our profit before income tax was ₹ 181.11 million, our operating cash flow before working capital changes stood at ₹ 180.68 million after taking into adjustments for *inter alia* profit on sale of investments (net) of ₹ 6.32 million, liabilities no longer required to be written back of ₹ 4.78 million and interest income of ₹ 6.30 million. Working capital changes included primarily increase in (i) other current assets of ₹ 121.51 million, (ii) trade receivables aggregating ₹ 18.67 million, (iii) inventories aggregating ₹ 27.92 million, and (iv) other liabilities aggregating ₹ 62.51 million and a decrease in trade payables of ₹ 63.65 million. This was further adjusted by direct taxes paid (net) of ₹ 56.99 million.

Fiscal 2022

Our net cash flow generated used in operating activities was ₹ (90.98) million in Fiscal 2022. While our profit before income tax was ₹ 226.86 million, our operating cash flow before working capital changes stood at ₹ 241.92 million after taking into adjustments for *inter alia* profit on sale of investments (net) of ₹ 4.38 million, liabilities no longer required to be written back of ₹ 5.58 million, provision for doubtful debts of ₹ 25.24, and interest income of ₹ 19.96 million. Working capital changes included primarily increase in (i) trade receivables of ₹ 299.60 million, and (ii) trade payables of ₹ 105.55 million and (iii) other financial assets of ₹ 85.72 million, and a decrease in non-current assets of ₹ 95.52 million. This was further adjusted by direct taxes paid (net) of ₹ 149.70 million.

Net cash flow (used in) / from investing activities

6 months ended September 30, 2024

Net cash flow generated from investing activities in the 6 months ended September 30, 2024 was ₹ 61.74 million which primarily comprised proceeds from the sale of investments aggregating ₹ 235.27 million which was partially offset by an increase in restricted bank balances other than cash and cash equivalents of ₹ (174.31) million due to a lien marked fixed deposits placed for enhancing the credit limit with banks.

Fiscal 2024

Net cash flow used in investing activities in Fiscal 2024 was ₹ (472.44) million which primarily comprised purchase of investments aggregating ₹ 459.55 million.

Fiscal 2023

Net cash flow from investing activities in Fiscal 2023 was ₹ 58.00 million which primarily comprised proceeds from sale of investments aggregating ₹ 46.28 million, decrease in restricted bank balances other than cash and cash equivalent aggregating ₹ 15.87 million and increase in loans to related parties aggregating ₹ 7.50 million.

Fiscal 2022

Net cash flow from investing activities in Fiscal 2022 was ₹ 91.59 million which primarily comprised proceeds from sale of investments aggregating ₹ 46.67 million and decrease in restricted bank balances other than cash and cash equivalent aggregating ₹ 46.20 million, increase in interest received of ₹ 19.90 million and capital expenditure on property, plant and equipment of ₹ 21.96 million.

Net cash flow (used in) / from financing activities

6 months ended September 30, 2024

Net cash flow used in financing activities in the 6 months ended September 30, 2024 was ₹ (13.62) million which primarily comprised proceeds from issue of Share capital (net of expenses) aggregating ₹ (8.71) million and finance cost of ₹ 4.91 million.

Fiscal 2024

Net cash flow from financing activities in Fiscal 2024 was ₹ 401.95 million which primarily comprised Proceeds from issue of Share capital (net of expenses) aggregating ₹ 408.50 million and finance cost of ₹ 6.55 million.

Fiscal 2023

Net cash flow used in financing activities in Fiscal 2023 was ₹ 7.35 million of finance cost.

Fiscal 2022

Net cash flow used in financing activities in Fiscal 2022 was ₹ 7.54 million of finance cost.

FINANCIAL INDEBTEDNESS

As on December 31, 2024, we had total outstanding borrowing aggregating ₹ 935.26 million comprising fund-based borrowings aggregating ₹ 27.47 million, non-fund-based borrowings aggregating ₹ 907.79 million, and unsecured borrowing aggregating ₹ NIL million. For further details of our indebtedness, see *'Financial Indebtedness'* on page 326.

Trade Receivables Ageing Summary as on 6 month period ended September 20, 2024

(in ₹ million)

Particulars	Not Due*	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As on September 30, 2024							
Undisputed Trade Receivable - Considered Good	1,011.51	131.48	29.13	18.56	11.40	23.42	1,225.49
Disputed Trade Receivable - Considered Good	-	-	-	-	-	21.13	21.13
Less: Loss Allowance[#]							(39.41)
Total							**1,207.22**

Typically, our contracts with our customers have milestone (installation and commissioning) related payments. Our ability to undertake installation and commissioning is dependent on the customers making the sites available to us. In the event of a delay in the project execution, the customer may deduct provisional liquidated damages. Any such liquidated damages deducted will be released on completion of the project. In the recent past, our Company has succeeded in receiving payments by providing bank guarantees to our customers. The delays in the project execution will also impact the achievement of milestones, thereby affecting milestone related payments. In the recent past, there have been few projects whose completion was delayed beyond the contractual completion date.

Trade Payables Ageing Summary (as at September 30, 2024) (Outstanding for following periods from due date of payment)

(in ₹ million)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Micro Enterprises and Small Enterprises	56.51	-	-	-	**56.51**
Others	341.80	7.19	2.93	0.14	**352.06**

CAPITAL EXPENDITURE

The table below provides details of our net cash outflow on capital expenditure for the 6 months ended September 30, 2024, and for Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively:

(in ₹ million)

Particulars	For the 6 months ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net cash outflow on capital expenditure on property, plant and equipment	(1.38)	(5.55)	(3.13)	(21.96)

Notes:

6 months ended September 30, 2024

Additions include purchase of tangible assets additions to building and electrical installations ₹ 0.55 million, purchase of laptops and computer equipment ₹ 0.26 million, purchase of office equipment (air conditioner) ₹ 0.32 million.

Fiscal 2024

Additions include capitalization of intangible asset "CPU card" ₹ 5.47 million classified as intangible asset under development in earlier years, and purchase of tangible assets such as laptops and desktops ₹ 1.57 million, closed circuit television cameras, fire extinguishers, air conditioning unit ₹ 0.69 million and addition to building ₹ 0.56 million..

Fiscal 2023

Additions include purchase of tangible assets containers for storing materials at site ₹ 0.88 million, purchase of screen for conference room, industrial exhaust fans, smart conference camera ₹ 0.47 million, addition to building facility ₹ 0.21 million and purchase of computer software ₹ 0.75 million under intangible assets.

Fiscal 2022

Additions include tangible assets construction of Building for DEF manufacturing facility ₹ 9.67 million, purchase of , computer server, laptops and desktops 2.95 million, purchase of containers for storage of materials at site ₹ 1.21 million, purchase of air conditioning unit and borewell for DEF manufacturing facility ₹ 0.17 million and purchase of various electrical installations for DEF manufacturing facility ₹ 0.60 million and capital expenditure on development of intangible asset CPU card.

CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

Set out below are the contingent liabilities and capital commitments as on 6 month ended September 30, 2024 and as on financial year ended March 31, 2024, March 31, 2023, and March 31, 2022.

(in ₹ million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Contingent Liabilities				
(i) Claims against the Group not acknowledge as debts (on account of outstanding law suits)	-	-	-	-
(i) Disputed Outstanding Income Tax Demand	3.26	3.26		

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(ii) Disputed Outstanding Tax Deducted at Source	1.99	1.99	1.99	1.99
(iii) Disputed Sales Tax / Value Added Tax (VAT) / Goods and Service Tax (GST) Liability	21.19	19.04	29.92	29.92
Total	**26.44**	**24.29**	**31.91**	**31.91**
Capital Commitments				
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for				
Intangible under development	-	-	2.58	3.13
Tangible assets		0.28	-	-

SELECT BALANCE SHEET ITEMS

Current Assets

(in ₹ million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Inventories	271.97	287.34	123.28	95.36
Financial Assets				
(i) Investments	365.27	577.06	106.50	149.13
(ii) Trade receivables	1,207.22	1,177.14	1,043.89	1,027.29
(iii) Cash and cash equivalents	38.33	103.55	26.59	30.12
(iv) Bank balances other than cash and cash equivalents	65.20	1.84	15.35	48.23
(v) Other financials assets	40.39	32.36	27.13	21.42
Current Tax Assets (Net)	4.18	3.54	0.67	-
Other current assets	202.16	215.25	152.45	31.59
Total current assets	**2,194.72**	**2,398.08**	**1,495.86**	**1,403.14**

Current Liabilities

(in ₹ million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Financial Liabilities				
(i) Trade payables				
- Total outstanding dues of Micro enterprises and small enterprises	56.51	81.32	52.33	48.99
- Total outstanding dues other than Micro and small enterprises	352.06	522.12	254.47	321.46
(ii) Other Financial Liabilities	-	-	1.45	3.09
Other current liabilities	75.96	95.28	71.50	23.58
Provisions	59.55	68.51	77.46	75.37
Current Tax Liabilities (Net)	10.16	-	-	4.08
Total current liabilities	**554.24**	**767.23**	**457.21**	**476.57**

Related Party Transactions

We have engaged in the past, and may engage in the future, in transactions with related parties, including with our Directors and Group Companies on an arm's length basis, in compliance with applicable law. Such transactions could be for remuneration to directors, loans given, commission payable and interest income receivable. For further details of our related party transactions, please see '*Restated Consolidated Financial Information – Transactions with Related Parties*' on page 303.

Off- Balance Sheet Transactions

Summary of reservations or qualifications or matters of emphasis or adverse remarks of auditors

Our Restated Consolidated Financial Information do not contain any qualifications or reservations.

Change in accounting policies

Other than as disclosed in the Restated Consolidated Financial Information, there have been no changes in accounting policies in the last three Fiscals.

Quantitative and Qualitative Disclosures About Market Risk

Our principal financial liabilities, other than derivatives, comprise trade payables. The main purpose of these financial liabilities is to manage finances for our Company's operations. Our Company's principal financial assets include investments in marketable securities, loans, trade and other receivables and cash and short-term deposits that arise directly from its operations.

Our Company has exposure to credit risk, liquidity risk and market risk arising from financial instruments.

Our Company's risk management policies are established to identify and analyse the risks faced by our Company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and our Company's activities. Our Company monitors compliance with risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by our Company.

Credit risk

Credit risk is the risk of financial loss to our Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from our Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which our Company grants credit terms in the normal course of business. Our Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

Liquidity risk

Liquidity risk is the risk that our Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Our Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our Company's reputation.

Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect our Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign currency risk

The risk is measured through a forecast of foreign currency for our Company's operations.

Set out below are our trade and other receivables in foreign currency and their equivalent in Indian Rupees.

Currency	As at September, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
USD (in millions)	0.21	0.16	0.22	0.19
Equivalent INR (in million)	17.12	13.36	18.27	14.05

Set out below are our trade and other payables in foreign currency and their equivalent in Indian Rupees.

Currency	Trade Payables			
	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
USD (in million)	0.05	0.09	0.00	0.08
Equivalent INR (in million)	4.28	7.66	0.32	5.88
EUR (in million)	-	0.02	0.03	0.01
Equivalent INR (in million)	-	1.60	2.51	1.05
AUD (in million)	-	-	0.02	0.03
Equivalent INR (in million)	-	-	1.32	1.86

Competitive Conditions

We operate in a competitive environment. For further information, please see '*Risk Factors*', *'Industry Overview'*, *'Our Business - Competition'* on pages 29, 146, and 214, respectively.

Seasonality / Cyclicality of business

Our Company's business is not subject to seasonal changes.

Unusual or infrequent events or transaction

Except as set out in this Draft Red Herring Prospectus, there have been, to our knowledge, no unusual or infrequent events or transactions that have in the past, or may in the future, affect our business operations or future financial performance.

Segment Reporting

Our business activity primarily falls within a single business segment, i.e., *complete automation and metering solution to customers using project management expertise and specialized knowledge of the Oil & Gas measurement industry*, and, consequently, we do not follow any segment reporting.

Extent to which material increases in net sales or revenue are due to increased sales volume, and increased sales prices

Except as set out in this chapter above, our net sales or revenue are not dependent on sales volume and sale price.

Total turnover of each major industry segment in which our Company operated

Our Company operates primarily in the Oil and Gas measurement industry. Details of the break up of our end-user industries is set out below.

End-Use Industries	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from operations (in ₹ million)	As a % of total revenue from operations	Revenue from operations (in ₹ million)	As a % of total revenue from operations	Revenue from operations (in ₹ million)	As a % of total revenue from operations	Revenue from operations (in ₹ million)	As a % of total revenue from operations
Petroleum, oil and gas industry	882.43	83.37	1,679.53	89.23	1,280.94	91.22	1,148.26	84.68
EPC contractors	138.54	13.09	152.50	8.10	85.70	6.10	173.61	12.80
Others*	37.46	3.54	50.29	2.67	37.58	2.68	34.14	2.52
Total	**1,058.43**	**100.00**	**1,882.32**	**100.00**	**1,404.23**	**100.00**	**1,356.01**	**100.00**

**Comprises companies operating in the paint, pharmaceutical and engineering industries.*

Significant dependence on a single or few suppliers or Customers

We are significantly reliant on our top customer, top 3 customers and top 5 customers. For details please see *Principal Factors Affecting Our Financial Condition and Results Of Operations - Ability to retain our existing customers'* on page 333 and '*Risk Factor - Our business is significantly reliant on certain key customers,* *particularly, large oil marketing PSU companies, and the loss of any of these customers or loss of revenue from sales to any key customers could have a material adverse effect on our business, financial condition, results of operations and cash flows'* on page 29 and *'Risk Factor - We are significantly reliant on a few suppliers, and we do not enter into long-term contracts or arrangements with our suppliers. Any loss of suppliers will have a material adverse impact on our business and our revenue. Further, if we are unable to procure raw materials of the required quality and quantity, at competitive prices, our business, results of operations and financial condition may be adversely affected.'* on page 31.

Significant economic changes that materially affect or are likely to affect income from continuing operations

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in this chapter. For further details see *'Risk Factors'* and *'Industry Overview'*, on pages 29 and 146, respectively.

Known Trends or Uncertainties

Our business has been, and we expect will continue to be, subject to significant economic changes arising from the trends identified above under *'Principal factors affecting our financial condition and results of operations'* and the uncertainties described in the section *'Risk Factors'* on page 29. To our knowledge, except as has been described in this Draft Red Herring Prospectus, there are no known trends or uncertainties, that have or had or are expected to have a material adverse impact on our revenues from continuing operations.

Future Relationships between Costs and Income

Other than as described in *'Risk Factors'*, *'Our Business'* and *'Management's Discussion and Analysis of Financial Condition and Results of Operations'* on pages 29, 196 and 330, respectively, to our knowledge, there are no known factors that may have a material adverse impact on our business, results of operations and financial condition.

New Services or Business Segments

Except as disclosed in this Draft Red Herring Prospectus, we have not announced and do not expect to announce any new services or business segments in the near future.

Significant Developments after September 30, 2024 that may affect our results of operations

Except as disclosed in this Draft Red Herring Prospectus, there are, to our knowledge, no significant developments after the date of the last financial statements contained in this Draft Red Herring Prospectus which materially and adversely affects, or is likely to affect, our operations or profitability, or the value of our assets, or our ability to pay our material liabilities within the next 12 months.

SECTION VII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding (a) criminal proceedings (including first information reports even if no cognizance has been taken by any court) involving our Company, our Directors, our Promoters, our Subsidiary, or our Group Company (**Relevant Parties**); (b) actions (including all penalties and show cause notices) by any statutory or regulatory authorities involving our Company, our Directors, our Promoters, or our Subsidiary; (c) disciplinary action including penalty imposed by SEBI or stock exchanges against our Promoters in the last 5 Fiscals including outstanding actions; (d) claim involving our Company, our Directors, our Promoters, and our Subsidiary for any direct or indirect tax liabilities (disclosed in a consolidated manner giving the total number of claims and total amounts involved); (e) other pending litigations involving our Company, our Directors, our Promoters or Subsidiary (other than proceedings covered under (a) to (d) above) which have been determined to be material pursuant to the materiality policy approved by our Board in its meeting held on February 6, 2025 (**Materiality Policy**) (as disclosed herein below).*

In terms of the Materiality Policy, all outstanding litigation/ arbitration proceedings (other than those covered under (a) - (d) above) involving our Company, our Directors, our Promoters and our Subsidiary, shall be considered 'material' and disclosed in the Offer Documents: (i) if the aggregate monetary amount of claim made by or against the entity or person in any such pending proceeding exceeds 2 % of the turnover of our Company as per the latest completed fiscal year in the Restated Consolidated Financial Information of our Company to be included in the Offer Documents i.e. ₹ 37.65 million; or 2 % of net worth of our Company as per the last Restated Consolidated Financial Information of our Company to be included in the Offer Documents i.e. ₹ 37.42 million; (except in case the arithmetic value of the net worth is negative) or 5% of the average absolute value of profit or loss after tax of our Company as per the last three Restated Consolidated Financial Information of our Company to be included in the Offer Documents i.e. ₹ 6.57 million; whichever is lower or (ii) where monetary liability is not determinable or quantifiable for any other outstanding proceeding, or which does not fulfil the financial threshold specified in (i) above, but the outcome of any such pending proceeding may have a material adverse effect on the business, operations, performance, prospects, position or reputation of our Company; or (iii) litigations where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in an individual litigation may not exceed the materiality threshold

Pre-litigation notices received by our Company, our Directors, our Promoters, our Group Company or our Subsidiary, from third parties (excluding notices from statutory, regulatory or tax authorities, notices threatening criminal action) shall not be evaluated for materiality until our Company, our Directors, our Promoters, our Group Company or our Subsidiary, is impleaded in proceedings before any judicial/ arbitral forum.

Further, as per the requirements of SEBI ICDR Regulations, our Company shall also disclose such outstanding litigation involving the Group Company which has a material impact (as determined by our Board) on our Company.

We have disclosed matters relating to direct and indirect taxes involving the Relevant Parties (as applicable) in a consolidated manner giving details of number of cases and total amount involved in such claims.

Except as stated in this section, there are no material outstanding dues to creditors of our Company. For this purpose, our Board, in its meeting held on February 6, 2025 has considered and adopted the Materiality Policy for identification of material outstanding dues to creditors. In terms of our Materiality Policy, creditors of our Company to whom an amount having a monetary value exceeds 5% of the total consolidated trade payables of our Company i.e., ₹ 20.43 million are considered material. In addition, outstanding dues as on September 30, 2024, owed by our Company to micro, small and medium enterprises in terms of Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006 and creditors other than micro, small and medium enterprises and Material Creditors have been disclosed in this chapter.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

I. Litigation involving our Company

A. Litigations against our Company

i. *Criminal proceedings*

As on the date of this DRHP, there are no outstanding criminal proceedings against our Company.

ii. *Outstanding actions by statutory and/or regulatory authorities*

As on the date of this DRHP, there are no outstanding actions by statutory and/or regulatory authorities against our Company.

iii. *Tax proceedings*

Nature of the case	Number of cases	Total amount* involved *(in ₹ million)*
Direct tax litigations	3	5.25
Indirect tax litigations	16	21.19
Total	**19**	**26.44**

**To the extent quantifiable and ascertainable*

iv. *Material outstanding litigations*

a. An Arbitration Application No. 549/2023 (**Application**) dated March 21, 2023, under Section 34 of the Arbitration and Conciliation Act, 1996 has been filed by Bharat Petroleum Corporation Limited (**Petitioner**) before the Commercial Court in Gautam Budh Nagar, Uttar Pradesh against our Company (**Respondent**). The Petitioner has sought to set aside the award dated December 27, 2022 (**Award**) passed by Sharat Kapoor, Sole Arbitrator (**Arbitrator**) through which the Arbitrator had awarded ₹ 9.94 million in favour of the Respondent. The Application is currently pending before the Commercial Court in Gautam Budh Nagar, Uttar Pradesh.

B. Litigation initiated by our Company

i. *Criminal proceedings*

As on the date of this DRHP, there are no outstanding criminal proceedings initiated by our Company.

ii. *Material outstanding litigations*

a. Our Company has made 2 online applications to make presentation to Micro and Small Enterprises dated December 2, 2020 (**Application 1**) and December 8, 2020 (**Application 2**) against Indian Oil Corporation Limited (**IOCL**) for delay in payment. Application 1 has been made for an outstanding amount of ₹ 5.82 million along with an interest of ₹ 4.71 million for services provided by our Company to IOCL. Application 2 has been made for an outstanding amount of ₹ 5.36 million along with an interest of ₹ 4.37 million. Both the applications are currently pending.

II. Litigation involving our Subsidiary

A. Litigations against our Subsidiary

i. *Criminal proceedings*

As on the date of this DRHP, there are no outstanding criminal proceedings against our Subsidiary.

ii. *Outstanding actions by statutory and/or regulatory authorities*

As on the date of this DRHP, there are no outstanding actions by statutory and/or regulatory authorities against our Subsidiary.

iii. *Tax proceedings*

Nature of the case	Number of cases	Total amount* involved *(in ₹ million)*
Direct tax litigations	Nil	Nil
Indirect tax litigations	Nil	Nil
Total	Nil	Nil

**To the extent quantifiable and ascertainable*

iv. *Material outstanding litigations*

As on the date of this DRHP, there are no material outstanding litigation against our Subsidiary

B. Litigation initiated by our Subsidiary

i. *Criminal proceedings*

As on the date of this DRHP, there are no outstanding criminal proceedings by our Subsidiary.

ii. *Material outstanding litigations*

As on the date of this DRHP, there are no outstanding actions by statutory and/or regulatory authorities by our Subsidiary.

III. Litigation involving our Promoters

A. Litigations against our Promoters

i. Criminal proceedings

As on the date of this DRHP, there are no outstanding criminal proceedings against our Promoters.

ii. Outstanding actions by statutory and/or regulatory authorities

As on the date of this DRHP, there are no outstanding actions by statutory and/or regulatory authorities against our Promoters.

iii. Disciplinary actions including penalty imposed by SEBI or Stock Exchanges in the last 5 Fiscals

As on the date of this DRHP, there are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges in the last 5 Fiscals against our Promoters.

iv. Tax proceedings

Nature of the case	Number of cases	Total amount* involved *(in ₹ million)*
Direct tax litigations	3	0.89
Indirect tax litigations	Nil	Nil
Total	**3**	**0.89**

**To the extent quantifiable and ascertainable*

v. Material outstanding litigations

As on the date of this DRHP, there are no material outstanding litigation against our Promoters.

B. Litigation initiated by our Promoters

i. Criminal proceedings

As on the date of this DRHP, there are no outstanding criminal proceedings by our Promoters.

ii. Material outstanding litigations

As on the date of this DRHP, there are no outstanding actions by statutory and/or regulatory authorities by our Promoters.

IV. Litigation involving our Directors (other than Promoters)

A. Litigations against our Directors (other than Promoters)

i. Criminal proceedings

As on the date of this DRHP, there are no outstanding criminal proceedings against our Directors.

ii. Outstanding actions by statutory and/or regulatory authorities

As on the date of this DRHP, there are no outstanding actions by statutory and/or regulatory authorities against our Directors.

iii. Tax proceedings

Nature of the case	Number of cases	Total amount involved *(in ₹ million)*
Direct tax litigations	Nil	Nil
Indirect tax litigations	Nil	Nil
Total	**Nil**	**Nil**

**To the extent quantifiable and ascertainable*

iv. Material outstanding litigations

As on the date of this DRHP, there are no material outstanding litigation against our Directors.

B. Litigation initiated by our Directors (other than Promoters)

i. Criminal proceedings

As on the date of this DRHP, there are no outstanding criminal proceedings by our Directors.

ii. Material outstanding litigations

As on the date of this DRHP, there are no outstanding actions by statutory and/or regulatory authorities by our Directors.

V. Litigation involving our Group Company

Nil

VI. Outstanding dues to creditors

As of September 30, 2024, our Company had 241 creditors on a consolidated basis and the aggregate amount due by our Company to these creditors was ₹ 408.57 million, on a consolidated basis, as detailed below:

Types of Creditors	Number of Creditors	Amount involved (in ₹ million)
Micro, Small and Medium Enterprises*	73	56.51
Other creditors	168	352.06
Total	**241**	**408.57**

**As defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended*

Our Board, in its meeting held on February 6, 2025 has considered and adopted the Materiality Policy for identification of material outstanding dues to creditors. In terms of our Materiality Policy, creditors of our Company to whom an amount having a monetary value exceeds 5% of the total trade payables of our Company, i.e., ₹ 20.43 million, are considered material (**Material Creditors**). Based on this criteria, details of outstanding dues owed to Material Creditors as on September 30, 2024, by our Company are set out below:

Particulars	Number of Creditors	Amount involved (in ₹ million)
Material Creditors	3	160.51

The details pertaining to outstanding dues to Material Creditors, along with the name and amount involved for each such Material Creditor, are available on the website of our Company at https://www.advancedsystek.com/investors.php.

It is clarified that information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, www.advancedsystek.com, would be doing so at their own risk.

Material Developments since the date of the last Balance Sheet

Other than as disclosed in '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' on page 330, there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability, the value of our assets, or our ability to pay our liabilities within the next 12 months from the date of this Draft Red Herring Prospectus.

GOVERNMENT AND OTHER APPROVALS

Except as disclosed herein, and in 'Risk Factors' on page 29 (in relation to material approvals which are required but not obtained or applied for by us), our Company has received the material consents, licenses, permissions, registrations and approvals from the relevant governmental, statutory and/ or regulatory authorities in India, which are necessary for undertaking its present business activities. We have set out below a list of material consents, licenses, permissions, and approvals from various governmental, statutory, and regulatory authorities in India which are considered material and necessary for the purpose of undertaking our business activities. Unless stated otherwise, these material approvals are valid as on the date of this Draft Red Herring Prospectus.

In addition to these approvals, we have also disclosed below (i) the approvals applied for, including renewal applications made, but not received; and (ii) the approvals for which applications are yet to be made by our Company.

I. Approvals in relation to the Offer

For details of approvals and authorisations in relation to the Offer, see '*Other Regulatory and Statutory Disclosures*' on page 373.

II. Approvals in relation to incorporation of our Company

For details in relation to the incorporation of our Company, see '*History and Certain Other Corporate Matters*' on page 222.

III. Approvals in relation to our Company's business operations

Our Company is required to obtain various registrations and approvals in relation to our business. The registrations and approvals obtained by our Company in respect of our business operations include:

<u>*Business rated approvals*</u>

Sr. No.	Particulars	Issuing Authority	Reference No.	Date of Issue / Renewal	Expiry Date
1.	Allotment of Importer-Exporter Code Number	Jt. Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	Code No. 0888030983	Issued November 02 2018	Valid until cancelled
2.	Registration of Legal Entity Identifier	Ministry of Corporate Affairs	5493002WCY3ES 5LUHW04	Updated on January 28, 2025	February 3, 2026

<u>*Labour related approvals*</u>

Sr. No.	Particulars	Issuing Authority	Date of Issue / Renewal	Expiry Date
1.	Allotment of code number under Employees State Insurance Act, 1948 for premises situated at Plot No. 299/300, G.I.D.C. Makarpura, Vadodara – 390010.	Regional Office, Employees' State Insurance Corporation, Vadodara	December 4, 2007	Valid until cancelled
2.	Allotment of code number under Employees Provident	Employees' Provident Fund Organisation, Ministry of Labour and	July 14, 2008	Valid until cancelled

Sr. No.	Particulars	Issuing Authority	Date of Issue / Renewal	Expiry Date
	Fund and Miscellaneous Provisions Act, 1952	Employment, Government of India		
3.	License to operate factory under the Factories Act, 1948 for manufacturing unit situated at plot no. 299/300 GIDC Makarpura, Vadodara 390010, Gujarat.	Directorate Industrial Safety and Health, Gujarat	January 6, 2025	December 31, 2029

Industrial Laws

Sr. No.	Particulars	Issuing Authority	Reference No.	Date of Issue / Renewal	Expiry Date
1.	MSME Udyam Registration Certificate	Ministry of Small and Medium Enterprises, Government of India	UDYAM-GJ-24-0004854	September 21, 2020	Valid until cancelled

Shops and Establishments

Sr. No.	Particulars	Issuing Authority	Date of Issue / Renewal	Expiry Date
1.	Registration Certificate under Gujarat Shops and Establishments (Regulation of Employment and Condition of Service) Act, 2019 for Registered Office.	Vadodara Municipal Corporation	March 9, 2021	Valid until cancelled

Tax related approvals

Sr. No.	Particulars	Issuing Authority	Reference No.
1.	Permanent Account Number (PAN)	Income Tax Department	AABCD3608F
2.	Tax deduction and collection Account Number (TAN)	National Securities Depository Limited	BRDD00298E
3.	Certificate of Registration under section 5 (2) of Gujarat State Tax on Professions, Trade and Employment	Vadodara Municipal Corporation	PRC021205254
4.	Certificate of Registration under section 5 (2) of Gujarat State Tax on Professions, Trade and Employment	Vadodara Municipal Corporation	PEC021214714

GST registrations

Sr. No.	Name of the State	Principal Place of Business in the State	Reference No.	Date of Issue
1.	Gujarat	Plot No. 299/300, G.I.D.C, Makarpura, Vadodara - 390010, Gujarat.	24AABCD3608F1Z6	October 28, 2024
2.	Maharashtra	Bharti Airtel Office, 4th Floor, HD-058, We work Spectrum Tower, Spectrum Tower, Chincholi Bunder Road, Malad West, Mumbai, Mumbai Suburban - 400064, Maharashtra.	27AABCD3608F1Z0	October 23, 2024
3.	Madhya Pradesh	3rd Floor, 33, Dawa Bazar, M.Y.H. Road, Indore - 452001, Madhya Pradesh.	23AABCD3608F1Z8	October 16, 2024
4.	Uttarakhand	FF,45/1, C/O Urmila Sharma, Kashmiri Colony, Niranjanpur, PO Majra, Dehradun - 248171, Uttarakhand.	05AABCD3608F1Z6	October 21, 2024
5.	Himachal Pradesh	LIG 65, Rakkar Colony, Una - 174303, Himachal Pradesh.	02AABCD3608F1ZC	April 17, 2020
6.	Jharkhand	Flat No. 1/2, C/O GE Tand D India Limited, Nirode Apartment, A Block, L Road, Bistupur, East Singhbhum - 831001, Jharkhand.	20AABCD3608F1ZE	October 22, 2024
7.	Karnataka	7th Floor, Unit 701, Brigade Metropolis, Summit Tower B, Whitefield Road, Doddanekkundi II Phase Industrial Area, Mahadevapura Village, K.R. Puram Hobli, Bengaluru Urban - 560048, Karnataka.	29AABCD3608F1ZW	November 05, 2024
8.	Chhattisgarh	1st floor, 94, Nagar Nigam Colony, Raipur - 492001, Chhattisgarh	22AABCD3608F1ZA	October 24, 2024

IV. **Approvals expired but not applied for renewals by our Company**

Nil

V. **Approvals applied for, including renewal applications, but not received**

Nil

VI. **Approvals required but not obtained or applied for**

Nil

OUR GROUP COMPANY

Under the SEBI ICDR Regulations, the definition of 'group companies' includes (a) such companies (other than the promoters and subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under applicable accounting standards, and (b) such other companies as are considered material by our Board. Pursuant to the resolution passed by our Board at its meeting February 6, 2025, our Board formulated a policy with respect to companies which it considers material to be identified as group companies.

Accordingly, for (a) above, all such companies with which our Company had related party transactions during the period covered in the Restated Consolidate Financial Information, as covered under the applicable accounting standards, are considered as group company in terms of the SEBI ICDR Regulations. For (b) above, our Board does not consider any company as a Group Company.

Set forth below, based on the aforementioned criteria, are the details of our Group Company as on the date of this Draft Red Herring Prospectus.

Terranomous Systems Private Limited

Corporate Information

The registered office of Terranomous Systems Private Limited is situated at 299-300, G.I.D.C Estate, Makarpura, M.I. Estate, Vadodara, Gujarat, India, 390010. Its company identity number is U72900GJ2022PTC134981.

Financial Performance

Terranomous Systems Private Limited was incorporated on August 25, 2022 and accordingly, has not prepared its financial statements for Fiscal 2022. In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the latest audited financial statements available of Terranomous Systems Private Limited for the Fiscal 2024 and 2023 are available at www.terranomous.in.

Nature and extent of interests of our Group Company

In the promotion of our Company

Our Group Company does not have an interest in the promotion or formation of our Company.

In the properties acquired by our Company

Our Group Company does not have any interest in any property acquired by our Company in the 3 years preceding the date of filing this Draft Red Herring Prospectus or proposed to be acquired by it as on date of this Draft Red Herring Prospectus.

In transactions for acquisition of land, construction of building and supply of machinery

Our Group Company does not have an interest in any transaction by our Company pertaining to acquisition of land, construction of building and supply of machinery.

Business interests in our Company

Except in the ordinary course of business and as disclosed under '*Restated Consolidated Financial Information*' on page 258, our Group Company does not have any business interest in our Company. However, our Company is in the process of purchasing an artificial intelligence system from Terranomous Systems Private Limited for a consideration aggregate to ₹ 3.03 million.

Related Business Transactions within our Group Companies and significance on the financial performance of our Company

Except as disclosed under '*Restated Consolidated Financial Information'* on page *258*, there are no related business transactions with our Group Company.

Common pursuits of our Group Company

There are no common pursuits amongst our Company and the Group Company.

Litigation

As on date of this Draft Red Herring Prospectus, our Group Company are not party to any pending litigation which will have a material impact on our Company:

Utilisation of Offer Proceeds

There are no material existing or anticipated transactions with our Group Company in relation to utilisation of the Offer Proceeds.

Other confirmations

As on the date of this Draft Red Herring Prospectus, the securities of our Group Company are not listed on any stock exchange in India or abroad.

The registered office of our Group Company is situated at the Registered and Corporate Office of our Company. There is no conflict of interest between our Group Company or any of their respective directors and the lessors of immovable properties of our Company (who are crucial for the operations of our Company).

Except as disclosed in '*Restated Consolidated Financial Information –Related Party Transactions*' there are no conflict of interest between the Group Company or any of their directors and the lessors of immovable properties of our Company (who are crucial for the operations of our Company). There is no conflict of interest between the Group Company or any of their directors and the suppliers of raw materials and third party service providers of our Company (who are crucial for the operations of our Company).

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorized by our Board of Directors pursuant to the resolution passed at its meeting dated November 14, 2024, and by our Shareholders pursuant to a special resolution passed at their meeting dated November 26, 2024. Further, our Board has approved the size of the issue pursuant to its resolution dated November 14, 2024. This Draft Red Herring Prospectus has been approved by our Board pursuant to its resolution dated February 6, 2025.

Our Board of Directors has taken on record the approval for the Offer for Sale by the Promoter Selling Shareholders pursuant to the resolution passed at its meeting dated November 14, 2024. For further details, please see section titled '*The Offer*' on page 70.

Each of the Promoter Selling Shareholders have severally and not jointly confirmed and approved their participation in the Offer for Sale in relation to its portion of the Offered Shares, as set out below:

Sr. No.	Name of the Promoter Selling Shareholder	Date of Consent Letters	Maximum number of Offered Shares
1.	Mukesh R Kapadia	November 13, 2024	763,750 Equity Shares
2.	Umed Amarchand Fifadra	November 13, 2024	763,750 Equity Shares

In-Principle Listing Approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, members of our Promoter Group, and our Directors and persons in control of our Company are currently not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoters and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities. None of our Promoters or Directors have been declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

The Promoter Selling Shareholders, severally and not jointly, confirm that they are not prohibited from accessing the capital market 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.

Our Company, Promoters, Directors or Promoter Selling Shareholders have neither been declared as Wilful Defaulters nor Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI.

Other confirmations

There are no findings or observations from any of the inspections by SEBI or any other regulatory body in relation to our Company which are material and need to be disclosed, or non-disclosure of which may have a bearing on the investment decisions of Bidders, except as disclosed in this Draft Red Herring Prospectus.

There is no conflict of interest between the lessors of immovable properties of (who are crucial for the operations of our Company) and our Company, or any of our Promoters, Directors, members of Promoter Group, Key Managerial Personnel.

There is no conflict of interest between the suppliers of raw materials and third party service providers (who are crucial for the operations of our Company) and our Company, or any of our Promoters, Directors, members of Promoter Group, Key Managerial Personnel.

None of the Directors, or Promoters or individuals forming part of the Promoter Group of our Company is appearing in the list of directors of struck-off companies.

Spouses of the designated partners of Sowilo Capital Advisors LLP, one of the Book Running Lead Managers, hold 154,200 Equity Shares aggregating to 0.80% of the pre-Offer Equity Share capital of our Company, through Princely Multitrading LLP, an associate of Sowilo Capital Advisors LLP. The said spouses are the designated partners of Princely Multitrading LLP. Other than as disclosed herein, none of the investors of the Company are directly or indirectly related to the BRLMs or any of its associates.

There have been no inspections of our Company by SEBI or any other regulatory authority governing the operations of the Company.

No material clause of the Articles of Association, as set out in '*Description of Equity Shares and Main Provisions of the Articles of Association*' at page 419 having a bearing on the Offer or the disclosure in this Draft Red Herring Prospectus, has been left out.

Directors associated with the Securities Market

None of our Directors are in any manner, associated with securities market and there is no outstanding action initiated by SEBI against the Directors of our Company in the 5 years preceding the date of this Draft Red Herring Prospectus.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters, members of our Promoter Group, and the Promoter Selling Shareholders, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- Our Company has net tangible assets of at least ₹30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each), of which not more than 50% are held in monetary assets;

- Our Company has an average operating profit of at least ₹150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding 3 years;

- Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), calculated on a restated and consolidated basis; and

- Our Company has not changed its name in the last 1 year.

Our Company's pre-tax operating profits, net worth, restated net tangible assets and restated monetary assets derived from the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus as at, and for the last three financial years ended March 31, 2024, March 31, 2023, and March 31, 2022 are set forth below:

Derived from our Restated Consolidated Financial Information:

(in ₹ million)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Operating Profit, as restated (1)	229.69	169.95	178.86
Net Worth, as restated (2)	1,871.01	1,271.21	1,141.07
Net Tangible Assets, as restated (3)	1,835.05	1,236.25	1,111.33
Monetary Assets, as restated (4)	103.55	26.59	30.12
Monetary assets as a percentage of the net tangible assets (in %), as restated	5.64	2.15	2.71

(1) 'Operating Profit' is defined as restated profit before tax before finance costs but excluding other income.

(2) Net Worth represents the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation."

(3) 'Net Tangible Assets' means the sum of all net assets (arrived at by deducting non-current liabilities, current liabilities from total assets) of the Company, excluding intangible assets as defined in Indian Accounting Standard (Ind AS) 38 and deferred tax assets as defined in Ind AS 12 and excluding the impact of deferred tax liabilities as defined in Ind AS 12 issued by Institute of Chartered Accountants of India.

(4) 'Monetary Assets' is the aggregate of cash on hand, cash equivalents and balance with banks (including other bank balances and interest accrued thereon excluding balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments).

The average restated Operating Profit, of the Company for the preceding 3 fiscal is ₹ 197.35 million.

Our Company confirms that it is not ineligible to make the Offer in terms of Regulations 5 and 7(1) of the SEBI ICDR Regulations, to the extent applicable. The status of our compliance with Regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

(i) Our Company, the Promoters, members of the Promoter Group and our Directors are currently not debarred from accessing the capital markets by SEBI;

(ii) The companies with which our Promoters or our Directors are associated as promoter or director are not debarred from accessing the capital markets by SEBI;

(iii) Neither our Company, nor our Promoters nor our Directors have been identified as a wilful defaulter or a fraudulent borrower (as defined in the SEBI ICDR Regulations) by any bank or financial institution or consortium thereof in accordance with the RBI master direction dated July 01, 2016;

(iv) Neither our individual Promoters nor our Directors has been declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;

(v) There are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus;

(vi) Our Company, along with the Registrar to the Offer, has entered into tripartite agreements dated September 13, 2024 and September 13, 2024 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares;

(vii) The Equity Shares of our Company held by our Promoters are in dematerialised form;

(viii) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus;

(ix) There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance;

(x) Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively; and

(xi) Our Company has appointed [●] as the Designated Stock Exchange.

Our Company will ensure compliance with the conditions specified in Regulation 7(2) and 7(3) of the SEBI ICDR Regulations, to the extent applicable. Our Company shall not make an Allotment if the number or prospective allottees is less than 1,000 in accordance with Regulation 49(1) of the SEBI ICDR Regulations.

Each of the Promoter Selling Shareholders, severally and not jointly, confirms that the Offered Shares have been held by them in compliance with Regulation 8 of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BRLMs, INGA VENTURES PRIVATE LIMITED AND SOWILO CAPITAL ADVISORS LLP, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMs HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 6, 2025 IN ACCORDANCE WITH SEBI (MERCHANT BANKERS) REGULATIONS, 1992, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SEBI ICDR REGULATIONS.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLMs, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Offer will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company, our Promoters, our Directors and the BRLMs

Our Company, our Promoters, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, www.advancedsystek.com, or the respective websites of members of our Promoter Group, Group Companies or any affiliate of our Company, would be doing so at his or her own risk.

The BRLMs accepts no responsibility, save to the limited extent as provided in the Offer Agreement and the

Underwriting Agreement to be entered into.

All information shall be made available by our Company and the BRLMs to the Bidders and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, the BRLMs and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters, the BRLMs and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for our Company, our Promoters, members of the Promoter Group, and their respective directors and officers, Group Companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage in commercial banking and investment banking transactions with our Company, Directors, Promoters, officers, agents, Group Companies, or their respective affiliates or associates for which they have received, and may in future receive compensation.

Disclaimer from the Promoter Selling Shareholders

The Promoter Selling Shareholders accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website at www.advancedsystek.com, or the respective websites of our Promoter Group or any affiliate of our Company would be doing so at his or her own risk.

The Promoter Selling Shareholders accept no responsibility for any statements made in this Draft Red Herring Prospectus, other than those specifically made or confirmed by the Promoter Selling Shareholders in relation to themselves as a Promoter Selling Shareholder and their respective portion of the Offered Shares.

Bidders will be required to confirm and will be deemed to have represented to the Promoter Selling Shareholders and their representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. The Promoter Selling Shareholders and their representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

Disclaimer in respect of jurisdiction

Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, India only.

This Offer is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs and AIFs that they are eligible under all applicable laws and regulations to purchase the Equity Shares. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares issued hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

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 SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be issued, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. The delivery of this Draft Red Herring Prospectus, shall not, under any circumstances, create any implication that there has been no change in our affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Eligibility and Transfer Restrictions

The Equity Shares issued in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable laws in the United States, and unless so registered, may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in 'offshore transactions' as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such issue and sales are made.

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

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to the BSE. The disclaimer clause as intimated by BSE to our Company post scrutiny of this Draft Red Herring Prospectus shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Disclaimer clause of NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to the NSE. The disclaimer clause as intimated by NSE to our Company post scrutiny of this Draft Red Herring Prospectus shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Listing

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. [●] will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares being issued and sold in the Offer.

If the permissions to deal in the Equity Shares is not granted by both the Stock Exchanges, our Company will forthwith repay, without interest, all monies received from the Bidders in pursuance of the Red Herring Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within 3 Working Days of the Bid/Offer Closing Date. If our Company does not allot Equity Shares pursuant to the Offer within 3 Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

The Promoter Selling Shareholders undertake to provide such reasonable assistance as may be requested by our Company, to the extent such assistance is required from the Promoter Selling Shareholders in relation to the Offered Shares to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within such time prescribed by SEBI.

Consents

Consents in writing of: (a) Promoter Selling Shareholders, our Directors, our Promoters, our Company Secretary and Compliance Officer, Chief Financial Officer, Banker(s) to the Company, legal counsel appointed for the Offer, CARE, the BRLMs, the Registrar to the Offer, Statutory Auditor, Chartered Engineer, Independent Architect, Practicing Company Secretary in their respective capacities, have been obtained; (b) Monitoring Agency; the Syndicate Members, the Banker(s) to the Offer / Escrow Collection Bank(s)/ Refund Bank(s), Sponsor Bank, to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act, and such consents, which have been obtained, have not been withdrawn as of the date of this Draft Red Herring Prospectus.

Expert opinion

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

Our Company has received written consent dated February 6, 2025 from our Statutory Auditors namely, CNK & Associates LLP, Chartered Accountants holding a valid peer review certificate from ICAI to include their name as ‘expert’ as required under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their examination report, dated February 6, 2025 on our Restated Consolidated Financial Information; and the statement of special tax benefits dated February 6, 2025 included in this Draft Red Herring Prospectus, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term ‘expert’ shall not be construed to mean an ‘expert’ as defined under U.S. Securities Act.

Our Company has received written consent dated February 3, 2025 from Rameshchandra V Vaghela, Chartered Engineer to include their name as an ‘expert’ as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as Chartered Engineer and in respect of the certificate dated February 3, 2025 issued by them in connection with *inter alia* capacity utilisation and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term ‘expert’ shall not be construed to mean an ‘expert’ as defined under U.S. Securities Act.

Our Company has received written consent dated February 4, 2025 from Vijay Bhatt & Co., practicing Company Secretary, to include its name as an ‘expert’ as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as practicing Company Secretary and in respect of the certificate dated February 4, 2025 issued by it in connection with the *inter alia.* due diligence of corporate and statutory records of the Company and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term ‘expert’ shall not be construed to mean an ‘expert’ as defined under U.S. Securities Act.

Our Company has received written consent dated January 28, 2025 from M/s 3 Korners, Independent Architect to include its name as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as Independent Architect and in respect of the certificate dated January 28, 2025 issued by them in connection with *inter alia* the proposed Capital Expenditure for setting up of fabrication shed for which part of the Net Proceeds will be utilised and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

Particulars regarding public or rights issues undertaken by our Company during the last 5 years

Our Company has not made any public issue or rights issue during the last 5 years immediately preceding the date of this Draft Red Herring Prospectus.

Particulars regarding capital issues by our Company and listed subsidiaries group companies, or associate entity during the last 3 years

Other than as disclosed in '*Capital Structure*' on page 89, our Company has not made any capital issues during the 3 years preceding the date of this Draft Red Herring Prospectus.

The securities of our Subsidiary, Group Company or Associate Company are not listed on any stock exchange. as on the date of this Draft Red Herring Prospectus.

Commission and brokerage paid on previous issues of Equity Shares in the last 5 years

Since this is the initial public issue of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the 5 years preceding the date of this Draft Red Herring Prospectus.

Performance *vis-à-vis* objects – Public/ rights issue of our Company

Our Company has not made any public issue or rights issue in the 5 years immediately preceding the date of this Draft Red Herring Prospectus.

Performance *vis- à-vis* objects: Public/ rights issue of the listed subsidiaries and listed promoters

As of the date of this Draft Red Herring Prospectus, our Company does not have a listed subsidiary or listed corporate promoters.

Price information of past issues handled by the BRLMs

A. Inga Ventures Private Limited

Price information of past issues handled by Inga Ventures Private Limited (during the current Fiscal and two Fiscals preceding the current Fiscal):

Sr. No.	Offer Name	Offer Size (₹ million)	Offer Price (₹)	Listing Date	Opening Price on listing date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Divgi TorqTransfer Systems Limited	4,121.20	590.00	March 14, 2023	600.00	+9.24% [+4.30%]	+36.15% [+8.16%]	+63.55% [+15.02%]
2.	Krystal Integrated Services Limited	3,001.30	715.00	March 21, 2024	795.00	+11.83% [+0.62%]	+1.77% [+6.42%]	+12.61%[+14.24%]
3.	Transrail Lighting Limited	8389.12	432.00	December 27, 2024	585.15	-4.39%[-3.19%]	-	-

Source: www.bseindia.com
Notes:
a. S&P BSE SENSEX is considered as the Benchmark Index as the BSE being Designated Stock Exchange.
b. In case 30th/90th/180th day is not a trading day, closing price of the previous trading day has been considered

Summary statement of price information of past public issues handled by Inga Ventures Private Limited:

Financial Year	Total no. of IPOs	Total funds raised (₹ million)	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as 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%
2024-25	1	8,389.12	-	-	1	-	-	-	-	-	-	-	-	-
2023-24	1	3,001.30						1						1
2022-23	1	4,121.20						1				1		

B. Sowilo Capital Advisors LLP

Price information of past issues handled by Sowilo Capital Advisors LLP (during the current Fiscal and two Fiscals preceding the current Fiscal):

Sr. No.	Offer Name	Offer Size (₹ million)	Offer Price (₹)	Listing Date	Opening Price on listing date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Summary statement of price information of past public issues handled by Sowilo Capital Advisors LLP:

Nil

Website track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in Circular reference bearing number CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the websites of the BRLMs as set forth in the table below:

Sr No.	Name of the BRLM	Website
1.	Inga Ventures Private Limited	www.ingaventures.com
2.	Sowilo Capital Advisors LLP	www.sowilocapital.co.in

Stock market data of the Equity Shares

As the Offer is the initial public offering of the Equity Shares, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for redressal of Investor Grievances

SEBI, by way of its Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism, *inter alia,* in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures. Per the Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including: (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) hosting of a web portal by the Sponsor Banks containing statistical details of mandate blocks/unblocks; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for non-allotted/partially allotted applications is completed by the closing hours of 1 Working Day subsequent to the finalisation of the Basis of Allotment.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (to the extent applicable).

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a minimum period of 8 years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances, other than by Anchor Investors, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary, where the Bid cum Application Form was submitted, quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number (for Bidders other than UPI Bidders bidding through the UPI mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of UPI Bidders applying through the UPI mechanism in which the amount equivalent to the Bid Amount is blocked. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the BRLMs shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

In terms of SEBI ICDR Master Circular and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. The following compensation mechanism has become applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted / partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalization of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the post- Offer BRLM shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock. Further, in accordance with circulars prescribed by SEBI, from time to time, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the Book Running Lead Managers, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

In terms of the SEBI ICDR Master Circular, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs with whom the Bid cum Application Form was submitted by the Anchor Investor. All grievances relating to Bids submitted with the Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

For helpline details of the Book Running Lead Managers pursuant to the SEBI Master Circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 (to the extent applicable), see '*General Information - Book Running Lead Managers*' on page 81.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Book Running Lead Managers and the

Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the SEBI ICDR Regulations. Bidders can contact our Company Secretary and Compliance officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLMs or the Registrar to the Offer, in the manner provided below.

Disposal of investor grievances by our Company

Our Company will obtain authentication on the SCORES and will comply with the SEBI Circular no. SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023 (to the extent applicable) and any amendment thereto, in relation to redressal of investor grievances through SCORES prior to filing the Red Herring Prospectus.

Our Company has not received any investor grievances in the last 3 Fiscals prior to the filing of this Draft Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of filing of this Draft Red Herring Prospectus. Our Company estimates that the average time required by our Company and/or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Sheth Hima Kaushik, as our Company Secretary and Compliance Officer and she may be contacted in case of any pre-Offer or post-Offer related problems at the following address:

299-300, Makarpura GIDC,
Makarpura, Vadodara-390010,
Gujarat, India.
Telephone: +91 265 6190375/00
E-mail: compliance@advancedsystek.com

For further information, see '*General Information-Company Secretary and Compliance Officer*' on page 80.

Further, our Board has also constituted the Stakeholders' Relationship Committee comprising of Sharma Deepti as Chairperson, and Sunil C Vakil, Hemant Vithaldas Udeshi, Umed Amarchand Fifadra, Shirish Madhukar Adi, and Mukesh R Kapadia as members, to review and redress shareholder and investor grievances. For further information, see '*Our Management – Stakeholders' Relationship Committee'* on page 244.

Disposal of investor grievances by listed Group Companies and Subsidiaries

As on the date of this Draft Red Herring Prospectus, our Subsidiary and Group Company are not listed on any stock exchange.

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

Our Company has not applied to SEBI for any exemption from complying with any provisions of the securities laws as on the date of this DRHP.

SECTION VIII: OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares offered, allotted and transferred in the Offer will be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRA, the SCRR, the Memorandum of Association, the Articles of Association, the SEBI Listing Regulations, the terms of the Red Herring Prospectus and the Prospectus, the Bid-cum-Application Form, the Revision Form, the CAN, the Abridged Prospectus and other terms and conditions as maybe incorporated in the Allotment Advice and other documents and certificates that may be executed in respect of the Offer. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating the issue of capital and listing and trading of securities, issued from time to time, by the SEBI, GoI, Stock Exchanges, the RoC, the RBI and /or other authorities to the extent applicable or such other conditions as may be prescribed by such governmental and /or regulatory authority while granting approval for the Offer.

The Offer

The Offer comprises a Fresh Issue and an Offer for Sale by our Company and the Promoter Selling Shareholders. For details in relation to the sharing of Offer expenses between our Company and the Promoter Selling Shareholders, please see section titled '*Objects of the Offer*' on page 114.

Ranking of the Equity Shares

The Equity Shares being offered, Allotted and transferred in the Offer will be subject to the provisions of the Companies Act 2013, the Memorandum of Association, the Articles of Association, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA and SCRR and will rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of dividends and other corporate benefits, if any, declared by our Company. The Allottees upon Allotment of Equity Shares under the Offer will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For more information, see '*Description of Equity Shares and Main Provisions of the Articles of Association*' on page 419.

Mode of Payment of Dividend

Our Company will pay dividend, if declared, to our equity shareholders, as per the provisions of the Companies Act 2013, the SEBI Listing Regulations, the Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the GoI in this respect. Any dividends declared after the date of Allotment in this Offer will be received by the Allottees, for the entire year, in accordance with applicable law. For more information, see '*Dividend Policy*' and '*Description of Equity Shares and Main Provisions of the Articles of Association*' on pages 257 and 419, respectively.

Face Value, Price Band and Offer Price

The face value of each Equity Share is ₹ 10, and the Offer Price is ₹ [●] per Equity Share. At any given point of time there will be only 1 denomination for the Equity Shares. The Floor Price of the Equity Shares is ₹ [●] and the Cap Price of the Equity Shares is ₹ [●] per Equity Share, being the Price Band. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size in the Offer will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs and shall be published at least 2 Working Days prior to the Bid/ Offer Opening Date, advertised in all editions of the [●], an English language national daily with wide circulation and all editions of [●], a Hindi language national daily with wide circulation, and [●] edition of [●] a Gujarati language daily newspaper (Gujarati being the regional language of Gujarat where our Registered Office is located), at least 2 Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid cum Application Forms available at the website of the Stock Exchanges. The Offer Price shall be determined by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosures 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 our Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- 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 or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations, subject to foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, SEBI Listing Regulations, our Memorandum of Association and the Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see '*Description of Equity Shares and Main Provisions of Articles of Association'* on page 419.

Joint Holders

Subject to the provisions contained in the Articles of Association of our Company, where 2 or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Allotment only in dematerialised form

Pursuant to Section 29 of the Companies Act, and, the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. Hence, the Equity Shares offered through the Red Herring Prospectus can be applied for in the dematerialised form only. In this context, the following agreements have been signed among our Company, the respective Depositories, and the Registrar to the Offer:

- Tripartite Agreement dated September 13, 2024 between NSDL, our Company and Registrar to the Offer; and
- Tripartite Agreement dated September 13, 2024 between CDSL, our Company and Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is 1 Equity Share. Allotment in this Offer will be only in electronic form in multiples of 1 Equity Share subject to a minimum Allotment of [●] Equity Shares. For the method of Basis of Allotment, see '*Offer Procedure*' on page 396.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in Mumbai, India.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, and rules framed thereunder read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the Sole Bidder, or the First Bidder along with other joint Bidders, may nominate any 1 person in whom, in the event of the death of Sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form. A buyer will be entitled to make a fresh nomination/ cancel 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, 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, our Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized form, there is no requirement to make a separate nomination with our Company. Nominations registered with respective depository participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective depository participant.

Bid/Offer Programme

BID/ OFFER OPENS ON*	[●]
BID/ OFFER CLOSES ON	[●]**^

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

***Our Company, in consultation with the BRLMs, considers closing the Bid/Offer Period for QIBs 1 Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

^*UPI mandate end time and date shall be at 5:00 pm on Bid/ Offer Closing Date.*

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

Event	Indicative Date
Bid/ Offer Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account*	On or about [●]
Credit of the Equity Shares to depository accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

**In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding 2 Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated for causing such delay in unblocking in accordance with applicable law. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, investors shall be entitled to compensation in the manner specified in the SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) in case of delays in resolving investor grievances in relation to blocking/unblocking of fund and the provisions shall also be deemed to be incorporated in* *the deemed agreement of the Company with the SCSBs to the extent applicable. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (to the extent applicable) and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 shall be deemed to be incorporated in the agreements to be entered into by and between the Company, the Promoter Selling Shareholders and the relevant intermediaries, to the extent applicable.*

The above timetable is indicative and does not constitute any obligation on our Company or the Promoter Selling Shareholders or the BRLMs.

While 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 Exchanges are taken within 3 Working Days of the Bid/ Offer Closing Date or such period as may be prescribed, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

The Offer Procedure is subject to change based on any revised SEBI circulars that are issued or are effective or become applicable, after filing of this Draft Red Herring Prospectus.

Submission of Bids (other than Bids from Anchor Investors):

Bid/ Offer Period (except the Bid/ Offer Closing Date)	
Submission and revision in Bids	Only between 10.00 a.m. and 5.00 p.m. IST
Bid/ Offer Closing Date*	
Submission of electronic applications (Online ASBA through 3-in-1 accounts) - For Retail Individual Bidders and Eligible Employees	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of electronic applications (Bank ASBA through Online channels like internet banking, mobile banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹0.50 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of electronic applications (Syndicate non-retail, non-individual applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of physical applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of physical applications (Syndicate non-retail, non-individual applications where Bid Amount is more than ₹0.50 million	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ revision/cancellation of Bids	
Upward revision of Bids by QIBs and Non-Institutional Bidders categories#	Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid/ Offer Closing Date

* *UPI mandate end time and date shall be at 5:00 pm on Bid/ Offer Closing Date*.
\# *QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.*

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

a) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

b) Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders.

On Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/ Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the RTA on a daily basis.

It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Due to limitation of the time available for uploading the Bids on the Bid/Offer Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/ Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under the Offer. Bids and any revision in Bids will only be accepted on Working Days. Bidders may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. Neither our Company, nor any member of the Syndicate is liable for any failure in uploading or downloading the Bids due to faults in any software / hardware system or otherwise.

Our Company, with the BRLMs, reserves the right to revise the Price Band during the Bid/ Offer Period. The revision in the Price Band shall not exceed 20% on either side, i.e., the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly, provide that the cap of the Price Band shall be at least 105% of the Floor Price. Floor Price shall not be less than the face value of the Equity Shares.

In case of revision in the Price Band, the Bid/ Offer Period shall be extended for at least 3 additional Working Days after such revision, subject to the Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of 1 Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable.

Withdrawal of the Offer

Our Offer shall be withdrawn in the event that 90% of the Fresh Issue portion of the Offer is not subscribed. Our Company in consultation with the BRLMs, reserve the right not to proceed with the Offer at any time after the Bid/Offer Closing Date but before Allotment. In such an event, our Company will issue a public notice within two days from the Bid/ Offer Closing Date or such time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, will instruct the SCSBs or the Sponsor Banks, as the case may be, to unblock the bank accounts of the ASBA Bidders and the Escrow Collection Bank within one Working Day from the day of receipt of such instruction and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company withdraws the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a public offering of Equity Shares, our Company will file a fresh draft red herring prospectus with SEBI and the Stock Exchanges.

Notwithstanding the foregoing, the Offer is also subject (i) to obtaining the final listing and trading approvals of the Stock Exchanges, and (ii) filing of the Prospectus with ROC which our Company will apply for only after Allotment and within 2 Working Days of the Bid/ Offer Closing Date or such other time period as prescribed under applicable law.

Minimum Subscription

In case our Company does not receive the minimum subscription of 90% of the fresh Offer portion through Offer Document on the date of closure of the Offer; or withdrawal of applications; or after technical rejections; or if the listing or trading permission is not obtained from the stock exchanges for the securities so issued under the issue document, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable. If there is a delay beyond the prescribed time, our Company, and every Director of our Company, who are officers in default, shall pay interest at the rate of 15% per annum.

Further, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 49(1) of the SEBI ICDR Regulations failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

In the event of achieving aforesaid minimum subscription, however, there is under-subscription in achieving the total Offer size, the Equity Shares will be Allotted in the following order:

a) such number of equity shares will be first Allotted by our Company such that 90% of the Offer portion is subscribed; and

b) once Equity Shares have been allotted as per (a), such number of Equity Shares will be allotted by our Company towards the balance 10% of the Offer portion.

Arrangement for Disposal of Odd Lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be 1 Equity Share, no arrangements for disposal of odd lots are required.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Restrictions on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Offer capital of our Company, minimum Promoter's contribution and the Anchor Investor lock-in and except as provided in the Articles of Association, there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on transmission of shares / debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, see '*Description of Equity Shares and Main Provisions of the Articles of Association*' on page 419.

Option to receive Equity Shares in Dematerialised Form

Pursuant to Section 29 of the Companies Act, Allotment of Equity Shares to successful Bidders will only be in the dematerialised form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialised segment of the Stock Exchanges

Authority for the Offer

The Offer has been authorised by our Shareholders pursuant to a special resolution dated November 26, 2024 and a resolution of our Board dated November 14, 2024. Further, our Board has approved the size of the Offer pursuant to its resolution dated November 14, 2024. This Draft Red Herring Prospectus has been approved by our Board pursuant to its resolution dated February 6, 2025.

OFFER STRUCTURE

The Offer is of up to [●] Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ 1,150.00 million, comprising of Fresh Issue of [●] Equity Shares aggregating up to ₹ [●] by our Company and an Offer for Sale of up to 1,527,500 Equity Shares aggregating up to ₹ [●] million by our Promoter Selling Shareholders. The Offer is being made through the Book Building Process.

The Offer shall constitute [●]% of the post-Offer paid-up Equity Share capital of our Company.

The face value of Equity Shares is ₹ 10 each.

Particulars	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/allocation*(2)	Not more than [●] Equity Shares.	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders(s)	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer size available for Allotment/allocation	Not more than 50% of the Offer shall be available for allocation to QIBs. However, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs.	Not less than 15% of the Offer or the Net Offer less allocation to QIB Bidders and Retail Individual Bidder(s) will be available for allocation, out of which: i. one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and ii. two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹ 1.00 million. Provided that the unsubscribed portion in either of the sub-categories specified above may be allocated to applicants in the other sub-category of Non-Institutional Bidders	Not less than 35% of the Offer or Offer less allocation to QIBs and Non-Institutional Bidders will be available for allocation
Basis of Allotment/allocation if respective category oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion):	The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional	Allotment to each Retail Individual Bidder shall not be less than the

Particulars	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders
	(a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to 60% of the QIB Portion (of up to [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.	Category shall be subject to the following: (a) One-third of the Non-Institutional Category will be available for allocation to Bidders with a Bid size of more than ₹ 0.2 million and up to ₹ 1 million; and (b) Two-thirds of the Non-Institutional Category will be available for allocation to Bidders with a Bid size of more than ₹ 1 million. The unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors The allotment of specified securities to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability in the Non-Institutional Category, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified this regard in Schedule XII of the SEBI ICDR Regulations. For details, see "*Offer Procedure*" on page 396.	minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis. For details, see *'Offer Procedure'* on page 396.
Mode of Bid^	Only through the ASBA process (excluding the UPI Mechanism) except for Anchor Investors	Only through the ASBA process (including UPI Mechanism for Bids up to ₹ 0.50 million)	Only through the ASBA process (including the UPI Mechanism)
Minimum Bid	[●] Equity Shares and in multiples of [●] Equity Shares thereafter so that the Bid Amount exceeds ₹ 0.20 million.	Such number of Equity Shares and in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 0.20 million.	[●] Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the Offer Size	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the Offer Size	Such number of Equity Shares in multiples of [●] Equity Shares so

Particulars	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders
	(excluding the Anchor Investor Portion), subject to applicable limits under applicable law.	(excluding the QIB Portion), subject to applicable limits under applicable law.	that the Bid Amount does not exceed ₹ 0.20 million.
Mode of allotment	Compulsorily in dematerialised form.		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.		
Allotment Lot	A Minimum of [●] Equity Shares and in multiples of 1 Equity Share thereafter.		
Trading Lot	1 Equity Share		
Who can apply[3]	Public financial institutions as specified in Section 2(72) of the Companies Act, scheduled commercial banks, mutual funds registered with SEBI, Eligible FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, state industrial development corporation, multilateral and bilateral development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹ 250.00 million, pension fund with minimum corpus of ₹ 250.00 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013 in accordance with applicable law and National Investment Fund set up by the Government, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and systemically important non-banking financial companies	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, trusts and FPIs who are individuals, corporate bodies and family offices which are recategorized as category II FPIs and registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta) applying for Equity Shares such that the Bid amount does not exceed ₹ 0.20 million in value.
Terms of Payment	**In case of Anchor Investors:** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids.[4][5] **In case of all other Bidders**: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidders (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism (for UPI Bidders) that is specified in the ASBA Form at the time of submission of the ASBA Form.		

* *Assuming full subscription of the Offer.*

^SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, the Stock Exchanges shall, for all categories of investors viz. QIBs, Non-Institutional and Retail Individual Investors, and also for all modes through which the applications are processed, accept the ASBA applications in the electronic book building platform only with a mandatory confirmation on the application monies blocked.

(1) *Our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹50 million per Anchor Investor, and (iii) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof will be permitted, subject to minimum allotment of ₹50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹100 million. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors, which price shall be determined by our Company in consultation with the BRLMs in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being made to other Anchor Investors. For further details, see 'Offer Procedure' on page 396.*
(2) *Subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be Allotted on a proportionate basis to QIBs. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders, out of which one-third of the Non- Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 1.00 million, and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.*
(3) *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see 'Terms of the Offer' on page 386.*
(4) *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.*
(5) *Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Offer Price, shall be payable by the Anchor Investor pay-in date as mentioned in the CAN.*

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For details, see '*Terms of the Offer*' on page 386.

Bids by FPIs with certain structures as described under '*Offer Procedure - Bids by FPIs*' on page 404 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Note: Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Share.

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (**General Information Document**) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

Additionally, Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Offer; (vi) 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) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

*SEBI through the UPI Circulars no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 has introduced an alternate payment mechanism using Unified Payments Interface (**UPI**) and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism in addition to ASBA for applications by UPI Bidders through intermediaries from January 1, 2019. The UPI Mechanism for UPI Bidders applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days (**UPI Phase I**).*

*With effect from July 1, 2019, SEBI vide its Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with Circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 for applications by UPI Bidders through Designated Intermediaries (other than SCSBs), as superseded by SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), 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 was mandated for a period of three months or launch of five main board public issues, whichever is later (**UPI Phase II**). Subsequently, however, SEBI vide its Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, as superseded by SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023, extended the timeline for implementation of UPI Phase II till further notice. However, given the uncertainty due to the COVID19 pandemic, SEBI vide its Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, as superseded by SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), SEBI decided to continue with the UPI Phase II till further notice. Thereafter, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days (i.e., the time duration from public issue closure to listing of be 3 Working Days) has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 (**UPI Phase III**). The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any further circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This Circular is applicable for initial public offers opening on or after May 1, 2021 except as amended pursuant to SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), and the provisions of this Circular, are deemed to form part of this Draft Red Herring Prospectus. Furthermore, pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹5,00,000 shall use the UPI Mechanism.*

*The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (**SCSBs**) only after such banks provide a written confirmation on compliance SEBI Circular no.*

SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable).

In terms of Regulation 23(5) and Regulation 52 of the SEBI ICDR Regulations, the timelines and processes mentioned in the SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

Our Company and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

Book Building Procedure

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI ICDR Regulations, in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. Further, in the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors out of which (a) 1/3rd of such portion shall be reserved for applicants with application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and (b) 2/3rd of such portion shall be reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except in the QIB Portion would be allowed to be met with spill over from any other category or combination of categories, at the discretion of our Company and the Promoter Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange subject to applicable laws. Under-subscription, if any, in the QIB Portion, will not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including the DP ID and the Client ID and the PAN and UPI ID (for UPI Bidders Bidding through the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press releases dated June 25, 2021, September 17, 2021, March 30, 2022, and March 28, 2023.

Phased implementation of UPI

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by UPI Bidders through intermediaries with the objective to reduce the time duration from public issue closure to listing from 6 Working Days to up to 3 Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced and implemented the UPI payment mechanism in 3 phases in the following manner:

a) **Phase I**: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of 5 main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended until June 30, 2019. Under this phase, an RII also had the option to submit the ASBA Form with any of the intermediary 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 6 Working Days.

b) **Phase II**: This phase has become applicable from July 1, 2019. SEBI through its Circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 (SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 ((to the extent applicable))) decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Further, SEBI through its Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (as superseded by SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable)) decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the physical ASBA Form by an RII through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be 6 Working Days during this phase.

c) **Phase III**: Pursuant to SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days (i.e., the time duration from public issue closure to listing of be 3 Working Days) has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 (**T+3 Circular**). The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Circular as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

   Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the applicable law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post-Offer BRLMs will be required to compensate the concerned investor.

   Our Company will appoint one or more of the SCSBs as a Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

   Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The Offer will be made under UPI Phase III of the UPI Circular.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders using the UPI.

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders applying in public issues where the application amount is up to ₹ 0.50 million shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

i. a Syndicate Member;

ii. a stockbroker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);

iii. a Depository Participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);

iv. a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered Office. An electronic copy of the ASBA Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least 1 day prior to the Bid/Offer Opening Date.

For Anchor Investors, the Anchor Investor the Bid cum Application Form will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. UPI Bidders shall Bid in the Offer through the UPI Mechanism. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

All ASBA Bidders must provide either (i) bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form; or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form and the ASBA Form that does not contain such details are liable to be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection.

Retail Individual Investors submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) shall be required to Bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bids submitted by Retail Individual Investors with any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. UPI Bidders using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

For all IPOs opening on or after September 1, 2022, as specified in SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, all the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor’s bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular shall be applicable for all categories of investors viz. QIBs, Non-Institutional Investors and Retain Individual Investors, and also for all modes through which the applications are processed.

Since the Offer is made under Phase III, ASBA Bidders may submit the ASBA form in the manner below:

a. RIBs (other than the UPI Bidders using the UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

b. UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

c. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	[●]
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions	[●]
Anchor Investors	[●]

* *Excluding electronic Bid cum Application Forms*

Notes:

(1) Electronic Bid cum Application forms will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).

(2) Bid cum Application Forms for Anchor Investors will be made available at the offices of the BRLMs.

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

The Equity Shares issued in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable laws in the United States, and unless so registered, may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in 'offshore transactions' as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such issue and sales are made.

In case of ASBA Forms, Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchanges.

Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders Bidding using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s). Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

Subsequently, for ASBA Forms (other than UPI Bidders using UPI Mechanism), Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank shall initiate a request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank and the issuer bank. The Sponsor Bank and the Bankers to the Offer shall provide the audit trail to the BRLMs for analysing the same and fixing liability.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on a daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank on a continuous basis.

In accordance with BSE Circular no: 20220803-40 and NSE Circular no: 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Banks shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5.00 p.m. on the Bid/Offer Closing Date (**Cut-Off Time**). Accordingly, UPI Bidders Bidding using the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. For ensuring timely information to investors, SCSBs shall send alerts as specified in SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable).

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation on compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable).

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

ELECTRONIC REGISTRATION OF BIDS

1. The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.

2. On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as will be disclosed in the Red Herring Prospectus.

3. Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5:00 pm on the Bid/ Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Participation by the Promoter, the members of our Promoter Group, the BRLMs, associates and affiliates of the BRLMs and the Syndicate Members and the persons related to the Promoters, the members of our Promoter Group, BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Portion 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 respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except for Mutual Funds, AIFs or FPIs other than individuals, corporate bodies and family offices which are associates of the BRLMs or pension funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs, neither the BRLMs nor its respective associates can apply in the Offer under the Anchor Investor Portion.

Further, an Anchor Investor shall be deemed to be an 'associate of the Lead Manager' if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

Further, the Promoters and the members of our Promoter Group shall not participate by applying for Equity Shares in the Offer, except in accordance with the applicable law. Furthermore, persons related to the Promoters and the members of our Promoter Group shall not apply in the Offer under the Anchor Investor Portion. It is clarified that a qualified institutional buyer who has rights under a shareholders' agreement or voting agreement entered into with any of the Promoters or the members of our Promoter Group of our Company, veto rights or a right to appoint any nominee director on our Board, shall be deemed to be a person related to the Promoters or the members of our Promoter Group of our Company.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations and in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below:

1. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100 million.

3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

4. Bidding for Anchor Investors will open 1 Working Day before the Bid/Offer Opening Date, i.e., the Anchor Investor Bidding Date, and will be completed on the same day.

5. Our Company, in consultation with the BRLMs, may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

    a. maximum of 2 Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million;

    b. minimum of 2 and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and

    c. in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of 5 such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.

6. Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchange.

7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

8. If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Allocation Price shall still be the Anchor Investor Offer.

9. 50% Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment and the remaining 50% of the Equity Shares shall be locked-in for a period of 90 days from the date of Allotment.

10. Neither the BRLMs or any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies or family offices which are associate of the BRLMs or pension funds sponsored by entities which are associates of the BRLMs nor any 'person related to the Promoters or the members of our Promoter Group' shall apply in the Offer under the Anchor Investor Portion.

11. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

12. For more information, see the General Information Document.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company, in consultation with BRLMs reserve the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds, exchange traded fund sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs Bidding on a repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders bidding through the UPI Mechanism) to block their Non-Resident External Accounts (**NRE Account**), or Foreign Currency Non-Resident Accounts (**FCNR Account**), and Eligible NRIs bidding on a non-repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders bidding through the UPI Mechanism) to block their Non-Resident Ordinary (**NRO**) accounts for the full Bid amount, at the time of submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA Regulations.

Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/NRO accounts. Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

For details of restrictions on investment by NRIs, see '*Restrictions on Foreign Ownership of Indian Securities*' on page 417.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs should be made 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/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 will be considered at par with Bids from individuals.

Bids by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI or an investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control) shall be below 10% of our post-Offer Equity Share capital on a fully diluted basis. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be reclassified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for Offer procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

1. such offshore derivative instruments are issued only by persons registered as Category I FPIs;
2. such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;
3. such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and
4. such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (1) to (4)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager (MIM Structure) structure;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager.
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned 7 structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected.

For details of investment by FPIs, see '*Restrictions on Foreign Ownership of Indian Securities*' on page 417. Participation of FPIs in the Offer shall be subject to the FEMA Rules.

Bids by SEBI registered Alternative Investment Funds, Venture Capital Funds and Foreign Venture Capital Investors

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, (**SEBI AIF Regulations**) prescribe, amongst others, the investment restrictions on AIFs. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations, *inter alia* prescribe the investment restrictions on FVCIs registered with SEBI.

The holding in any company by any individual VCF registered with SEBI should not exceed 25% of the corpus of the VCF. Further, FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings. Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company. However, large value funds for accredited investors of Category I AIFs and Category II AIFs may invest up to 50% of the investible funds in an investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. However, large value funds for accredited investors of Category III AIFs may invest up to 20% of the investible funds in an investee company. Participation of VCFs, AIFs or FVCIs in the Offer shall be subject to the FEMA Rules, amended from time to time.

All Non-Resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (**Banking Regulation Act**), and Master Direction - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if: (a) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt, or to protect the bank's interest on loans/investments made to a company, provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause (b)) within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended. Bids by banking Companies should not exceed the investment limits prescribed for them under the applicable laws.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars dated September 13, 2012 and January 2, 2013 issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, the Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under Regulation 9 the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 **(IRDA Investment Regulations**), and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Systemically Important Non-Banking Financial Companies

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, in consultation with BRLMs, reserve the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million, 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, in consultation with BRLMs reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company in consultation with the BRLMs, may deem fit.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserve the right to reject any Bid, without assigning any reason thereof.

The above information is given for the benefit of the Bidders. Our Company and the BRLMs is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus, when filed. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation and as specified in the Red Herring Prospectus, when filed.

In accordance with RBI regulations, OCBs cannot participate in the Offer.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of 3 Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLMs is cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, all editions of the [●], an English language national daily with wide circulation, all editions of [●], a Hindi language national daily with wide circulation, and [●] edition of [●] a Gujarati language daily newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is located). Our Company shall, in the pre-Offer advertisement state the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company intends to enter into an Underwriting Agreement with the Underwriters on or after the determination of the Offer Price, but prior to the filing of the Prospectus. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer Size and underwriting arrangements and would be complete in all material respects.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise or withdraw their Bid(s) until the Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

<u>Do's:</u>

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. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not a UPI Bidder bidding using the UPI Mechanism in the Bid cum Application Form and if you are a UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle) in the Bid cum Application Form;

5. UPI Bidders bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;

6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate, Sub-Syndicate members, Registered Brokers, RTA or CDP;

7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries. Ensure that you use only your own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism) to make an application in the Offer;

8. If the first Bidder is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number in the Bid cum Application Form (for all Bidders other than UPI Bidders bidding using the UPI Mechanism);

9. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

10. Ensure that you request for and receive a stamped acknowledgement counterfoil or acknowledgment specifying the application number as a proof of having accepted Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;

12. UPI Bidders bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

13. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the link available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for SCSBs and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 for mobile applications or at such other websites as may be prescribed by SEBI from time to time;

14. UPI Bidders who wish to Bid using the UPI Mechanism should submit their Bids with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the Bid Amount in the UPI Bidder's ASBA Account;

15. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

16. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 5:00 p.m. of the Working Day immediately after the Bid/Offer Closing Date;

17. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

18. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/Dop/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular no. MRD/DoP/SE/Cir- 8 /2006 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;

19. Bidders should ensure that their PAN is linked with their Aadhaar and that they are in compliance with the notification dated February 13, 2020, issued by the Central Board of Direct Taxes and the subsequent press releases, including press releases dated June 25, 2021 and September 17, 2021;

20. Ensure that the Demographic Details are updated, true and correct in all respects;

21. 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;

22. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

23. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;

24. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;

25. Ensure that Bids above ₹ 5,00,000 submitted by ASBA Bidders are uploaded only by the SCSBs;

26. Since the Allotment will be in demat form only, ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;

27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

28. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, a UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form; and

29. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in).

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid for a Bid Amount exceeding ₹ 0.2 million (for Bids by Retail Individual Bidders);

3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, 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 Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

7. Do not submit the Bid for an amount more than funds available in your ASBA account;

8. 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 a Bidder;

9. If you are a UPI Bidder using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID;

10. Anchor Investors should not Bid through the ASBA process;

11. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

12. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

13. Do not submit the General Index Register (GIR) number instead of the PAN;

14. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

15. 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;

16. 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);

17. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;

18. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

19. Do not Bid on another Bid cum Application Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

20. Do not Bid for more Equity Shares than what is specified by respective Stock Exchange for each category;

21. If you are a QIB or Non-Institutional Bidder, do not submit your Bid after 3 p.m. on the Offer Closing Date;

22. Do not submit your Bid after 5.00 pm on the Bid/Offer Closing Date;

23. In case of ASBA Bidders (other than 3-in-1 Bids), the Syndicate Members shall ensure that they do not upload any Bids above ₹ 0.5 million;

24. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;

25. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIB may revise or withdraw their Bids on or before the Bid/Offer Closing Date;

26. Do not submit Bids to a Designated Intermediary at a location other than Specified Locations. If you are a UPI Bidder using UPI Mechanism, do not submit the ASBA Form directly with SCSBs;

27. If you are a UPI Bidder which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID;

28. Do not Bid if you are an OCB;

29. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/ or mobile applications which is not mentioned in the list provided on the SEBI website are liable to be rejected;

30. Do not submit the Bid cum Application Forms to any non-SCSB bank; and

31. Do not submit a Bid cum Application Form with third party ASBA Bank Account or UPI ID (in case of Bids submitted by UPI Bidders using the UPI Mechanism).

For helpline details of the Book Running Lead Managers pursuant to the SEBI Master Circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 (to the extent applicable), see '*General Information - Book Running Lead Managers*' on page 81.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

In case of any pre-Offer or post Offer related issues regarding demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer, and the Registrar. For details of the Secretary and Compliance Officer and the Registrar, see '*General Information*' on page 79. For details of grounds for technical rejections of a Bid cum Application Form, see the General Information Document.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;

5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);

6. ASBA Form by the UPI Bidders using third party bank accounts or using third party linked bank account UPI IDs;

7. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

8. Bids submitted without the signature of the First Bidder or sole Bidder;

9. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;

11. GIR number furnished instead of PAN;

12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals; and

13. Bids accompanied by stock invest, money order, postal order or cash.

Further, in case of any pre-offer or post offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer, and the Registrar to the Offer. For details of the Company Secretary and Compliance Officer, and the Registrar to the Offer., see '*General Information*' on page 80.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding 4 Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the Basis of Allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares offered through the Offer through the Offer document except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Offer to public may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the Retail Individual Investors, Non-Institutional Investors and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

The allotment to each Non-Institutional Investors shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.

The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis. The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Portion, shall be subject to the following, and in accordance with the SEBI ICDR Regulations: (i) one-third of the portion available to Non-Institutional Investors shall be reserved for Non-Institutional Investors with an application size of more than ₹ 0.20 million and up to ₹ 1 million, and (ii) two-third of the portion available to Non- Institutional Bidders shall be reserved for Non-Institutional Investors with application size of more than ₹ 1 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors.

Payment into Escrow Account(s) for Anchor Investors

Our Company, in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

i. In case of resident Anchor Investors: '[●]'

ii. In case of Non-Resident Anchor Investors: '[●]'

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Bankers to the Offer and the Registrar to the Offer to facilitate collections from Anchor Investors.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (*i.e.*, not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated September 13, 2024, among NSDL, our Company and the Registrar to the Offer.

- Tripartite Agreement dated September 13, 2024, among CDSL, our Company and Registrar to the Offer.

Undertakings by our Company

Our Company undertakes the following:

1. That the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

2. That all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within 3 Working Days of the Bid/Offer Closing Date or such other time as may be prescribed;

3. That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

5. That if our Company does not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within 2 days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

6. That if our Company, in consultation with the BRLMs, withdraws the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh draft offer document with SEBI, in the event our Company subsequently decides to proceed with the Offer thereafter;

7. Minimum Promoters' Contribution shall be brought in advance before the Bid/Offer Opening Date;

8. That adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors;

9. No further Offer of Equity Shares shall be made until the Equity Shares issued or offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc; and

10. That 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, the SEBI ICDR Regulations and applicable law for the delayed period.

Undertakings by the Promoter Selling Shareholders

Each Promoter Selling Shareholder, undertake, in relation to himself as a Selling Shareholder and its respective portion of the Offered Shares that:

1. the Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations;

2. he is the legal and beneficial owner of the Offered Shares, and that the Offered Shares shall be transferred in the Offer, free from encumbrances;

3. he shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person (whether related to itself or not) for making a Bid in the Offer, and

4. he shall not have recourse to its proceeds of the Offer for Sale until final approval for trading of the Equity Shares from the Stock Exchanges has been received;

5. that he shall deposit its Equity Shares offered for sale in the Offer in an escrow demat in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement; and

6. that he shall provide assistance to our Company and the Book Running Lead Managers in redressal of such investor grievances that pertain to the Offered Shares.

The statements and undertakings provided above, in relation to the Promoter Selling Shareholders, are statements which are specifically confirmed or undertaken by each Promoter Selling Shareholder in relation to himself and the Offered Shares. All other statements or undertakings or both in this Draft Red Herring Prospectus in relation to the Promoter Selling Shareholder, shall be statements made by our Company, even if the same relate to the Promoter Selling Shareholder.

Utilisation of Offer Proceeds

Our Board confirm that all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act and the details of all monies utilised out of the Offer shall be disclosed, and continued to be disclosed till the time any part of the Offer proceeds reman unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised. Details of all monies unutilised, shall be disclosed under an appropriate head in the balance sheet of our Company indicating the from in which such unutilised monies have been invested.

The Company and the Promoter Selling Shareholders, specifically confirm and declare that all monies received out of the Offer 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

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act which is reproduced below:

'Any person who –

(i) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(ii) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(iii) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.'*

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than 6 months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to 3 times such amount (provided that where the fraud involves public interest, such term shall not be less than 3 years). Further, where the fraud involves an amount less than ₹ 1 million or 1% the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to 5 years or with fine which may extend to ₹ 5 million or with both.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the 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 RBI and concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (**FDI**) through press notes and press releases.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (**Consolidated FDI Policy**), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The Consolidated FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

As per the Consolidated FDI Policy, FDI in companies engaged in Manufacturing, which is the sector in which our Company operates, is permitted up to 100% of the paid-up share capital of such company under the automatic route.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, please see section titled '*Offer Procedure – Bids by Eligible NRIs*' and '*Offer Procedure – Bids by FPIs*' on page 403 and 404, respectively.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of, and in accordance with the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non- debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 which came into effect on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Bid/Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer. For details, see '*Offer Procedure*' on page 396. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Bid/Offer Period. In accordance with the FEMA NDI Rules, participation by non-residents in the Offer is restricted to participation by (i) FPIs under Schedule II of the FEMA Non-debt Instruments Rules, in the Offer subject to limit of the individual holding of an FPI below 10% of the post-Offer paid-up capital of our Company on a fully diluted basis and the aggregate limit for FPI investment currently not exceeding the sectoral or statutory cap; and (ii) Eligible NRIs only on non-repatriation basis under Schedule IV of the FEMA NDI Rules.

The Equity Shares issued in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable laws in the United States, and unless so registered, may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in 'offshore transactions' as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such issue and sales are made.

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

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see '*Offer Procedure – Bids by Eligible NRIs*' and '*Offer Procedure - Bids by FPIs*' on page 403 and 404, respectively.

The above information is given for the benefit of the Bidders. Our Company, our Promoters, our Directors, the Promoter Selling Shareholders and the BRLMs are not liable for any amendments, 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 ensure that the number of Equity Shares Bid for which do not exceed the applicable limits under laws and regulations."

SECTION IX: DESCRIPTION OF EQUITY SHARES AND MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

No material clause of the Articles of Association set out below has been left out from disclosure which may have a bearing on the Issue with respect to any investment decision or otherwise.

THE COMPANIES ACT, 2013

ARTICLES OF ASSOCIATION

OF

ADVANCED SYS-TEK LIMITED

PRELIMINARY

1. (1)	The regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.	Table 'F' not to apply
(2)	The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles.	Company to be governed by these Articles
Definitions and Interpretation		
2. (1)	In these Articles -	
	(a) "**Act**" means the Companies Act, 2013 (including the relevant rules framed thereunder) or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.	"Act"
	(b) "**Applicable Laws**" means all applicable statutes, laws, ordinances, rules and regulations, judgments, notifications circulars, orders, decrees, bye-laws, guidelines, or any decision, or determination, or any interpretation, policy or administration, having the force of law, including but not limited to, any authorization by any authority, in each case as in effect from time to time.	"Applicable Laws"
	(c) "**Articles**" means these articles of association of the Company or as altered from time to time.	"Articles"
	(d) "**Board of Directors**" or "**Board**", means the collective body of the Directors of the Company nominated and appointed from time to time in accordance with Articles 89 to 96, herein, as may be applicable.	"Board of Directors" or "Board"
	(e) "**Company**" means Advanced Sys-Tek Limited.	"Company"
	(f) "**Lien**" means any mortgage, pledge, charge, assignment, hypothecation, security interest, title retention, preferential right, option (including call commitment), trust arrangement, any voting rights, right of set-off, counterclaim or banker's lien, privilege or priority of any kind having the effect of security, any designation of loss payees or beneficiaries or any similar arrangement under or with respect to any insurance policy.	"Lien"
	(g) "**Memorandum**" means the memorandum of association of the Company or as altered from time to time.	"Memorandum"
	(h) "**Rules**" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.	"Rules"

	(i) "**SEBI**" means Securities Exchange Board of India established under Securities Exchange Board of India Act, 1992.	"SEBI"
	(j) "**SEBI LODR**" means the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015	"SEBI LODR"
	(k) **"SECURITIES"** shall mean any Share (including Equity Shares), scrips, stocks, bonds, debentures, warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares, and any other marketable securities.	"Securities"
(2)	Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.	"Number" and "Gender"
(3)	Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case may be.	Expressions in the Articles to bear the same meaning as in the Act
Articles to be contemporary in nature		
3.	The intention of these Articles is to be in consonance with the contemporary rules and regulations prevailing in India. If there is an amendment in any Act, rules and regulations allowing what were not previously allowed under the statute, the Articles herein shall be deemed to have been amended to the extent that Articles will not be capable of restricting what has been allowed by the Act by virtue of an amendment subsequent to registration of the Articles.	Articles to be contemporary in nature
Share capital and variation of rights		
4.	The authorized share capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in Clause V of Memorandum of Association with power to reclassify, subdivide, consolidate increase, reduce the capital in accordance with the Company's regulations and legislative provisions in that behalf and with power from time to time, to issue any shares of the original capital or any new capital and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division.	Authorized share capital
5.	Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to the compliance with the provision of section 53 of the Act) and at such time as they may from time to time think fit provided that the option or right to call for shares either at par or premium or at a discount during such time and of such consideration as the Board deems fit, and shall not be given to any person or persons without the sanction of the Company in the general meeting.	Shares under control of Board
6.	Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of the Act) and at such terms as they may, from time to time, think fit and proper and with the sanction of the Company in General Meeting by a Special Resolution give to any person the option to call for or be allotted shares of any class of the Company, either at par, at a premium or subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board thinks fit unless the Company in General Meeting, by a Special Resolution, otherwise decides. Any offer of further shares shall be deemed to include a right, exercisable by the	Shares to be issued by approval of Shareholders

	person to whom the shares are offered, to renounce the shares offered to him in favour of any other person. Subject to the provisions of the Act, any redeemable preference share including cumulative convertible preference share may, with the sanction of an ordinary resolution be issued on the terms that they are, or at the option of the Company are liable to be redeemed or converted on such terms and in such manner as the Company, before the issue of the shares may, by Special Resolution, determine.	
7.	Subject to the provisions of the Act, these Articles 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 Board think fit, the Board may issue, allot or otherwise dispose shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in 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 for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be, provided that the option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the general meeting. As regards all allotments, from time to time made, the Board shall duly comply with Section 39 of the Act.	Board may allot shares otherwise than for cash
8.	The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other Applicable Laws: (a) Equity Share capital: (i) with voting rights; and / or (ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and (b) Preference share capital	Kinds of share capital
9. (1)	Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission, sub-division, consolidation or renewal of shares or within such other period as the conditions of issue shall provide – (a) one or more certificates in marketable lots for all his shares of each class or denomination registered in his name without payment of any charges; or (b) several certificates, each for one or more of his shares, upon payment of Rupees Twenty for each certificate or such charges as may be fixed by the Board for each certificate after the first.	Issue of certificate
(2)	In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to the person first named on the register of members shall be sufficient delivery to all such holders.	Issue of share certificate in case of joint holding
(3)	Every certificate shall specify the shares to which it relates, distinctive numbers of shares in respect of which it is issued and the amount paid-up thereon and shall be in such form as the Board may prescribe and approve.	Option to receive share certificate or hold shares with depository

10.	A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialized state with a depository, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time, or any statutory modification thereto or re-enactment thereof. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share. The Company shall also maintain a register and index of beneficial owners in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in dematerialized form in any medium as may be permitted by law including in any form of electronic medium.	Option to receive share certificate or hold shares with depository
11.	If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees not less than Rupees twenty and not more than Rupees fifty for each certificate as may be fixed by the Board. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above, the Board shall comply with such rules or regulations or requirements of any stock exchange or the rules made under the Act or rules made under the Securities Contracts (Regulation) Act,1956 or any other act, or rules applicable thereof in this behalf.	Issue of new certificate in place of one defaced, lost or destroyed
12.	Except as required by Applicable Laws, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by Applicable Laws) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.	Share and interest in shares
13.	Subject to the applicable provisions of the Act and other Applicable Laws, any debentures, debenture-stock or other securities may be issued at a 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 and attending (but not voting) at a general meeting, appointment of nominee directors, etc. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in a general meeting by special resolution.	Terms of issue of debentures
14.	The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.	Provisions as to issue of certificates to apply mutatis mutandis to debentures, etc.

15.	(1)	The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.	Power to pay commission in connection with securities issued
	(2)	The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.	Rate of commission in accordance with Rules
	(3)	The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.	Mode of payment of commission
16.	(1)	If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.	Variation of members' rights
	(2)	The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of the class) may, subject to the provisions of Section 48 of the Act, be varied 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 General Meeting of the holders of the shares of that class. To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply but so that the necessary quorum shall be at least two person holding at least one-tenth one-third of the issued shares of the class in question.	Provisions as to general meetings to apply mutatis mutandis to each meeting
17.		The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.	Issue of further shares not to affect rights of existing members
18.		Subject to section 55 and other provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.	Power to issue redeemable preference shares
19.	(1)	Where at any time, the Company proposes to increase its subscribed capital by issue of further shares, either out of the unissued capital or the increased share capital, such shares shall be offered, subject to the provisions of Section 62 of the Act, and rules made thereunder: (a). to persons who, at the date of offer, are holders of Equity Shares of the Company, in proportion as near as circumstances admit, to the share capital paid up on those shares by sending a letter of offer on the following conditions : - (i). the aforesaid offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days or such lesser number of days as may be prescribed and not exceeding thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined (ii). the aforementioned offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice mentioned in sub-Article (i), above shall contain a	Further issue of share capital

	statement of this right; provided that the directors may decline, giving reasons for refusal to allot any shares to any person in whose favour any member may renounce the shares offered to him and (b). after the expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the Company; or to employees under any scheme of employees' stock option, subject to a special resolution passed by the Company and subject to the conditions as specified under the Act and Rules thereunder; or to any persons, if it is authorized by a special resolution passed by the Company in a general meeting, whether or not those persons include the persons referred to in clause (a) or clause (b) above, either for cash or for consideration other than cash, if the prices of the shares is determined by the valuation report of a registered valuer, subject to such conditions as may be prescribed under the Act and the rules made thereunder, if a special resolution to this effect is passed by the company in a general meeting. The notice referred to in sub-clause (i) of sub-Article (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing Members at least 3 (three) days before the opening of the issue. The provisions contained in this Article shall be subject to the provisions of the section 42 and section 62 of the Act, the rules thereunder and other applicable provisions of the Act.	
(2)	Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debenture or loans into shares in the Company or to subscribe for shares of the Company. Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debenture or the raising of loan by a special resolution passed by the Company in general meeting.	
(3)	A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.	Mode of further issue of shares
Lien		
20. (1)	The Company shall have a first and paramount Lien – (a) on every share (not being a fully paid share) and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and (b) on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company:	Company's lien on shares

	Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article. Provided further that Company's lien, if any, on such partly paid shares, shall be restricted to money called or payable at a fixed price in respect of such shares.	
(2)	The Company's Lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.	Lien to extend to dividends, etc.
(3)	Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's Lien if any, on such shares. The directors may at any time declare any shares wholly or in part to be exempt from the provisions of this Article.	Waiver of Lien in case of registration
21.	The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a Lien: Provided that no sale shall be made— (a) unless a sum in respect of which the Lien exists is presently payable; or (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the Lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.	As to enforcing Lien by sale
22. (1)	To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.	Validity of sale
(2)	The purchaser shall be registered as the holder of the shares comprised in any such transfer.	Purchaser to be registered holder
(3)	The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share comprised in any such transfer.	Validity of Company's receipt
(4)	The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale	Purchaser not affected
(5)	The fully paid-up shares will be free from all lien, while in case of the partly paid shares, the Company's lien, if any, will be restricted to moneys called or payable at a fixed time in respect of such shares.	
23. (1)	The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the Lien exists as is presently payable.	Application of proceeds of sale
(2)	The residue, if any, shall, subject to a like Lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale. The fully paid-up shares will be free from all lien, while in case of the partly paid shares, the Company's lien, if any, will be restricted to moneys called or payable at a fixed time in respect of such shares.	Payment of residual money
24.	The provisions of these Articles relating to Lien shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to Lien to apply mutatis mutandis to debentures, etc.
Calls on shares		

25.	(1)	The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times; Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the preceding call.	Board may make Calls
	(2)	Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.	Notice of call
	(3)	A call may be revoked or postponed at the discretion of the Board. The right to shares shall not be given to any person except with the sanction of the company in general meeting.	Revocation or postponement of call
26.		A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.	Call to take effect from date of resolution
27.		The joint holders of a share shall be jointly and severally liable to pay all installments and calls in respect thereof.	Liability of joint holders of shares
28.	(1)	If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be fixed by the Board.	When interest on call or instalment payable
	(2)	The Board shall be at liberty to waive payment of any such interest wholly or in part.	Board may waive interest
29.	(1)	Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.	Sums deemed to be calls
	(2)	In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.	Effect of nonpayment of sums
30.		The Board – (a) may, if it thinks fit, subject to the provisions of the Act, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him. The Directors may at any time repay the amount so advanced.	Payment in anticipation of calls may carry interest
31.		If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.	Installments on shares to be duly paid
32.		All calls shall be made on a uniform basis on all shares falling under the same class. Explanation: Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.	Calls on shares of same class to be on uniform basis

33.	The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to calls to apply mutatis mutandis to debentures, etc.
Transfer of shares		
34. (1)	A common form of transfer shall be used and the instrument of transfer of any share in the Company shall be in writing which shall be duly executed by or on behalf of both the transferor and transferee and all provisions of section 56 of the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.	Instrument of transfer to be executed by transferor and transferee
(2)	The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.	
35.	The Board may, subject to the right of appeal conferred by the section 58 of the Act decline to register – (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or (b) any transfer of shares on which the Company has a Lien. The registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.	Board may refuse to register transfer
36.	The Board may decline to recognize any instrument of transfer unless- (a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under sub-section (1) of section 56 of the Act; (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and (c) the instrument of transfer is in respect of only one class of shares. The registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.	Board may decline to recognize instrument of transfer
37.	On giving of previous notice of at least seven days or such lesser period in accordance with the Act and Rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine: Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.	Transfer of shares when suspended
38.	Subject to the provisions of sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Applicable Laws for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or any other Applicable Laws to register the transfer of, or the transmission by operation of Applicable Laws of the right to, any shares or interest of a member in or debentures of the Company. The Company shall within one (1) month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, or such other period as	Notice of refusal to register transfer

	may be prescribed, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that, subject to provisions of Article 36, the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever. Transfer of shares/debentures in whatever lot shall not be refused. The provisions of this clause shall apply to transfers of stock also.	
39.	The provisions of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to transfer of shares to apply mutatis mutandis to debentures, etc.
Transmission of shares		
40. (1)	On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares. Where is a family arrangement or a will in place, whereby the shares are held jointly by an individual shareholder (as a first holder) with a company or body corporate (as a second holder), upon the demise of such individual shareholder, the shares so held shall transmitted in accordance with the provisions of the family arrangement or the will of such deceased shareholder and company or a body corporate, shall continue as second holder.	Title to shares on death of a member
(2)	Nothing in clause (1) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.	Estate of deceased member liable
41. (1)	Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either – (a) to be registered himself as holder of the share; or (b) to make such transfer of the share as the deceased or insolvent member could have made.	Transmission Clause
(2)	The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.	Board's right unaffected
42. (1)	If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.	Right to election of holder of share
(2)	If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.	Manner of testifying election
(3)	All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.	Limitations applicable to notice
43.	A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:	Claimant to be entitled to same advantage

	Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.	
44.	The provisions of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to transmission to apply mutatis mutandis to debentures, etc.
45.	No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document	No fee for transfer or transmission
Forfeiture of shares		
46.	If a member fails to pay any call, or instalment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.	If call or instalment not paid notice must be given
47.	The notice aforesaid shall: (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.	Form of Notice
48.	If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.	In default of payment of shares to be forfeited
49.	When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members.	Entry of forfeiture in register of members
50.	The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.	Effect of forfeiture
51. (1)	A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit.	Forfeited shares may be sold, etc.
(2)	At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.	Cancellation of forfeiture
52. (1)	A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.	Members still liable to pay money owing at the time of forfeiture
(2)	The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.	Cesser of liability

53. (1)	A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;	Certificate of forfeiture
(2)	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;	Title of purchaser and transferee of forfeited shares
(3)	The transferee shall thereupon be registered as the holder of the share; and	Transferee to be registered as holder
(4)	The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.	Transferee not affected
54.	Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.	Validity of sales
55.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.	Cancellation of share certificate in respect of forfeited shares
56.	The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.	Surrender of share certificates
57.	The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	Sums deemed to be calls
58.	The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to forfeiture of shares to apply mutatis mutandis to debentures, etc.
Alteration of capital		
59.	Subject to the provisions of the Act, the Company may, by ordinary resolution - (a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient; (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares: Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act; (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;	Power to alter share capital

	(d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum; (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.	
60.	Where shares are converted into stock: (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit: Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose; (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage; (c) such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "**share**" and "**shareholder**"/ "**member**" shall include "**stock**" and "**stock-holder**" respectively.	Right of stockholders
61.	The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules, (a) its share capital; and/or (b) any capital redemption reserve account; and/or (c) any securities premium account; and/or (d) any other reserve in the nature of share capital.	Reduction of capital
62.	Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:	Joint holders
	(a) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share.	Liability of Joint holders
	(b) On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Board may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.	Death of one or more joint-holders

	(c) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.	Receipt of one Sufficient
	(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 the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.	Delivery of certificate and giving of notice to first named holder
	(e) (i) Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof.	Vote of joint holders
	(ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders.	Executors or administrators as joint holders
	(f) The provisions of these Articles relating to joint holders of shares shall mutatis mutandis apply to any other securities including debentures of the Company registered in joint names.	Provisions as to joint holders as to shares to apply mutatis mutandis to debentures, etc.
Capitalization of profits		
63. (1)	The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve — (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 (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.	Capitalization
(2)	The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) below, either in or towards: (a) paying up any amounts for the time being unpaid on any shares held by such members respectively; (b) paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid; (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b).	Sum how applied
(3)	A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;	
(4)	The Board shall give effect to the resolution passed by the Company in pursuance of these Article.	
64. (1)	Whenever such a resolution as aforesaid shall have been passed, the Board shall –	Powers of the Board for capitalization

	(a) make all appropriations and applications of the amounts resolved to be capitalized thereby, and all allotments and issues of fully paid shares or other securities, if any; and (b) generally do all acts and things required to give effect thereto.	
(2)	The Board shall have power— (a) to make such provisions, by the issue of fractional certificates/coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and (b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.	Board's power to issue fractional certificate/ coupon etc.
(3)	Any agreement made under such authority shall be effective and binding on such members.	Agreement binding on members
Buy-back of shares		
65.	Notwithstanding anything contained in these Articles but subject to all applicable provisions of section 68 and 70 of the Act or any other Applicable Laws for the time being in force, the Company may purchase its own shares or other specified securities.	Buy-back of shares
General meetings		
66.	All general meetings other than annual general meeting shall be called extraordinary general meeting.	Extraordinary general meeting
67.	The Board may, whenever it thinks fit, call an extraordinary general meeting.	Powers of Board to call extraordinary general meeting
Proceedings at general meetings		
68.	No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.	Presence of Quorum
69.	No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.	Business confined to election of Chairperson whilst chair vacant
70.	The quorum for a general meeting shall be as provided in section 103 of the Act.	Quorum for general meeting
71.	The Chairman, if any, of the Board, shall preside as Chairperson of all Board and General Meetings, of the Company. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall, by poll or electronically, choose one of their members to be Chairperson of the meeting.	Members to elect a Chairperson
72.	On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.	Casting vote of Chairperson at general meeting
73. (1)	The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof	Minutes of proceedings of meetings and resolutions passed by postal ballot

	in books kept for that purpose with their pages consecutively numbered.	
(2)	There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting – (a) is, or could reasonably be regarded, as defamatory of any person; or (b) is irrelevant or immaterial to the proceedings; or (c) is detrimental to the interests of the Company.	Certain matters not to be included in Minutes
(3)	The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.	Discretion of Chairperson in relation to Minutes
(4)	The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.	Minutes to be Evidence
74. (1)	The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall: (a) be kept at the registered office of the Company; and (b) be open to inspection of any member without charge, during business hours on all working days.	Inspection of minute books of general meeting
(2)	Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (1) above.	Members may obtain copy of minutes
Adjournment of meeting		
75. (1)	The Chairperson may, suo motu, adjourn the meeting from time to time and from place to place.	Chairperson may adjourn the meeting
(2)	No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.	Business at adjourned meeting
(3)	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.	Notice of adjourned meeting
(4)	Save as aforesaid, and save as provided in 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.	Notice of adjourned meeting not required
Voting rights		
76.	Subject to any rights or restrictions for the time being attached to any class or classes of shares - (a) on a show of hands, every member present in person shall have one vote; and (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up Equity Share capital of the company.	Entitlement to vote on show of hands and on poll
77.	A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.	Voting through electronic means
78. (1)	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.	Vote of joint holders
(2)	For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	Seniority of names
79.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote,	How members non compos mentis and 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. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.	
80.	Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.	Business may proceed pending poll
81.	No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of Lien.	Restriction on voting rights
82.	A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article.	Restriction on exercise of voting rights in other cases to be void
83.	Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.	Equal rights of members
Proxy		
84. (1)	Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.	Member may vote in person or otherwise
(2)	The instrument appointing a proxy and the power-of attorney or other authority, if any, under which it is signed or a notarized 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, and in default the instrument of proxy shall not be treated as valid.	Proxies when to be deposited
85.	An instrument appointing a proxy shall be in the form as prescribed in the Rules made Section 105 of the Act.	Form of proxy
86.	A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given: Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.	Proxy to be valid notwithstanding death of the principal
Board of Directors		
87.	The Board of the Company shall, at all times, be constituted in compliance with Applicable Law including the provisions of the Companies Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than fifteen (fifteen).	Board of Directors
88.	The Directors shall not be required to hold any qualification shares in the Company.	
89.	The Board of Directors shall appoint the Chairperson of the Company. The same individual may, at the same time, be appointed as the Chairperson as well as the Managing Director of the Company.	Chairperson and Managing Director

	The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation.	Directors not liable to retire by rotation
90. (1)	The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.	Remuneration of Directors
(2)	The remuneration payable to the directors, including manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting.	Remuneration to require members' consent
(3)	In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them— (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or (b) in connection with the business of the Company.	Travelling and other expenses
(4)	Subject to the provisions of these Articles and the provisions of the Act, the Board may, decide to pay a Director out of funds of the Company by way of sitting fees, within the ceiling prescribed under the Act, a sum to be determined by the Board for each meeting of the Board or any committee or sub-committee thereof attended by him in addition to his traveling, boarding and lodging and other expenses incurred.	Sitting Fees
Appointment and Remuneration of Directors		
91.	Subject to the provisions of the Act and these Articles, the Board of Directors, may from time to time, appoint one or more of the Directors to be Managing Director or Managing Directors or other whole-time Director(s) of the Company, for a term not exceeding five years at a time 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 and the remuneration of Managing or Whole-Time Director(s) by way of salary and commission shall be in accordance with the relevant provisions of the Act.	Appointment
92.	Subject to the provisions of the Act, the Board shall appoint Independent Directors, who shall have appropriate experience and qualifications to hold a position of this nature on the Board.	Independent Director
93.	Subject to the provisions of section 196, 197 and 188 read with Schedule V to the Act, the Directors shall be paid such further remuneration, whether in the form of monthly payment or by a percentage of profit or otherwise, as the Company in general meeting may, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and in such manner as the Board may, from time to time, determine and in default of such determination shall be divided among the Directors equally or if so determined paid on a monthly basis.	Remuneration
94.	Subject to the provisions of these Articles, and the provisions of the Act, if any Director, being willing, shall be called upon to perform extra service or to make any special exertions in going or residing away from the place of his normal residence for any of the purposes of the Company or has given any special attendance for any business of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director	Payment for Extra Service
95.	All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the	Execution of negotiable instruments

	Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.	
96. (1)	Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.	Appointment of additional directors
(2)	Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.	Duration of office of additional director
97. (1)	The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.	Appointment of alternate director
(2)	An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India	Duration of office of alternate director
(3)	If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.	Re-appointment provisions applicable to Original Director
98. (1)	If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.	Appointment of director to fill a casual vacancy
(2)	The director so appointed shall hold office only up to the date upto which the director in whose place he is appointed would have held office if it had not been vacated.	Duration of office of Director appointed to fill casual vacancy
Powers of Board		
99.	The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the Memorandum or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other Applicable Laws and of the Memorandum and these Articles and to any regulations, not being inconsistent with the Memorandum and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.	General powers of the Company vested in Board
100.	The Board may, from time to time, raise any money or any moneys or sums of money for the purpose of the Company; provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the sanction of the Company at a General Meeting, may exceed the aggregate of the paid-up capital, free reserves, that is to say, reserves not set apart for any specific purposes and Securities Premium amount of the Company, provided that the total amount so borrowed at any time shall not exceed Rs. 2,000.00 million (Rupees Two Thousand million only) but subject to the provisions of the Act. The Board may, from time to time, at its discretion raise or borrow or secure the payment of	Borrowing

	any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities in security of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or entrust and give the lenders powers of sale and other powers as may be expedient and purchase, redeem or pay off any such security. Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which moneys may be borrowed by the Board of Directors, provided that subject to the provisions of clause next above, the Board may, from time to time, at its discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company as such time and in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by promissory notes or by opening current accounts, or by receiving deposits and advances, with or without security or by the issue of bonds, perpetual or redeemable debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any land, building, bond or other property and security of the Company.	
Proceedings of the Board		
101. (1)	The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. Provided that the gap between the two Board meetings shall not be more than 120 days or such other days as may be provided under applicable law.	When meeting to be convened
(2)	The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board.	Who may summon Board meeting
(3)	The quorum for a Board meeting shall be as provided in the Act.	Quorum for Board meetings
(4)	The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio-visual means or teleconferencing, as may be prescribed by the Rules or permitted under Applicable Laws.	Participation at Board meetings
(5)	At least 7 (seven) Days' written notice shall be given in writing to every Director by hand delivery or by speed-post or by registered post or by facsimile or by email or by any other electronic means, either (i) in writing, or (ii) by fax, e-mail or other approved electronic communication, receipt of which shall be confirmed in writing as soon as is reasonably practicable, to each Director, setting out the agenda for the meeting in reasonable detail and attaching the relevant papers to be discussed at the meeting and all available data and information relating to matters to be discussed at the meeting except as otherwise agreed in writing by all the Directors.	Notice of Board meetings
102. (1)	Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.	Questions at Board meeting how decided
(2)	In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.	Casting vote of Chairperson at Board meeting
103.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the	Directors not to act when number falls below minimum

		number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.	
104.	(1)	The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.	Who to preside at meetings of the Board
	(2)	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting	Directors to elect a Chairperson
105.	(1)	The Board may, subject to the provisions of the Act, delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit.	Delegation of powers
	(2)	Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.	Committee to conform to Board regulations
	(3)	The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio-visual means or teleconferencing, as may be prescribed by the Rules or permitted under Applicable Laws.	Participation at Committee meetings
106.	(1)	A Committee may elect a chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.	Chairperson of Committee
	(2)	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	Who to preside at meetings of Committee
107.	(1)	A Committee may meet and adjourn as it thinks fit.	Committee to meet
	(2)	Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.	Questions at Committee meeting how decided
	(3)	In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.	Casting vote of Chairperson at Committee meeting
108.		All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.	Acts of Board or Committee valid notwithstanding defect of appointment
109.		Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.	Passing of resolution by Circulation
Chief Executive Officer, Manager, Company Secretary and Chief Financial Officer			
110.	(a)	Subject to the provisions of the Act, - A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.	Chief Executive Officer, etc.
	(b)	A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.	Director may be chief executive officer, etc.

Registers		
111.	The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during business hours on all working days, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.	Statutory registers
112. (a)	The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.	Foreign register
(b)	The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom, and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.	
Dividends and Reserve		
113.	The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.	Company in general meeting may declare dividends
114.	Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.	Interim dividends
115. (1)	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 applied 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.	Dividends only to be paid out of profits
(2)	The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	Carry forward of Profits
116. (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.	Division of profits
(2)	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.	Payments in advance
(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.	Dividends to be apportioned
117. (1)	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on	No member to receive dividend whilst indebted to the Company and Company's

		account of calls or otherwise in relation to the shares of the Company.	right to reimbursement therefrom
	(2)	The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.	Retention of dividends
118.	(1)	Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.	Dividend how remitted
	(2)	Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	Instrument of Payment
	(3)	Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.	Discharge to Company
119.		Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.	Receipt of one holder sufficient
120.		No dividend shall bear interest against the Company.	No interest on dividends
121.		The waiver in whole or in part of any dividend on any share by any document shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.	Waiver of dividends
Unpaid or Unclaimed Dividend			
122.	(1)	Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall, within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed, to a special account to be opened by the Company in that behalf in any scheduled bank subject to the applicable provisions of the Act and the Rules made thereunder.	Transfer of unclaimed dividend
	(2)	Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established under section 125 of the Act. Any person claiming to be entitled to an amount may apply to the authority constituted by the Central Government for the payment of the money claimed.	Transfer to IEPF Account
	(3)	No unclaimed or unpaid dividend shall be forfeited by the Board until the claim becomes barred by Applicable Laws.	Forfeiture of unclaimed dividend
Accounts			
123.	(1)	The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.	Inspection by Directors
	(2)	No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by Applicable Laws or authorized by the Board.	Restriction on inspection by members
Winding up			

115.	Subject to the applicable provisions of the Act and the Rules made thereunder –	Winding up of Company
(a)	If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.	
(b)	For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.	
(c)	The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	
Indemnity and Insurance		
124. (a)	Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.	Directors and officers right to indemnity
(b)	Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.	
(c)	The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.	Insurance
Secrecy		
125.	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.	
General Power		
126.	Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its Articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act,	General power and Requirement of compliance with the provisions of SEBI LODR (as amended) and the rules and regulations made by SEBI from time to time.

	without there being any specific Article in that behalf herein provided. The Company shall from time to time comply with all the provisions as stipulated under the SEBI LODR and the rules and the regulation made by SEBI. Any provisions of these Articles which is contrary to the provisions of the SEBI LODR or rules and regulations made by SEBI or the provision of the Act, the said provision shall be deemed to be amended to the extent necessary to make it compliant with the said SEBI LODR or the rules and regulations of the SEBI or the Act. In case of any inconsistency between the provisions of these Articles, SEBI LODR, SEBI rules and regulations and the Act, the provision/compliance which is/are more onerous shall be applicable in such case, and these Articles shall be deemed amended to such extent. .	

SECTION X: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days and will also be available online at https://www.advancedsystek.com/material_contract.php from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material Contracts

1. Offer Agreement dated February 6, 2025, entered amongst our Company, the Promoter Selling Shareholders and the BRLMs.

2. Registrar Agreement dated February 3, 2025, entered amongst our Company, the Promoter Selling Shareholders and the Registrar to the Offer.

3. Cash Escrow and Sponsor Bank Agreement dated [●] entered amongst our Company, the Promoter Selling Shareholders, the Registrar to the Offer, the BRLMs, the Syndicate Members and the Banker(s) to the Offer.

4. Share Escrow Agreement dated [●] entered amongst our Company, the Promoter Selling Shareholders and the Share Escrow Agent.

5. Syndicate Agreement dated [●] entered amongst our Company, the Registrar to the Offer, the Promoter Selling Shareholders, the BRLMs, the Syndicate Members and the Registrar to the Offer.

6. Underwriting Agreement dated [●] entered amongst our Company, the Promoter Selling Shareholders and the Underwriters.

7. Monitoring Agency Agreement dated [●] amongst our Company and the Monitoring Agency.

B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company, as amended.

2. Certificate of incorporation dated March 16, 1988 under the name of 'Advanced Spectra-Tek Private Limited'.

3. Fresh Certificate of incorporation dated August 3, 2001 under the name of 'Daniel Measurement and Control (India) Private Limited';

4. Fresh Certificate of incorporation dated October 31, 2007 under the name of 'Advanced Sys-tek Private Limited'.

5. Fresh certificate of incorporation dated September 06, 2024 under the name of 'Advanced Sys-Tek Limited' pursuant to conversion into public limited company.

6. Resolution of our Board dated November 14, 2024, in relation to the Offer and other related matters.

7. Resolution of our Shareholders dated November 26, 2024, authorising the Offer, the Fresh Issue and other related matters.

8. Resolution of our Board dated February 6, 2025 approving this Draft Red Herring Prospectus.

9. Copies of annual reports of our Company for the last 3 Fiscals.

10. Examination report on the Restated Consolidated Financial Information dated February 6, 2025 of our Statutory Auditors, included in this Draft Red Herring Prospectus.

11. Consent letter dated February 6, 2025 from our Statutory Auditors for inclusion of their name as an 'expert' as defined under Section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated February 6, 2025 on our Restated Consolidated Financial Information; and (ii) the statement of special tax benefits available to our Company and our Shareholders dated February 6, 2025 included in this Draft Red Herring Prospectus; and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

12. Consent dated February 4, 2025 from Vijay Bhatt & Co., practicing Company Secretary, to include their name as an 'expert' as defined under Section 2(38) of the Companies Act to the extent and in their capacity as practicing company secretary and in respect of the certificate dated February 4, 2025 issued by them in connection with *inter alia* untraceable corporate records which are untraceable and filings, and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

13. Consent dated February 3, 2025 from Rameshchandra V Vaghela from the independent chartered engineer, to include his name as an 'expert' as defined under Section 2(38) of the Companies Act to the extent and in his capacity as independent chartered engineer and in respect of the certificates dated February 3, 2025 issued by him in connection with *inter alia* capacity utilisation and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

14. Consent dated January 28, 2025 from M/s 3 Korners, Independent Architect, to include their name as an 'expert' as defined under Section 2(38) of the Companies Act to the extent and in their capacity as independent architect and in respect of the certificates dated January 28, 2025 issued by them in connection with *inter alia* the proposed Capital Expenditure for setting up of fabrication shed for which part of the Net Proceeds will be utilised and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

15. Consents of the Promoter Selling Shareholders, our Directors, our Promoters, our Company Secretary and Compliance Officer, our Chief Financial Officer, the Bankers to our Company, the legal counsel appointed for the Offer, CARE, the BRLMs, the Registrar to the Offer, as referred to in their specific capacities.

16. Consent letters from the Promoter Selling Shareholders, for their participation in the Offer. For further details, see '*Other Regulatory and Statutory Disclosures*' on page 373.

17. Certificate on Key Performance Indicators issued by our Statutory Auditors, CNK & Associates LLP dated February 6, 2025.

18. Resolution of the Audit Committee dated February 6, 2025 approving the Key Performance Indicators.

19. Industry report titled *'Industry Report on Industrial Automation and Terminal Automation'* dated February, 2025, prepared and issued by CARE, appointed by us pursuant to an engagement letter dated April 01, 2024, exclusively commissioned and paid us in connection with the Offer, which is available on the website of our Company at https://www.advancedsystek.com/industry_reports.php.

20. Consent letter dated February 3, 2025 from CARE to include contents or any part thereof from CARE Report titled *'Industry Report on Industrial Automation and Terminal Automation'* dated February, 2025 in this Draft Red Herring Prospectus.

21. Tripartite agreement between NSDL, our Company and Registrar to the Offer dated September 13, 2024.

22. Tripartite agreement between CDSL, our Company and Registrar to the Offer dated September 13, 2024.

23. Due diligence certificate dated February 6, 2025 addressed to SEBI from the BRLMs.

24. SEBI final observations letter no. [●] dated [●].

25. In principle listing approvals dated [●] and [●], issued by BSE and NSE, respectively.

DECLARATIONS

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

Shirish Madhukar Adi
Managing Director

Place: Vadodara
Date: February 6, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

Mukesh R Kapadia
Whole-Time Director

Place: Vadodara
Date: February 6, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

Umed Amarchand Fifadra
Whole-Time Director

Place: Vadodara
Date: February 6, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

Sharma Deepti
Independent Director

Place: Vadodara
Date: February 6, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

Hemant Vithaldas Udeshi
Independent Director

Place: Vadodara
Date: February 6, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

Sunil C Vakil
Independent Director

Place: Vadodara
Date: February 6, 2025

DECLARATIONS

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, Securities Contracts (Regulation) Rules, 1957, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Munjal Navnit Jani
Chief Financial Officer

Place: Vadodara
Date: February 6, 2025

DECLARATIONS

I, Mukesh R Kapadia, in my capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY THE PROMOTER SELLING SHAREHOLDER

____

Mukesh R Kapadia
Promoter Selling Shareholder

Place: Vadodara
Date: February 6, 2025

DECLARATIONS

I, Umed Amarchand Fifadra, in my capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY THE PROMOTER SELLING SHAREHOLDER

____

Umed Amarchand Fifadra
Promoter Selling Shareholder

Place: Vadodara
Date: February 6, 2025