



**DENTA WATER AND INFRA SOLUTIONS LIMITED**  
**Corporate Identity Number: U70109KA2016PLC097869**

REGISTERED OFFICE	CONTACT PERSON	EMAIL	TELEPHONE	WEBSITE
# 40, 3rd Floor, Sri Lakshminarayana Mansion, South End Road, Basavanagudi Bangalore, South Bangalore- 560 004 Karnataka, India	Sujata Gaonkar <i>Company Secretary and Compliance Officer</i>	cs@denta.co.in	+91 080 2991 6509	www.denta.co.in

**OUR PROMOTERS: SOWBHAGYAMMA, SUJITH T R, C MRUTHYUNJAYA SWAMY AND HEMA H M**

**DETAILS OF ISSUE**

TYPE OF ISSUE	FRESH ISSUE SIZE	OFFER FOR SALE	TOTAL ISSUE SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIB, NIB AND RIB
Fresh Issue	Fresh Issue of up to 7,500,000 Equity Shares of face value ₹ 10 each aggregating up to ₹ 2,205.00 million	Not Applicable	₹ 2,205.00 million	The Issue is being made pursuant to Regulation 6(1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ <b>SEBI ICDR Regulations</b> ”). For further details, see “ <i>Other Regulatory and Statutory Disclosures – Eligibility for the Issue</i> ” on page 355. For details in relation to share reservation among QIBs, NIBs and RIBs, see “ <i>Issue Structure</i> ” on page 374

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10. The Issue Price, Floor Price and Cap Price as (determined by our Company in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in section titled “*Basis for Issue Price*” on page 108, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISK**

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“**SEBI**”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to the section titled “*Risk Factors*” on page 33.

**COMPANY’S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this 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 or inclusion of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

**LISTING**

The Equity Shares offered through the Red Herring Prospectus and this Prospectus are proposed to be listed on the Stock Exchanges, being BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”, and together with the BSE, the “**Stock Exchanges**”). For the purposes of the Issue, the Designated Stock Exchange shall be NSE.

**BOOK RUNNING LEAD MANAGER**

Name of the BRLM and its logo	Contact Person	Email and Telephone
<b>SMC CAPITALS LIMITED</b> 	Suhas Satardekar/Sarvesh Saxena	<b>Telephone:</b> 022 – 66481818 <b>E-mail:</b> denta.ipo@smccapitals.com

**REGISTRAR TO THE ISSUE**

Name of the Registrar and its logo	Contact Person	Email and Telephone
<b>INTEGRATED REGISTRY MANAGEMENT SERVICES PRIVATE LIMITED</b> 	S Giridhar	<b>Telephone:</b> 080 – 23460815 <b>E-mail:</b> giri@integratedindia.in

**BID/ISSUE PROGRAMME**

ANCHOR INVESTOR BIDDING DATE	Tuesday, January 21, 2025	BID/ISSUE OPENED ON	Wednesday, January 22, 2025	BID/ISSUE CLOSED ON	Friday, January 24, 2025*
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\* UPI Mandate end time was 5:00 pm on the Bid/Issue Closing Date.



## DENTA WATER AND INFRA SOLUTIONS LIMITED

Our Company was incorporated as 'Denta Properties and Infrastructure Private Limited' in Bangalore, Karnataka as a private limited company under Companies Act, 2013, pursuant to a certificate of incorporation dated November 17, 2016 issued by Deputy Registrar of Companies, Central Registration Centre. Thereafter, pursuant to a resolution passed at the meeting of the Board of Directors held on June 14, 2023, and a special resolution of the Shareholders at the extraordinary general meeting held on June 26, 2023, the name of our Company was changed to 'Denta Water and Infra Solutions Private Limited' and a fresh certificate of incorporation dated July 31, 2023, consequent upon the name change, was issued by the Registrar of Company, Karnataka at Bangalore ("RoC"). Subsequently, our Company was converted from a private limited company to a public limited company pursuant to a special resolution passed in the extraordinary general meeting of our Shareholders held on August 14, 2023, and consequently, the name of our Company was changed to 'Denta Water and Infra Solutions Limited', and a fresh certificate of incorporation dated September 12, 2023 was issued by the RoC to our Company. For details relating to changes in the name and registered office of our Company, please see section titled "History and Certain Corporate Matters" on page 216.

**Corporate Identity Number:** U70109KA2016PLC097869

**Registered Office:** # 40, 3<sup>rd</sup> Floor, Sri Lakshminarayana Mansion, South End Road, Basavanagudi Bangalore, South Bangalore- 560 004 Karnataka, India  
**Telephone:** +91 080 2991 6509; **Contact Person:** Sujata Gaonkar, Company Secretary and Compliance Officer ; **Website:** www.denta.co.in ; **E-mail:** cs@denta.co.in

**OUR PROMOTERS: SOWBHAGYAMMA, SUJITH T R, C MRUTHYUNJAYA SWAMY AND HEMA H M.**

**INITIAL PUBLIC OFFER OF UP TO 7,500,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF DENTA WATER AND INFRA SOLUTIONS LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ 294 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 284 PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING UP TO ₹ 2,205.00 MILLION ("ISSUE").**

**THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH. THE PRICE BAND, AND THE MINIMUM BID LOT WERE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WAS ADVERTISED IN ALL ENGLISH EDITIONS OF FINANCIAL EXPRESS, AN ENGLISH NATIONAL NEWSPAPER, ALL HINDI EDITIONS OF JANSATTA, A HINDI NATIONAL NEWSPAPER AND BANGALORE EDITION OF VISHWAVANI, A KANNADA DAILY NEWSPAPER, KANNADA BEING THE REGIONAL LANGUAGE OF KARNATAKA WHERE OUR REGISTERED OFFICE IS LOCATED, EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND WAS MADE AVAILABLE TO THE BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE"), AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS.**

The Issue was made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 ("SCRR"), read with Regulation 31 of the SEBI ICDR Regulations. The Issue was made in accordance with Regulation 6(1) of the SEBI ICDR Regulations, through the Book Building Process wherein not more than 50% of the Issue was allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs") ("QIB Portion"), provided that our Company in consultation with the BRLM was available for allocation 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 was made to Anchor Investors ("Anchor Investor Allocation Price"), in accordance with the SEBI ICDR Regulations. Further, 5% of the Net QIB Portion was made available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion was made available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue 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 were added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Issue shall be available for allocation to Non-Institutional Bidders out of which (a) one third of such portion shall be reserved for applicants with application size of more than two lakh rupees and up to ten lakh rupees; and (b) two third of such portion shall be reserved for applicants with application size of more than ten lakh rupees, 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 Issue shall be available for allocation to Retail Individual Bidders ("RIBs") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs, if applicable, in which the corresponding Bid Amounts were blocked by the SCSBs or by the Sponsor Banks under the UPI Mechanism, as applicable, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For further details, please see section titled "Issue Procedure" on page 378.

### RISK IN RELATION TO FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10. The Issue Price, Floor Price and Cap Price as determined by our Company in consultation with the BRLM, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Issue Price" on page 108 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISK

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" on page 33.

### COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this 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 or inclusion of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

### LISTING

The Equity Shares, once offered through the Red Herring Prospectus and this Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received an 'in-principle' approval from BSE Limited and NSE for the listing of the Equity Shares pursuant to their respective letters, each dated February 22, 2024. For the purposes of the Issue, the Designated Stock Exchange shall be NSE. A signed copy of the Red Herring Prospectus and this 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, which will be made available for inspection from the date of the Red Herring Prospectus until the Bid/Issue Closing Date, please see section titled "Material Contracts and Documents for Inspection" on page 412.

### BOOK RUNNING LEAD MANAGER



**SMC Capitals Limited**  
A- 401/402, Lotus Corporate Park,  
Off Western Express Highway,  
Jai Coach Signal, Goregaon (East),  
Mumbai – 400063 Maharashtra, India  
**Telephone:** 022 – 66481818  
**E-mail:** denta.ipo@smccapitals.com  
**Investor Grievance E-mail:** investor.grievance@smccapitals.com  
**Website:** www.smccapitals.com  
**Contact Person:** Suhas Satardekar/ Sarvesh Saxena  
**SEBI registration number:** INM000011427

### REGISTRAR TO THE ISSUE



**Integrated Registry Management Services Private Limited**  
No 30 Ramana Residency, 4<sup>th</sup> Cross Sampige Road,  
Malleswaram, Bengaluru 560 003,  
Karnataka, India  
**Telephone:** 080- 23460815/816/817/818  
**E-mail:** giri@integratedindia.in  
**Investor grievance e-mail:** giri@integratedindia.in/ dentaipo@integratedindia.in  
**Website:** www.integratedindia.in  
**Contact Person:** S Giridhar  
**SEBI registration number:** INR000000544

### BID/ISSUE PROGRAMME

**ANCHOR INVESTOR BIDDING DATE**

Tuesday, January 21, 2025

**BID/ISSUE OPENED ON**

Wednesday, January 22, 2025

**BID/ISSUE CLOSED ON**

Friday, January 24, 2025\*

\* UPI Mandate end time was 5:00 pm on the Bid / Issue Closing Date

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## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented or re-enacted from time to time, and any reference to a statutory provision shall include any subordinate legislation framed from time to time under that provision.*

*The words and expressions used in this Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SCRA, the Depositories Act or the rules and regulations made in each such Acts or Regulations.*

*Notwithstanding the foregoing, terms in the chapters/sections titled “Statement of Special Tax Benefits”, “Industry Overview”, “Key Regulations and Policies in India”, “Basis for Issue Price”, “Financial Information”, “Outstanding Litigation and Other Material Developments”, “Restriction on Foreign Ownership of Indian Securities”, “Issue Procedure” and “Description of Equity Shares and Terms of Articles of Association” on pages 117, 122, 212, 108, 249, 348, 398, 378 and 400 will have the meaning ascribed to such terms in these respective chapters/sections.*

#### General Terms

Term	Description
“our Company”, “the Company” or “the Issuer”	Denta Water and Infra Solutions Limited, a company incorporated under the Companies Act, 2013, and having its Registered Office at # 40, 3 <sup>rd</sup> Floor, Sri Lakshminarayana Mansion, South End Road, Basavanagudi, Bangalore, South Bangalore- 560 004, Karnataka, India
“we”, “us” or “our”	Unless the context otherwise indicates, our Company.

#### Company Related Terms

Term	Description
Addendums	The Addendum dated June 13, 2024 and November 30, 2024 to the Draft Red Herring Prospectus dated December 11, 2023
Articles of Association / Articles / AoA	Articles of Association of our Company, as amended from time to time
Associate	Denta Properties and Investments
Audit Committee	Audit committee of our Company as described in the section titled “ <i>Our Management-Committees of the Board</i> ” on page 228
Auditors / Statutory Auditors	The current statutory auditor of our Company, namely, Maheshwari & Co, Chartered Accountants
Board / Board of Directors	Board of directors of our Company, as constituted from time to time, including a duly constituted committee thereof
Chief Financial Officer or CFO	The chief financial officer of our Company, being Sujith T R.
Company Secretary & Compliance Officer	Company Secretary & Compliance Officer of our Company, being Sujata Gaonkar
Corporate Social Responsibility Committee / CSR Committee	The corporate social responsibility committee of our Company as described in section titled “ <i>Our Management- Committees of the Board</i> ” on page 228
Director(s)	Director(s) of our Company
Equity Shares	Equity shares of our Company of face value of ₹ 10 each
Executive Directors	Executive directors of our Company. For further details of the Executive Directors, please see section titled “ <i>Our Management – Board of Directors</i> ” on page 222
Group Companies	Our group companies in terms of SEBI ICDR Regulations, as disclosed in section titled “ <i>Our Group Companies</i> ” on page 245
Independent Director(s)	Independent director(s) on our Board. For details of the Independent Directors, please see section titled “ <i>Our Management - Board of Directors</i> ” on page 222

<b>Term</b>	<b>Description</b>
Independent Chartered Engineer Certificate	The independent chartered engineer appointed by our Company, namely, Chethan Kumar, R.
IPO Committee	The IPO committee of our Company as described in section titled “ <i>Our Management - Committees of the Board</i> ” on page 228
Key Management Personnel	Key management personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, read with Section 2(51) of the Companies Act, 2013 and the SEBI ICDR Regulations and as disclosed in section titled “ <i>Our Management – Key Managerial Personnel and Senior Management</i> ” on page 237
Managing Director	The managing director of our Company, being Manish Shetty
Marketysers Global	Marketysers Global Consulting LLP
Marketysers Global Report	Report titled “ <i>India Water and Wastewater Treatment Market – Forecast to 2033</i> ” released in December 2024 prepared by Marketysers Global Consulting LLP, commissioned and paid for by our Company, exclusively in connection with the Issue.
Materiality Policy	The materiality policy adopted by our Board on November 3, 2023, for identification of the: (a) material outstanding litigation proceedings; (b) Group Companies; and (c) material creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus
Memorandum of Association / MoA	Memorandum of Association of our Company, as amended
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Company as described in section titled “ <i>Our Management- Committees of the Board</i> ” on page 228
Promoters	Promoters of our Company namely, Sowbhagyamma, Sujith T R, C Mruthyunjaya Swamy and Hema H M. For details, please see the section titled “ <i>Our Promoters and Promoter Group</i> ” on page 240
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations.
Registered Office	Registered office of our company located at # 40, 3rd Floor, Sri Lakshminarayana Mansion, South End Road, Basavanagudi, Bangalore, South Bangalore- 560 004 Karnataka India
Registrar of Companies/RoC	Registrar of Companies, Karnataka at Bangalore
Restated Consolidated Financial Information	The restated consolidated financial information of our Company which comprises restated statement of assets and liabilities as at and for the six months period ended September 30, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, the restated statement of profit and loss (including other comprehensive income), the restated statement of changes in equity and the restated statement of cash flows for the six months period ended September 30, 2024 and the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the significant accounting policies and other explanatory information annexed thereto. The restated consolidated financial information, as approved by our Board on December 06, 2024, have been prepared by our Company in accordance with the requirements of: <ul style="list-style-type: none"> <li>(i) Section 26 of Part 1 of Chapter III of the Companies Act, 2013;</li> <li>(ii) the SEBI ICDR Regulations; and</li> <li>(iii) the Guidance Note on Reports in Company Prospectus (Revised 2019) (as amended from time to time) issued by the ICAI</li> </ul>
Senior Management	Senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in section titled “ <i>Our Management – Key Managerial Personnel and Senior Management</i> ” on page 237
Shareholders	Equity shareholders of our Company from time to time whose names are entered into (i) the register of members of our Company; or (ii) the records of a depository as a beneficial owner of Equity Shares
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Company as described in the section titled “ <i>Our Management - Committees of the Board</i> ” on page 228
Whole-time Director	Whole-time director of our Company, being, Sujith T R.

## Issue Related Terms

Term	Description
Abridged Prospectus	The memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf
Acknowledgement Slip	The slip or document to be issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form
Allot/Allotment/Allotted	Unless the context otherwise requires, allotment or transfer, as the case may be of Equity Shares offered pursuant to the Issue.
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 100 million
Anchor Investor Allocation Price	The price at which Equity Shares were allocated to Anchor Investors at the end of the Anchor Investor Bid/Issue Period, in terms of the Red Herring Prospectus and Prospectus, i.e. ₹ 294.00 per Equity Share. The Anchor Investor Allocation Price has been determined by our Company in consultation with the BRLM during the Anchor Investor Bid / Issue Period
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which was considered as an application for Allotment in terms of the Red Herring Prospectus and this Prospectus.
Anchor Investor Bidding Date	Tuesday, January 21, 2025 one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors were submitted allocation to Anchor Investors was completed
Anchor Investor Issue Price	Final price in this case being ₹ 294.00 per Equity Share at which the Equity Shares were Allotted to Anchor Investors in terms of the Red Herring Prospectus and this Prospectus. The Anchor Investor Issue Price has been decided by our Company in consultation with the BRLM
Anchor Investor Pay-In Date	With respect to Anchor Investor(s), it was the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/Issue Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion, which was allocated by our Company, in consultation the BRLM to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations  One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price which was determined by the Company, in consultation with the BRLM
Application Supported by Blocked Amount or 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 includes applications made by UPI Bidders using the UPI Mechanism where the Bid Amount were blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism
ASBA Account	A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the ASBA Form and includes amounts blocked by SCSB upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders, which was considered as the application for Allotment in terms of the Red Herring Prospectus and this Prospectus
Bankers to the Issue	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Public Issue Account Bank(s) and the Sponsor Bank(s), as the case may be

<b>Term</b>	<b>Description</b>
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Issue, as described in the section titled “ <i>Issue Procedure</i> ” on page 378
Bid	An indication to make an offer during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during 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 as per the terms of the Red Herring Prospectus and the Bid Cum Application Form. The term “Bidding” shall be construed accordingly
Bid Amount	The highest value of the optional Bids as indicated in the Bid cum Application Form and payable by the Bidder and, in the case of UPI Bidders Bidding at the Cut-off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or as blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Issue
Bid cum Application Form	The form in terms of which the Bidder made a Bid, including ASBA Form, and which was considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus and this Prospectus
Bid Lot	50 Equity Shares and in multiples of 50 Equity Shares thereafter
Bid/Issue Closing Date	<p>Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries did not accept any Bids, being Friday, January 24, 2025, which was published in all English editions of Financial Express, an English national newspaper, all Hindi editions of Jansatta, a Hindi national newspaper and Bangalore edition of Vishwavani, a Kannada daily newspaper (Kannada being the regional language of Karnataka where our Registered Office is located) each with wide circulation, which was also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published. In case of any revision, the extended Bid/ Issue Closing shall also be notified on the websites and terminals of the Members of the Syndicate as required under the SEBI ICDR Regulations and intimated to the Designated Intermediaries and the Sponsor Banks.</p> <p>Our Company in consultation with the BRLM, could consider closing the Bid/Issue Period for the QIB Category one Working Day prior to the Bid/Issue Closing Date, in accordance with the SEBI ICDR Regulations</p>
Bid/Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries started accepting Bids, being Wednesday, January 22, 2025, which was published in all English editions of Financial Express, an English national newspaper, all Hindi editions of Jansatta, a Hindi national newspaper and Bangalore edition of Vishwavani, a Kannada daily newspaper (Kannada being the regional language of Karnataka where our Registered Office is located) each with wide circulation
Bid/Issue Period	<p>Except in relation to any Bids received from Anchor Investors, the period between the Bid/Issue Opening Date and the Bid/Issue 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 and the terms of the Red Herring Prospectus. Provided, however, that the Bidding was be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors</p> <p>Our Company in consultation with the BRLM, could consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date which was required to be also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with SEBI ICDR Regulations</p> <p>In case of force majeure, banking strike or similar circumstances, our Company could, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of one working day, subject to the Bid/Issue Period not exceeding ten working days.</p>



<b>Term</b>	<b>Description</b>
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and this Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, and includes an ASBA Bidder and an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries accepted the ASBA Forms, i.e., Designated 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 Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made
BRLM or Book Running Lead Manager	The book running lead manager to the Issue namely, SMC Capitals Limited
Broker Centres	Broker centres of the Registered Brokers notified by the Stock Exchanges where Bidders could have submitted the ASBA Forms to a Registered Broker  The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges, www.bseindia.com and www.nseindia.com, as updated from time to time
CAN/Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares to be sent to Anchor Investors, who were allocated the Equity Shares, on/after the Anchor Investor Bidding Date
Cap Price	The higher end of the Price Band, i.e. ₹294
Cash Escrow and Sponsor Bank Agreement	Agreement dated March 19, 2024, read with amendments to Cash Escrow and Sponsor Bank Agreement dated July 8, 2024 and January 16, 2025 entered into amongst our Company, the Registrar to the Issue, the BRLM, the Syndicate Member(s), the Banker(s) to the Issue for the appointment of the Sponsor Banks in accordance with the UPI Circulars, collection of the Bid Amounts, transfer of funds to the Public Issue Accounts, and where applicable remitting refunds, if any, to the Anchor Investors, on the terms and conditions thereof
CDP / Collecting Depository Participant	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 circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the SEBI master circular no. SEBI/HO/MIRSD/POD1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and UPI Circulars issued by SEBI as per the lists available on the websites of the BSE and the NSE
Client ID	Client identification number of the Bidder's beneficiary account maintained with one of the Depositories in relation to the demat account
Cut-off Price	The Issue Price, finalized by our Company, in consultation with the BRLM, being ₹294. Only Retail Individual Bidders and Eligible Employees are titled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not titled 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, PAN, bank account details and UPI ID wherever applicable
Designated CDP Locations	Such centres of the CDPs where Bidders can submit the Bid cum Application Forms. The details of such Designated CDP Locations, along with the names and contact details of the CDPs are available on the respective websites of the Stock Exchanges and updated from time to time
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account(s) or the Refund Account(s), as appropriate, in terms of the Red Herring Prospectus and this Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange in terms of the Red Herring Prospectus, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue
Designated Intermediaries	In relation to ASBA Forms submitted by RIBs (not using the UPI Mechanism) by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.

<b>Term</b>	<b>Description</b>
	<p>In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount was blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, Sub-Syndicate / agents, Registered Brokers, CDPs, SCSBs and RTAs.</p> <p>In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean the Syndicate, Sub-Syndicate Members / agents, SCSBs, Registered Brokers, the CDPs and RTAs</p>
Designated RTA Locations	Such centres of the RTAs where Bidders (other than Anchor Investors) submitted the Bid cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) and updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which collected the ASBA Forms, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	National Stock Exchange of India Limited
Draft Red Herring Prospectus or DRHP	The Draft Red Herring Prospectus dated December 11, 2023, issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars, including of the Issue Price and the size of the Issue, including any addendum and corrigendum thereto
Eligible FPI(s)	FPIs that were eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices
Eligible NRI(s)	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to subscribe for the Equity Shares
Escrow Account	Account(s) opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors transferred money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	The bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI BTI Regulations and with whom the Escrow Account(s) were opened, in this case being Axis Bank Limited
First Bidder / Sole Bidder	Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name appeared as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, being ₹279
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document/GID	<p>The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI / HO / CFD / DIL1 / CIR / P / 2020 / 37 dated March 17, 2020 and the SEBI circular no. SEBI / HO / CFD / DIL2 / CIR / P / 2020 / 50 dated March 30, 2020, as amended by SEBI from time to time and the UPI Circulars</p> <p>The General Information Document shall be available on the websites of the Stock Exchanges and the BRLM</p>
Gross Proceeds	Proceeds from the Issue that will be available to our Company
Issue	The initial public offer of up to 7,500,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ 294 each (including a share premium of ₹ 284 per Equity Share), aggregating up to ₹ 2,205.00 million.
Issue Agreement	The agreement dated December 11, 2023, entered into amongst our Company and the BRLM, pursuant to the SEBI ICDR Regulations, based on which certain arrangements are agreed to in relation to the Issue
Issue Price	₹ 294 per equity share, being the final price at which Equity Shares will be Allotted to successful ASBA Bidders, as determined in accordance with the Book Building

<b>Term</b>	<b>Description</b>
	Process and determined by our Company, in consultation with the Book Running Lead Manager, in terms of the Red Herring Prospectus and this Prospectus. Equity Shares were Allotted to Anchor Investors at the Anchor Investor Issue Price, which has been decided by our Company in consultation with the BRLM in terms of the Red Herring Prospectus
Issue Proceeds	The proceeds of the Issue which shall be available to our Company. For further details about use of the Issue Proceeds, please see section titled “ <i>Objects of the Issue</i> ” on page 98
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> or such other website as may be updated from time to time, which may be used by UPI Bidders to submit Bids using the UPI Mechanism
Monitoring Agency	CARE Ratings Limited
Monitoring Agency Agreement	Agreement dated March 22, 2024 entered into between our Company and CARE Ratings Limited
Mutual Fund Portion	5% of the Net QIB Portion or 75,000 Equity Shares which was made available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids having been received at or above the Issue Price
Net Proceeds	Proceeds of the Issue that will be available to our Company, i.e., gross proceeds of the Fresh Issue, less Issue expenses.  For further details about use of the Issue Proceeds and the Issue expenses, please see the section titled “ <i>Objects of the Issue</i> ” on page 98
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 (including Anchor Investors) and Retail Individual Bidders who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Issue comprising 1,125,000 Equity Shares which was made available for allocation to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price, in the following manner:  (a) one third of the portion available to Non-Institutional Bidders was made available for applicants with application size of more than two lakh rupees and up to ten lakh rupees; (b) two third of the portion was made available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ten lakh rupees  Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), was allocated to applicants in the other sub-category of Non-Institutional Bidders
Non-Resident	A person resident outside India, as defined under FEMA and includes a non-resident Indian, FPIs and FVCIs
Price Band	Price band ranging from a minimum price of ₹279.00 per Equity Share (Floor Price) to the maximum price of ₹294.00 per Equity Share (Cap Price).  The Price Band and the minimum Bid Lot size for the Issue decided by our Company, in consultation with the BRLM and was advertised, at least two Working Days prior to the Bid/Issue Opening Date, in all English editions of Financial Express, an English national newspaper, all Hindi editions of Jansatta, a Hindi national newspaper and Bangalore edition of Vishwavani, a Kannada daily newspaper (Kannada being the regional language of Karnataka where our Registered Office is located), each with wide circulation. It was also made available to the Stock Exchanges for the purpose of uploading on their websites
Pricing Date	The date on which our Company, in consultation with the BRLM, finalized the Issue Price
Prospectus	The Prospectus dated January 27, 2025 filed with the RoC for this Issue after the Pricing Date, in accordance with Section 26 of the Companies Act, 2013 and the

<b>Term</b>	<b>Description</b>
	SEBI ICDR Regulations, containing, inter alia, the Issue Price was determined at the end of the Book Building Process, the size of the Issue and certain other information including any addenda or corrigenda thereto
Public Issue Account Bank(s)	The bank with which the Public Issue Account(s) was opened and maintained for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being Axis Bank Limited
Public Issue Account(s)	Bank account(s) was opened under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account and ASBA Accounts on the Designated Date
QIB Category/QIB Portion	The portion of the Issue, being not more than 50% of the Issue or 3,750,000 Equity Shares to be Allotted to QIBs on a proportionate basis, including the Anchor Investor Portion (in which allocation was on a discretionary basis, as determined by our Company, in consultation with the BRLM, subject to valid Bids having been received at or above the Issue Price)
Qualified Institutional Buyers or QIBs or QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus or RHP	The Red Herring Prospectus dated January 16, 2025, of our Company issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be issued and the size of the Issue including any addenda or corrigenda thereto.  The Red Herring Prospectus was filed with the RoC at least three days before the Bid/Issue Opening Date and has become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account(s)	The account(s) 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 Issue with whom the Refund Account(s) has been opened, in this case being Axis Bank Limited
Registered Brokers	Stock brokers registered with SEBI and the Stock Exchanges having nationwide terminals, other than the BRLM and the Syndicate Member(s) and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 and the UPI Circulars, issued by SEBI
Registrar Agreement	The agreement dated December 8, 2023, read with amendment to Registrar Agreement dated July 8, 2024, entered amongst our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registrar and Share Transfer Agents or RTAs	Registrars to an issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms SEBI RTA Master Circular, as per the list available on the websites of the Stock Exchanges, www.bseindia.com and www.nseindia.com, as updated from time to time
Registrar to the Issue or Registrar	Integrated Registry Management Services Private Limited
Retail Individual Bidder(s)/RIB(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹ 200,000 in any of the Bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs and did not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Issue being not less than 35% of the Issue consisting of 26,25,000 Equity Shares which was made available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations which was not less than the Minimum Bid Lot, subject to valid Bids being received at or above the Issue 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), as applicable.  QIB Bidders and Non-Institutional Bidders were not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage.

<b>Term</b>	<b>Description</b>
	Retail Individual Bidders could revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date
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 was blocked by authorising an SCSB, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> 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 <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time
Specified Locations	Bidding Centres where the Syndicate accepted Bid cum Application Forms from the Bidders, a list of which is which is available on the website of SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time
Sponsor Bank(s)	The Banker(s) to the Issue registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Individual Bidders and carry out any other responsibilities, in terms of the SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in this case being Axis Bank Limited
Stock Exchanges	Collectively, NSE and BSE
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	Agreement dated March 19, 2024, entered into amongst the BRLM, the Syndicate Member(s), our Company and the Registrar to the Issue in relation to collection of Bid cum Application Forms by the Syndicate
Syndicate Member(s)	Intermediaries (other than BRLM) registered with SEBI who are permitted to accept bids, applications and place orders with respect to the Issue carry out activities as an underwriter, namely,
Syndicate or Members of the Syndicate	Collectively, the BRLM and the Syndicate Member(s)
Systemically Important Non-Banking Financial Company / NBFC-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Underwriters	SMC Capital Limited and SMC Global Securities Limited
Underwriting Agreement	The agreement dated January 27, 2025, entered among the Underwriters and our Company
UPI	Unified payments interface, which is an instant payment mechanism, developed by NPCI
UPI Bidders	Collectively, individual investors applying as (i) Retail Individual Bidders, in the Retail Portion, and (ii) Non-Institutional Bidders with an application size of up to ₹ 500,000 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 ₹ 500,000 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 issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	Collectively, the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28,

<b>Term</b>	<b>Description</b>
	2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 (to the extent that these circulars are not rescinded by the SEBI RTA Master Circular), SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, April 20, 2022, the SEBI RTA Master Circular (to the extent that such circulars pertain to the UPI Mechanism) and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022, and any subsequent circulars or notifications issued by SEBI and Stock Exchanges in this regard.
UPI ID	Identity document created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	<p>A request (intimating the RIB by way of a notification on the UPI application and by way of a SMS directing the RIB to such UPI application) to the RIB initiated by the Sponsor Banks to authorize blocking of funds in the relevant ASBA Account through the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment</p> <p>In accordance with the SEBI RTA Master Circular, UPI Bidders Bidding through the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> and <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> respectively, as updated from time to time</p>
UPI Mechanism	The Bidding mechanism that may be used by an RIB to make a Bid in the Issue in accordance with the UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1)(III) 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/Issue Period, the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI

#### Conventional and General Terms or Abbreviations

<b>Term</b>	<b>Description</b>
₹/Rs./Rupees/INR	Indian Rupees
AGM	Annual general meeting of Shareholders under the Companies Act
AIF(s)	Alternative Investment Fund(s) as defined in and registered with SEBI under the SEBI AIF Regulations
Air Act	Air (Prevention and Control of Pollution) Act, 1981
AS/Accounting Standards	Accounting Standards issued by the ICAI
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CC	Cash credit
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number

<b>Term</b>	<b>Description</b>
Civil Code	The Code of Civil Procedure, 1908
CY	Calendar Year
Companies Act / Companies Act, 2013	Companies Act, 2013, together with the rules thereunder
Companies Act, 1956	Erstwhile Companies Act, 1956, and the rules thereunder
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
COVID-19	The novel coronavirus disease, which is an infectious disease caused by a newly discovered coronavirus strain that was discovered in 2019 resulting in a public health emergency of international concern and a pandemic as declared by the World Health Organization on January 30, 2020 and pandemic on March 11, 2020
Demat	Dematerialised
Depositories	Collectively, NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant's Identification
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DPIIT	Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
EBIT	Earnings before interest and tax,
EGM	Extraordinary General Meeting
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
EU	European Union
FCNR	Foreign Currency Non-Resident
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, and the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019 issued by the Ministry of Finance, Government of India
Financial Year/Fiscal/fiscal/ /FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FPI(s)	Foreign portfolio investor(s) as defined under the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
FVCI(s)	Foreign venture capital investor(s) as defined and registered under the SEBI FVCI Regulations
GoI/Government	Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICAI Guidance Note	Guidance Note on Reports in Company Prospectus (Revised 2019), as amended from time to time, issued by the ICAI
IFRS	International Financial Reporting Standards as adopted by the International Accounting Standards Board
Income Tax Act, IT Act	The Income-tax Act, 1961
Ind AS	Indian Accounting Standards
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial public offering
IST	Indian Standard Time
LC	Letter of credit
MIS	Management Information System
Mutual Fund(s)	Mutual funds registered under the SEBI (Mutual Funds) Regulations, 1996
N.A./ NA	Not Applicable

<b>Term</b>	<b>Description</b>
NACH	National Automated Clearing House
NEFT	National Electronic Fund Transfer
Non-Resident	A person resident outside India, as defined under FEMA and includes a Non-Resident Indian and FPIs
NR	Non-resident
NRE Account	Non-Resident External Account
NRI	An individual resident outside India who is a citizen of India or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly 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 invest in the Issue
OCI	Other Comprehensive Income
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PLI Scheme	Production Linked Incentive Scheme
R&D	Research and development
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RTGS	Real Time Gross Settlement
SBLC	Standby letter of credit
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	The 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 as amended from time to time
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 as amended from time to time
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 as amended from time to time
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time
SEBI ICDR Master Circular	SEBI master circular bearing reference number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154, dated November 11, 2024
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time
SEBI RTA Master Circular	SEBI master circular bearing number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023
SEBI Merchant Banker Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended from time to time
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended from time to time
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as amended from time to time
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
State Government	Government of a State of India
STT	Securities Transaction Tax



Term	Description
Systemically Important NBFCS	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time
U.S. Securities Act / Securities Act	United States Securities Act of 1933, as amended
U.S./USA/United States	United States of America
UK	United Kingdom
US GAAP	Generally Accepted Accounting Principles in the United States of America
USD/US\$	United States Dollars
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be

#### Industry and Business related terms

Term	Description
AI	Artificial Intelligence
AIBP	Accelerated Irrigation Benefits Programme
AMC	Annual maintenance contract
AMRUT	Atal Mission for Rejuvenation and Urban Transformation
AOPs	Advanced oxidation processes
ASP	Activated Sludge Process
AVF	Automatic variable filtration
BCB	Bridge cum Bandhara
BCC	Behavioural Change Communication
BCM	Billion Cubic Meters
BOD	Biochemical Oxygen Demand
BOQ	Bill of quantities
CAD	Current Account Deficits
CC Roads	Cement Concrete roads
COD	Chemical Oxygen Demand
CPCB	Central Pollution Control Board
CSMRS	Central Soil and Material Research Station
CSR	Corporate Social Responsibility
CWAPs	City Water Action Plans
CWBPs	City Water Balance Plans
CWC	Central Water Commission
CWPPs	Community Water Purification Plants
CWPRS	Central Water and Power Research Station
DAP	District Action Plan
DDP	Desert Development Programme
DEWATS	Decentralized wastewater treatment plants
DI	Ductile Iron
DO	Dissolved Oxygen
DPAP	Drought Prone Area Programme
DPR	Direct Potable Reuse
DRIP	Dam Rehabilitation and Improvement Project
DWSM	District Water and Sanitation Mission
EPA	Environmental Protection Agency
ERP	Enterprise Resource Planning
ETPs	Effluent Treatment Plants
FHTC	Functional Household Tap Connections
FSSM	Faecal Sludge and Septage Management
GAD	General Arrangement Drawing
GDP	Gross Domestic Product
GOK	Government of Karnataka

Term	Description
GWR	Ground Water Recharging
HDPE	High-Density Polyethylene
HT	High tension
I&D	Interception and diversion
IISc	Indian Institute of Science, Bangalore
IOT	Internet of Things
IPR	Indirect Potable Reuse
IT	Information Technology
IWMP	Integrated Watershed Management Programme
JJM	Jal Jeevan Mission
JSA	Jal Shakti Abhiyan
JV	Joint Venture
KC Valley	Koramangala-Challaghatta Valley
LIS	Lift Irrigation scheme
LPCD	Liters per capita per day
LT	Low tensions
MBRs	Membrane bioreactors
MGNREGS	Mahatma Gandhi National Rural Employment Guarantee Scheme
MLD	Million Litter per day
MOEF	Ministry of Environment and Forests
MRTS	Mass Rapid Transit System
MS	Mild Steel
MSME	Micro, Small, and Medium Enterprises
NAPCC	National Action Plan on Climate Change
NCIWRD	National Commission for Integrated Water Resource Development
NESIDS	Northeast Special Infrastructure Development Scheme
NITI Aayog	National Institution for Transforming India
NWDA	National Water Development Agency
NWRC	National Water Resources Council
O&M	Operation and Maintenance
OECD	Organization for Economic Co-operation and Development
Order Book	The contract value of projects for which the Company has entered into direct contracts and sub - contracts minus the revenue already recognized from those projects
OT	Operational Technology
PHED	Public Health Engineering Department
PMAY	Pradhan Mantri Awas Yojna
PMKSY	Pradhan Mantri Krishi Sinchai Yojana
PPI	Public-Private Infrastructure
PPPs	Public-Private Partnerships
RKVY	Rashtriya Krishi Vikas Yojana
RMIS	Rationalization of Minor Irrigation Statistics
RRR	Repair, Renovation and Restoration
SAGY	Sansad Aadarsh Gram Yojana
SAP	State Action Plan
SAT	soil aquifer treatment
SBM	Swachh Bharat Mission
SBR	Sequential Batch Reactor
SDG	Sustainable Development Goals
SHGs	Self-Help Groups
STPs	Sewage treatment plants
STW	Secondary treated municipal water
SWSM	State Water and Sanitation Mission
Sy	Survey Number
TOC	Total Organic Carbon
UAMP	Urban Aquifer Management Plan
UASB	Upflow- Anaerobic Sludge Blanket
UIDF	Urban Infrastructure Development Fund

<b>Term</b>	<b>Description</b>
ULBs	Urban local bodies
UNEP	United Nations Environment Program
UNICEF	United Nations International Children's Emergency Fund
UTs	Union Territories

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

### **Certain Conventions**

All references in this Prospectus to “India” are to the Republic of India its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable. All references to “US”, “USA” or “United States” are to the United States of America, together with its territories and possessions.

Unless otherwise specified, any time mentioned in this Prospectus is in Indian Standard Time. Unless indicated otherwise, all references to a year in this Prospectus are to a calendar year.

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

### **Financial Data**

Unless stated otherwise or the context otherwise requires, the financial data in this Prospectus is derived from the Restated Consolidated Financial Information, which comprise the restated consolidated statement of assets and liabilities as at the six months period ended September 30, 2024 and for the financial years March 31, 2024, March 31, 2023 and March 31, 2022, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated statement of cash flow, each 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 summary statement of significant accounting policies and other explanatory information, prepared in accordance with the Indian Accounting Standards referred to and notified in the Companies (Indian Accounting Standards) Rules, 2015 (“**Ind AS**”), the requirements of Section 26 of Part I of Chapter III of the Companies Act, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (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 (the “**Restated Consolidated Financial Information**”).

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12-month period ended on March 31 of that year. Unless stated otherwise, or the context requires otherwise, all references to a “year” in this Prospectus are to a calendar year.

Unless the context otherwise indicates, any percentage amounts, as set forth in the sections titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Conditional and Results of Operations*” on pages 33, 178 and 315 respectively, and elsewhere in this Prospectus have been calculated on the basis of the Restated Consolidated Financial Information.

In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places including percentage figures in the sections titled “*Risk Factors*”, “*Industry Overview*” and “*Our Business*” on pages 33, 122 and 178 respectively.

There are significant differences between Ind AS and US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company’s financial data. For details in connection with risks involving differences between Ind AS, US GAAP and IFRS, please see section titled “*Risk Factor – Significant differences exist between Ind AS and other accounting principles, such as US GAAP and IFRS, which may be material to investors’ assessments of our financial condition.*” on page 65. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Prospectus should accordingly be limited. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

## Non-GAAP financial measures

Certain non-GAAP measures like Operating EBITDA, Return on Equity, Revenue from operations, Net Worth, EPS etc., presented in this Prospectus are supplemental measures of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these non-GAAP measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these non-GAAP measures, are not standardised terms, hence a direct comparison of these non-GAAP measures between companies may not be possible. Other companies may calculate these non-GAAP measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

## Currency and Units of Presentation

All references to "Rupees" or "₹" or "INR" or "Rs." are to Indian Rupee, the official currency of the Republic of India.

Our Company has presented all numerical information in this Prospectus in "million" units or in whole numbers where the numbers have been too small to represent in million. One million represents 1,000,000 and one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000.

Figures sourced from third-party industry sources may be expressed in denominations other than million or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

## Industry and Market Data

Unless stated otherwise, industry and market data used in this Prospectus has been obtained or derived from a report released in December, 2024 and this "*India Water and Wastewater Treatment Market – Forecast to 2033*" ("**Marketysers Global Report**") that has been commissioned and paid by our Company and prepared by Marketysers Global Consulting LLP and has been exclusively for the purpose of understanding the industry our Company operates in, in connection with the Issue. The Marketysers Global Report is available on the website of the Company at [www.denta.co.in](http://www.denta.co.in) until the Bid/Issue Closing Date, and publicly available information as well as other industry publications and sources. Marketysers Global Consulting LLP is an independent agency which has no relationship with our Company, our Promoters, any of our Directors or Key Managerial Personnel or Senior Management Personnel or the BRLM. Marketysers Global Consulting LLP was appointed by our Company pursuant to the engagement letter dated June 24, 2024.

Except for the Marketysers Global Report, we have not commissioned any report for purposes of this RHP and any market and industry related data, other than that derived from the Marketysers Global Report, used in this RHP has been obtained or derived from publicly available documents and other industry sources.

Although the industry and market data used in this Prospectus is reliable, the data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. The excerpts of the industry report are disclosed in the Issue Documents and there are no parts, information, data (which may be relevant for the proposed Issue), left out or changed in any manner. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled "*Risk Factors – Certain sections of this Prospectus contain information from Marketysers Global Report, which has been commissioned and paid for by our Company and any reliance on such information for making an investment decision in the Issue is subject to inherent risks.*" Accordingly, investment decisions should not be based solely on such information.

The sections "*Summary of this Prospectus*", "*Industry Overview*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" of this Prospectus contain data and statistics from the Marketysers Global Report which has been commissioned and paid for by our Company for an agreed fee and will be available at our website at [www.denta.co.in](http://www.denta.co.in) until the Bid/Issue Closing Date, which is subject to the following disclaimer:

*“Reports and surveys are based purely on data or information accumulated from the authorized persons not limited to stakeholders and field marketing executives of reputed companies, brands, organizations or bodies. The information is also derived based on further discussion with subject matter experts heading the practice or at reputed companies. When placing an order with Reports and Data, the buyer or user understands and agrees to use our analytical solutions or products for their internal use. We in no form extend permission to use the asset for general publication or disclose the content to a third party. The data in our market research report should be used as indicative guidance only. Experts at Reports and Data assert that no business including but not limited to investments should be made purely on the data presented in these reports. We highly recommend that business owners or stakeholders should seek professional advice before making a business decision Any resale, lending, disclosure or reproduction of this publication can only be made with prior written permission from Reports and Data. Transmission and/or reproduction of this document by any means or in any form (includes photocopying, mechanical, electronic, recording or otherwise) are prohibited without the permission of Reports and Data.”*

The extent to which the market and industry data used in this 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 the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

## FORWARD-LOOKING STATEMENTS

This Prospectus contains certain “forward-looking statements”. All statements contained in this Prospectus that are not statements of historical fact constitute “forward-looking statements”. 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”, “expect”, “estimate”, “intend”, “likely to”, “may”, “can”, “could”, “should”, “seek to”, “shall”, “objective”, “plan”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward looking statements.

All forward-looking statements whether made by us or any third parties in this Prospectus are based on our current plans, estimates, presumptions and expectations and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement, including but not limited to, regulatory changes pertaining to the industry in which our Company has businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, our exposure to market risks, general economic and political conditions which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in its industry. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- 1) In the past, one of our Promoters, C Mruthyunjaya Swamy, in the capacity as a secretary of the Public Works Department, Karnataka, has been subjected to enquiry by the Lokayukta Police, Bangalore (“Lokayukta”) and initiation of certain legal proceedings by the Enforcement Directorate against him, which was subsequently disposed off;
- 2) Certain untraceable persons have filed complaints with SEBI and other authorities against our Company and our Promoter, C Mruthyunjaya Swamy, with allegations including indulging in corrupt practices, misusing of authority by our Promoter while being in public service and influencing the government officers in awarding the contracts to our Company, among others. Although Mr. C Mruthyunjaya Swamy is currently retired from the services of Government of Karnataka, there is no assurance that legal proceedings will not be reopened by Lokayukta or any other relevant authority against him or our Company, SEBI or other authorities do not receive similar complaints in future. Any further development in the above-mentioned legal proceedings or similar complaints filed with SEBI or other authorities may adversely affect our business, results of operations and financial condition;
- 3) Our revenue contribution from government clients has increased from 18.25% in FY 2023 to 52.04% as of FY 2024, and we currently rely substantially on our government clients for our revenues.
- 4) Our Company relies heavily on the Government of Karnataka for its business. 83.98% of our revenue from operations in six months period ended September 30, 2024, is from Government of Karnataka.
- 5) Delays in completion of our current and future projects and time overrun could have adverse effect on our business prospects and results of operations;
- 6) We are significantly dependent on the procurement of projects. Our revenue and earnings are dependent upon award of new contracts which we cannot directly control. If we fail to secure new contracts on a continual basis, our operating results may be materially and adversely affected, and we may be unable to secure projects or maintain our growth it may impact our profitability and subsequently our revenues, and business operations;
- 7) Contracts awarded by the Government of Karnataka (“GoK”) may provide GoK with the right to terminate the contract for convenience, without any reason which may impact our business operations, profitability and results of operations;
- 8) There is an outstanding litigation against our Promoter, Sowbhagyamma. Any adverse decision in such proceedings may render us / them liable to liabilities / penalties and may adversely affect our business, results of operations and financial condition;

- 9) The immediate relatives of our promoters, who are deemed to be a part of the Promoter Group under the SEBI ICDR Regulations have not provided consent, information or any confirmations or undertakings pertaining to themselves which are required to be disclosed as part of the Promoter Group in this Prospectus; and
- 10) We have experienced high attrition rate in respect of our Directors and Key Managerial Personnel. In particular, two Chief Financial Officers have resigned in the past one year. We may not be able to retain such persons in future which could adversely affect our business, results of operations, financial conditions and cash flows.

For further discussion of factors that could cause the actual results to differ from the expectations, please see the sections titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 33, 178 and 315, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

Forward-looking statements reflect current views as of the date of this Prospectus and are not a guarantee of future performance. There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

These statements are based on our management’s belief and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based on are reasonable, any of these assumptions could prove to be inaccurate and the forward -looking statements based on these assumptions could be incorrect. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance. Neither our Company, our Directors, the BRLM, nor any Syndicate Member nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company shall ensure that investors in India are informed of material developments from the date of this Prospectus in relation to the statements and undertakings in this Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for this Issue.



## SECTION II – SUMMARY OF THIS PROSPECTUS

The following is a general summary of certain disclosures and the terms of the Issue and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this 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 Prospectus, including the sections titled “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Our Promoters and Promoter Group”, “Industry Overview”, “Our Business”, “Financial Information”, “Outstanding Litigation and Other Material Developments”, “Issue Procedure” and “Description of Equity Shares and Terms of Articles of Association” on pages 33, 71, 87, 98, 240, 122, 178, 249, 348, 378 and 400, respectively.

### Summary of the primary business of our Company

We are a growing water and infrastructure solutions companies engaged in design, installation and commissioning of water management infrastructure projects with expertise in ground water recharging projects. In addition, we also undertake construction projects in the field of railways and highways. We are one of the few companies in India having experience and expertise in design, installation, commissioning, operations and maintenance of ground water recharging using recycled water.

For details with respect to our segmental revenue for six months period ended September 30, 2024 and Fiscal 2024, Fiscal 2023, Fiscal 2022, please see section titled “Our Business” on page 178.

### Summary of Industry in which our Company operates (Source: Marketysers Global Report)

An exponential increase in urban population, would be a challenge for water management in the country. Furthermore, insufficient and restricted wastewater treatment facilities endanger water quality and public health. In India, the total installed capacity to treat wastewater (domestic sewage) from urban areas is 44%, or 31,841 MLD, compared to an estimated daily sewage output of 72,368 MLD. The actual treatment rate is only 28%, or 20,236 MLD. Even in class I (populations over 100,000) and class II (populations 50,000-100,000) towns, which account for 72% of the urban population, only 30% of the wastewater gets treated, i.e., 11,787 MLD vs the 38,254 MLD created. According to a recent CPCB report (March 2021), India's present water treatment capacity is 27.3% and its sewage treatment capacity is 18.6% (with an additional 5.2% capacity being built).

For further details, please see section titled “Industry Overview” on page 122.

### Names of Promoters

As on the date of this Prospectus, our Promoters are Sowbhagyamma, Sujith T R, C Mruthyunjaya Swamy and Hema H M. For further details, please see section titled “Our Promoters and Promoter Group” on page 240.

### Issue Size\*

Fresh Issue of up to 7,500,000 Equity Shares of face value ₹ 10 each aggregating up to ₹ 2,205.00 million by our Company

*\*The Issue has been authorized by a resolution of our Board of Directors dated September 22, 2023, and by a special resolution of our Shareholders in their EGM held on November 3, 2023.*

The Issue constitutes 28.09 % of the post Issue paid up Equity Share capital of our Company. For further details, please see section titled “The Issue” and “Issue Structure” and on page 71 and 374.

### Objects of the Issue

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

Sr. No.	Particulars	Amount (in ₹ million)
1.	To meet working capital requirements	1,500.00
2.	General corporate purposes, subject to the applicable laws*	453.42
	<b>Net Proceeds</b>	<b>1,953.42</b>

\* The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds

For further details, please see section titled “Objects of the Issue” on page 98.

### Aggregate pre-Issue Shareholding of Promoters and members of our Promoter Group (other than Promoters) as a percentage of the paid-up Equity Share capital of our Company

The aggregate pre-Issue shareholding of Promoters and members of our Promoter Group (other than Promoters) as a percentage of the paid-up Equity Share capital of our Company as on the date of this Prospectus is as follows:

Name of Shareholder	Pre-Issue	
	No. of Equity Shares of face value ₹ 10 each	Percentage equity share capital (%)
<b>Promoters</b>		
Sowbhagyamma	6,720,000	35.00
Sujith T R	196,000	1.02
C Mruthyunjaya Swamy	4,800,000	25.00
Hema H M	6,720,000	35.00
<b>Total holding of the Promoters (A)</b>	<b>1,84,36,000</b>	<b>96.02</b>
<b>Promoter Group</b>		
H M Prabhu	19,200	0.10
H M Viswanath	19,200	0.10
Anusha M	725,600	3.78
<b>Total holding of Promoter Group (other than Promoters) (B)</b>	<b>7,64,000</b>	<b>3.98</b>
<b>Total holding of Promoters and Promoter Group (A + B)</b>	<b>19,200,000</b>	<b>100.00</b>

For further details, please see section titled “Capital Structure” on page 87.

### Summary of selected financial information derived from our Restated Consolidated Financial Information

A summary of the financial information of our Company derived from our Restated Consolidated Financial Information is as follows:

(₹ in million)

Particulars	Six months period ended September 30, 2024	As at and for the financial year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Equity Share capital	192.00	192.00	48.00	48.00
Net Worth	1884.63	1,642.56	1,045.47	544.31
Revenue from Operations	977.80	2,385.98	1,743.24	1,195.72
Profit/(Loss) after tax	241.99	597.25	501.12	383.37
Basic EPS (₹)	12.60	31.11	26.10	19.97
Diluted EPS (₹)	12.60	31.11	26.10	19.97
Net Asset Value per Equity Share (₹)	98.16	85.55	54.45	28.35
Current borrowings (A)	3.26	3.13	2.89	-
Non-current borrowings (B)	3.83	5.49	8.63	-
Total Borrowings (C=A + B)	7.09	8.62	11.52	-
Operating EBITDA Margin (%)	33.51%	33.17%	38.41%	43.33%
Restated profit for the period / year after tax (“PAT”)	241.99	597.25	501.12	383.37

Notes:

1. Basic and diluted earnings per equity share: Basic and diluted earnings per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended) read with the requirements of SEBI ICDR Regulations.
2. Operating EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
3. Restated profit for the period / year after tax (“PAT”) refers to profit after tax attributable to owners of the Company as appearing in the Restated Financial Information.

For further details, please see section titled “Restated Consolidated Financial Information” on page 249.

## 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

A summary of outstanding litigations involving our Company, our Promoters, our Directors and our Group Companies which have a material impact on our Company, as on the date of this Prospectus is as follows:

(in ₹ million)

Particulars	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceeding	Disciplinary actions by SEBI or Stock Exchanges	Material Civil Litigation*	Aggregate amount involved**
<b>Company</b>						
By our Company	Nil	Nil	Nil	Nil	Nil	Nil
Against our Company	Nil	1	Nil	Nil	1	3.14
<b>Directors (Other than Promoters)</b>						
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against our Directors	Nil	Nil	Nil	Nil	Nil	Nil
<b>Promoters</b>						
By our Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against our Promoters	Nil	Nil	Nil	Nil	1	Not quantifiable
<b>Group Companies</b>						
Proceeding against Group Companies which have material impact on our Company	Nil	Nil	Nil	Nil	Nil	Nil

\*This comprises the pending proceedings which may have a material impact on our Company, in accordance with the Materiality Policy.

\*\* To the extent quantifiable

As on the date of this Prospectus, there are no pending litigation proceedings involving our Group Company which will have a material impact on our Company.

For further details, please see section titled “*Outstanding Litigation and Other Material Developments*” on page 348.

## Risk Factors

For details of the risks applicable to us, please see section titled “*Risk Factors*” on page 33.

## Summary of Contingent Liabilities of our Company

Details of the contingent liabilities of our Company as at September 30, 2024, derived from the Restated Consolidated Financial Information are set forth below:

(in ₹ million)

Particulars	As at September 30, 2024
Bank Guarantee given by bank on behalf of the Company	570.15
Income Tax demand for Assessment Year 2021-2022	3.14
Income Tax demand for Assessment Year 2022-2023	-
Intimations to pay tax/Interest/ Penalty u/s	-
Litigation Matters with Small Causes Court Case under section 166 of Motor Vehicle Act, 1989 dated November 11, 2023, before the Chief Judge, Court of Small Causes	5.00

For further details, please see section titled “*Restated Consolidated Financial Information – Note no. 33 – Contingent Liabilities*” on page 291.

## Summary of Related Party Transactions

The details of related party transactions entered into by our Company for the six months period ended September 30, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 respectively, as per Ind AS 24 – Related Party Disclosures, read with SEBI ICDR Regulations and derived from the Restated Consolidated Financial Information are as set out in the table below.

### Transaction entered into with related parties for the six months period ended September 30, 2024

Sr. No.	Nature of transactions	Company in which director was interested	Entities in which KMP or relatives of KMP can exercise significant influence	KMP / Directors	Relatives of KMP	Total April to Sept 2024-25	Balance as at September 30, 2024
01	Remuneration :-						
	Maneesh Jaisheel Shetty	-	-	2.00	-	2.00	2.00
	Sujith T R	-	-	3.61	-	3.61	5.21
	Sowbhagyamma	-	-	0	-	0	0.15
02	Technical Services						
	Uva Sands Private limited	0.07	-	-	-	0.07	0.69
03	Contracts:-						
	RPS Acco DPIPL joint venture	-	47.20	-	-	47.20	50.24
	JNS Neo Pack Private Limited	-	1.50	-	-	1.50	0.93
	JNS Infra Projects Private Limited	-	50.00	-	-	50.00	0
04	Commision:-						
	Prabhu H M	-	-	-	0.63	0.63	-
05	Consultancy Charges:						
	Denta Engineers and Consultants	-	6.13	-	-	6.13	1.86
06	Sitting Fees:-						
	Pradeep N	-	-	0.07	-	0.07	0.06
	Narendra babu	-	-	0.05	-	0.05	0.05
	Gopal Krishna Kumar Swamy	-	-	0.04	-	0.04	0.05
07	Salary						
	Prabhu HM	-	-	-	0.30	0.30	-
	<b>Total</b>	<b>0.07</b>	<b>104.83</b>	<b>5.77</b>	<b>0.93</b>	<b>111.60</b>	<b>61.24</b>
	<b>Revenue</b>	<b>977.80</b>	<b>977.80</b>	<b>977.80</b>	<b>977.80</b>	<b>977.80</b>	<b>977.80</b>
	<b>% to Revenue</b>	<b>0.01</b>	<b>10.72</b>	<b>0.59</b>	<b>0.10</b>	<b>11.41</b>	<b>6.26</b>

Transaction entered into with related parties for the financial year ended March 31, 2024

Sr. No.	Nature of transactions	Company in which director was interested	Entities in which KMP or relatives of KMP can exercise significant influence	KMP / Directors	Relatives of KMP	Total FY 2023-24	Balance as at March 31, 2024
1.	<b>Remuneration: -</b>						
	Sowbhagyamma	-	-	0.05	-	0.05	0.15
	Manish Shetty	-	-	4.25	-	4.25	2.72
2.	<b>Machinery Rental Charges:-</b>						
	R P Shetty Engineers And Contractors	-	4.33	-	-	4.33	-
3.	<b>Technical Services</b>						
	Bharadwaj Construction & Consultants	21.74	-	-	-	21.74	0.55
	UVA sands Private Limited	1.88	-	-	-	1.88	1.04
4.	<b>Commission Paid:-</b>						
	H M Prabhu	-	-	-	0.63	0.63	-
5.	<b>Contract:-</b>						
	RPS ACC DPIPL Joint Venture	-	246.63	-	-	246.63	97.44
6.	<b>Salary:-</b>						
	H M Prabhu	-	-	-	0.60	0.60	0.05
7.	<b>Rent:-</b>						
	Sowbhagyamma	-	-	0.05	-	0.05	0.14
	Hema H M	-	-	0.14	-	0.14	0.11
8	<b>Consultancy Charges:</b>						
	Denta Engineers and Consultants HUF	-	11.33	-	-	11.33	5.15
9.	<b>Sitting Fees:</b>						
	Pradeep N	-	-	0.12	-	0.12	-
	Narendra Babu	-	-	0.10	-	0.10	-
	Gopal Krishna Kumar Swamy	-	-	0.11	-	0.11	-
10.	<b>JNS Constructions</b>	-	58.94	-	-	58.94	-
<b>Total</b>		<b>23.62</b>	<b>321.23</b>	<b>4.82</b>	<b>1.23</b>	<b>350.90</b>	<b>107.35</b>
<b>Revenue</b>		<b>2,418.37</b>	<b>2,418.37</b>	<b>2,418.37</b>	<b>2,418.37</b>	<b>2,418.37</b>	<b>2,418.37</b>
<b>% to Revenue</b>		<b>0.98</b>	<b>13.28</b>	<b>0.20</b>	<b>0.05</b>	<b>14.45</b>	<b>4.44</b>

Transaction entered into with related parties for the financial year ended March 31, 2023

(in ₹ million)

Sr. No.	Nature of transactions	Company in which director was interested	Entities in which KMP or relatives of KMP can exercise significant influence	KMP / Directors	Relatives of KMP	Total FY 2022-23	Balance as at March 31, 2023
1.	<b>Remuneration: -</b>						
	Sowbhagyamma	-	-	0.60	-	0.60	-
	G Manjunath	-	-	0.50	-	0.50	-
	Nista U Shetty	-	-	0.30	-	0.30	-
	Sujith T R	-	-	0.46	-	0.46	-
2.	<b>Machinery Rental Charges:-</b>						
	R P Shetty Engineers And Contractors	-	10.39	-	-	10.39	2.97
3.	<b>Technical Services</b>						
	Bharadwaj Construction & Consultants	10.09	-	-	-	10.09	10.09
	UVA sands Private Limited	1.04	-	-	-	1.04	0.56
4.	<b>Commission Paid:-</b>						
	H M Prabhu	-	-	-	0.60	0.60	-
5.	<b>Contract:-</b>						
	R P Shetty Engineers And Contractors	-	281.38	-	-	281.38	-
	RPS ACC DPIPL Joint Venture	-	53.42	-	-	53.42	-
6.	<b>Salary:-</b>						
	H M Prabhu	-	-	-	0.53	0.53	0.05
7.	<b>Rent:-</b>						
	Sowbhagyamma	-	-	0.07	-	0.07	-
	Hema H M	-	-	-	0.07	0.07	-
8.	<b>Other Exp. Reimbursement: -</b>						
	Sowbhagyamma	-	-	0.12	-	0.12	-
<b>Total</b>		<b>11.13</b>	<b>345.19</b>	<b>2.05</b>	<b>1.20</b>	<b>359.57</b>	<b>13.67</b>
<b>Revenue</b>		<b>1,757.47</b>	<b>1,757.47</b>	<b>1,757.47</b>	<b>1,757.47</b>	<b>1,757.47</b>	<b>1,757.47</b>
<b>% to Revenue</b>		<b>0.63</b>	<b>19.64</b>	<b>0.12</b>	<b>0.07</b>	<b>20.46</b>	<b>0.78</b>

Transaction entered into with related parties for the financial year ended March 31, 2022

(in ₹ million)

Sr. No.	Nature of transactions	Company in which director was interested	Entities in which KMP or relatives of KMP can exercise significant influence	KMP / Directors	Relatives of KMP	Total FY 2021-22	Balance as at March 31, 2022
1.	<b>Salary:-</b>						
	H M Prabhu	-	-	-	0.64	0.64	-
2.	<b>Contract:-</b>						
	R P Shetty Engineers and Contractors	-	483.51	-	-	483.51	-
	RPS ACC DPIPL JV	-	258.29	-	-	258.29	-
3.	<b>Rent:-</b>						
	Sowbhagyamma	-	-	0.07	-	0.07	-
	Hema H M	-	-	-	0.07	0.07	-
4.	<b>Machinery Rental Charges:-</b>						
	R P Shetty Engineers and Contractors	-	12.64	-	-	12.64	1.34
<b>Total</b>		-	<b>754.44</b>	<b>0.07</b>	<b>0.71</b>	<b>755.22</b>	<b>1.34</b>
<b>Revenue</b>		<b>1,196.35</b>	<b>1,196.35</b>	<b>1,196.35</b>	<b>1,196.35</b>	<b>1,196.35</b>	<b>1,196.35</b>
<b>% to Revenue</b>		-	<b>63.06</b>	<b>0.01</b>	<b>0.06</b>	<b>63.13</b>	<b>0.11</b>

For details of the related party transactions and as reported in the Restated Consolidated Financial Information, please see section titled “Restated Consolidated Financial Information – Note no. 51 – Related Party Disclosures” on page 304.

### Average Cost of Acquisition of Equity Shares held by our Promoters

The average cost of acquisition per Equity Share held by our Promoters as at the date of this Prospectus is set forth below:

Name	Number of Equity Shares of face value ₹ 10 each held	Average cost of acquisition per Equity Share (in ₹)*
<b>Promoters</b>		
Sowbhagyamma	6,720,000	7.07
Sujith T R	196,000	2.50
C Mruthyunjaya Swamy	4,800,000	Nil
Hema H M	6,720,000	Nil

\*As certified by Maheshwari & Co., Chartered Accountants, by way of their certificate dated January 16, 2025.

### Weighted average price at which the specified securities were acquired by our Promoters in the last one year preceding the date of this Prospectus

None of our Promoters have acquired any Equity Shares in the last one year preceding the date of this Prospectus.

### Weighted average cost of acquisition of all shares transacted (i) in the preceding three years, (ii) in the preceding 18 months preceding and (iii) in the preceding one year, the date of this Prospectus:

Period	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 one year	Nil	Nil	0-0
Last 18 months	Nil	Nil	0-0
Last three years	Nil	Nil	0-0

\* As certified by Maheshwari & Co., Chartered Accountants, by way of their certificate dated January 27, 2025.

### Details of price at which specified securities were acquired in the three years preceding the date of this Prospectus

Except as set out below, no specified securities have been acquired in the three years preceding the date of this Prospectus, by our Promoters, Promoter Group and Shareholders with the right to nominate directors or with any other rights.

S. No.	Name	Date of Acquisition	Number of Equity Shares of face value ₹ 10 each	Acquisition Price per Equity Share (in ₹)
<b>Promoter</b>				
1.	C Mruthyunjaya Swamy	June 30, 2023	1,200,000	-
2.	Hema H M	June 30, 2023	1,680,000	-
3.	Sowbhagyamma	August 21, 2023	5,040,000	-
4.	Sujith T R	August 21, 2023	147,000	-
5.	C Mruthyunjaya Swamy	August 21, 2023	3,600,000	-
6.	Hema H M	August 21, 2023	5,040,000	-
<b>Promoter Group</b>				
1.	Anusha M	June 30, 2023	181,400	-
2.	H M Prabhu	June 30, 2023	4,800	-
3.	H M Viswanath	June 30, 2023	4,800	-
4.	Anusha M	August 21, 2023	544,200	-
5.	H M Prabhu	August 21, 2023	14,400	-
6.	H M Viswanath	August 21, 2023	14,400	-
<b>Shareholders with nominee director rights or other special rights</b>				
1.	Nil			



## Secondary transactions

Except as stated below, there has been no acquisition of Equity Shares through secondary transactions by our Promoters and Promoter Group in the three years preceding the date of this Prospectus.

S. No.	Name	Date of Acquisition	Number of Equity Shares of face value ₹ 10 each	Acquisition Price per Equity Share (in ₹)
<b>Promoter</b>				
1.	C Mruthyunjaya Swamy	June 30, 2023	1,200,000	Nil
2.	Hema H M	June 30, 2023	1,680,000	Nil
<b>Promoter Group</b>				
3.	Anusha M	June 30, 2023	181,400	Nil
4.	H M Prabhu	June 30, 2023	4,800	Nil
5.	H M Viswanath	June 30, 2023	4,800	Nil

## Details of Pre-IPO Placement

Our Company has not undertaken a pre-IPO placement.

## Financing arrangements.

There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our Directors and their relatives (*as defined in Companies Act*) have financed the purchase by any other person of securities of our Company, during a period of six months immediately preceding the date of this Prospectus.

## Issue of Equity Shares for consideration other than cash in last one year

Except as disclosed in this Prospectus, our Company has not issued any Equity Share for consideration other than cash in last one year from the date of this Red Herring Prospectus. For details regarding the bonus issue of Equity Shares, please see section titled “*Capital Structure*” on page 87

## Split / Consolidation of Equity Shares in last one year

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

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

Our Company filed an exemption application dated September 25, 2023 with SEBI (the “**SEBI Exemption Application**”) for seeking exemption under Regulation 300(1) of the SEBI ICDR Regulations from identifying and disclosing the following as members of the Promoter Group (i) C. Siddhalinga Devaru (brother and immediate relative of C. Mruthyunjayaswamy, one of the Promoters and Spouse’s Brother and immediate relatives of H M Hema, one of promoters ), (ii) C. Mangala (sister and immediate relative of C. Mruthyunjayaswamy, one of the Promoters and spouse’s sister and immediate relatives of H M Hema, one of Promoters), (iii) C. Mahadevi (sister and immediate relative of C. Mruthyunjayaswamy, one of the Promoters and spouse’s sister and immediate relatives of H M Hema, one of Promoters), (iv) S. Chandrashekariah (brother and immediate relative of Sowbhagyamma, one of the Promoters) and (v) Dr. Gurumurthy (brother and immediate relative of Sowbhagyamma, one of the Promoters) (vi) anybody corporate in which 20% or more of the equity share capital is held by C. Siddhalinga Devaru or C. Mangala or C. Mahadevi or S. Chandrashekariah or Dr. Gurumurthy or a firm or any Hindu Undivided Family where C. Siddhalinga Devaru or C. Mangala or C. Mahadevi or S. Chandrashekariah or Dr. Gurumurthy may be a member; and (vii) anybody corporate in which entities mentioned under ‘vi’ holds 20% or more of the equity share capital, in accordance with the SEBI ICDR Regulations. SEBI pursuant to its letter bearing reference number SEBI/HO/CFD/RAC-DIL1/P/OW/2023/48613/1 dated December 4, 2023, rejected the SEBI Exemption Application and directed our Company to include C. Siddhalinga Devaru or C. Mangala or C. Mahadevi or S. Chandrashekariah or Dr. Gurumurthy (hereinafter collectively to be referred as “**Relevant Persons**”), as part of the Promoter Group of our Promoters and include applicable disclosures based on the information as available in the public domain.

Accordingly, based on a careful examination of the search results available on public platforms including Watchout Investors database and CIBIL database, our Company confirms that the Relevant Persons (a) are not debarred or prohibited from accessing capital markets under any order or direction passed by SEBI; and (b) have not been declared as Wilful Defaulter or Fraudulent Borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrower issued by Reserve Bank of India. Our Company had also issued letters dated December 9, 2023, via registered post on December 10, 2023, as an attempt to establish communication with C. Siddhalinga Devaru, C Mangala, C Mahadevi, S. Chandrashekariah and Dr Gurumurthy. As of the date of this Prospectus, our Company has not been able to establish communication with the Relevant Persons. In this regard, suitable disclosures have been included in this Prospectus based on diligence of publicly available information and public domain search including on the websites of CIBIL and watchout investors.

### SECTION III: RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares.*

*We have described the risks and uncertainties that we consider material, but these risks and uncertainties may not be the only risks relevant to us, the Equity Shares, or the industry in which we currently operate or propose to operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our businesses, results of operations, financial condition and cash flows. If any or a combination of the following risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our businesses, results of operations, financial condition and cash flows could be adversely affected, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with “Our Business”, “Industry Overview”, “Key Regulations and Policies in India” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 178, 122, 212 and 315, respectively, as well as the financial, statistical and other information contained in this Prospectus.*

*In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. You should consult your tax, financial and legal advisers about the particular consequences to you of an investment in our Equity Shares. Unless otherwise indicated or context requires otherwise, the financial information included herein is derived from our Restated Consolidated Financial Information for the six months period ended September 30, 2024 and Fiscals 2024, 2023 and 2022 included in this Prospectus.*

*This 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 Prospectus. For further details, please see section titled “Forward-Looking Statements” on page 21. Unless the context otherwise requires, under this section, references made to “we”, “us”, “our”, or “our Company” refers to Denta Water and Infra Solutions Limited unless specified. For further details relating to various defined terms used in our business operations, please see section titled “Definitions and Abbreviations” on page 3.*

*Unless stated otherwise, industry and market data used in this section have been obtained or derived from publicly available information as well as industry publications and sources such as the “India Water and Wastewater Treatment Market – Forecast to 2033” released in December, 2024, prepared and issued by Marketysers Global Consulting LLP, paid and commissioned by our Company for the purposes of confirming our understanding of the industry in connection with the Issue. There are no material parts, data or information that have been left out or changed in any material manner. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Marketysers Global Report and included herein with respect to any particular year refers to such information for the relevant calendar year. Our financial year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular financial year are to the 12 months ended March 31 of that year. 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 Risks:**

- 1. In the past, one of our Promoters, C Mruthyunjaya Swamy, in the capacity as a secretary of the Public Works Department, Karnataka, has been subjected to enquiry by the Lokayukta Police, Bangalore (“Lokayukta”) and initiation of certain legal proceedings by the Enforcement Directorate against him, which was subsequently disposed off. Although Mr. C Mruthyunjaya Swamy is currently retired from the services of Government of Karnataka, there is no assurance that legal proceedings will not be reopened by Lokayukta or any other relevant authority against him. Any further development in the above-mentioned legal proceedings or other authorities may adversely affect our business, results of operations and financial condition***

The Lokayukta initiated a suo-moto enquiry against our Promoter, C Mruthyunjaya Swamy and submitted a preliminary investigation report on July 21, 2011, to the Superintendent of Police-2, Karnataka Lokayukta, Bangalore for contravention of section 13 (1) (e) read with section 13 (2) of the Prevention of Corruption Act, 1988. The preliminary investigation report alleged that C Mruthyunjaya Swamy had accumulated disproportionate assets. Pursuant to the preliminary investigation report, a first information report bearing no. 28/2011 (“FIR”) was filed against C Mruthyunjaya Swamy and subsequently, raids were conducted at the premises and residence

of the C Mruthyunjaya Swamy, H M Hema, Sowbhagyamma and H M Prabhu (“**C Mruthyunjaya Swamy and his family members**”) and certain valuables and documents were seized, and their bank accounts were frozen. Being aggrieved by the action taken by the Lokayukta, C Mruthyunjaya Swamy and his family members filed writ petitions bearing nos. 21782/2014, 38450/2014, 38451/2014, 38498/2014 (“**Writ Petitions**”) before the High Court of Karnataka (“**Hon’ble High Court**”) challenging the registration of FIR and preliminary investigation report and prayed to quash the proceedings pursuant to the FIR on the grounds that investigation was commenced by the inspector of Lokayukta without filing an FIR and hence the Deputy Superintendent of the Police of Lokayukta was not authorized to investigate into the matter. Hon’ble High Court vide its order dated August 22, 2016 (“**2016 Order**”), allowed the writ petitions and the proceedings against them were quashed on the grounds that the preliminary investigations were carried out prior to the filing of the FIR, which is a violation of the mandatory procedures. Subsequently, C Mruthyunjaya Swamy and his family members also filed a separate application under the section 452 of the Cr.P.C before the 77<sup>th</sup> Additional Civil & Sessions Judge and Special Judge, Bengaluru (“**77<sup>th</sup> Additional Judge**”) for defreezing the bank accounts and release of properties seized by the Lokayukta. 77<sup>th</sup> Additional Judge vide order dated February 4, 2017, allowed the appeal filed by C Mruthyunjaya Swamy and his family members and directed the investigating officer at the Lokayukta to defreeze the bank accounts and release the properties seized.

In the meantime, being aggrieved by 2016 Order, Lokayukta filed a special leave petition before the Hon’ble Supreme Court of India (“**Hon’ble SCI**”) to set aside the 2016 Order. Hon’ble SCI vide its order dated May 18, 2018 (“**2018 Order**”), set aside the 2016 Order and reinstated the investigations. Simultaneously, Lokayukta, being aggrieved by the order dated February 4, 2017, passed by 77<sup>th</sup> Additional Judge, filed an appeal bearing no Cr.L.A.No. 950/2017, before the Hon’ble High Court and prayed to set aside the order dated February 4, 2017, passed by 77<sup>th</sup> Additional Judge. The Hon’ble High Court dismissed the appeal vide order dated August 29, 2023, stating that the appeal has become infructuous.

Further, pursuant to the order passed by Hon’ble SCI, investigating officer of Lokayukta submitted a request to the competent authority for its approval for initiation of prosecution proceedings based on the final report of the Lokayukta submitted in 2013. However, the competent authority rejected the request made by the investigating officer vide its order no. DPAR 07 EMUVI 2011 dated June 21, 2019. Being aggrieved, the Lokayukta filed a writ petition bearing no. 5248/2020 before the Hon’ble High Court, which has been dismissed vide its order dated February 16, 2023, on the grounds that the competent authority had refused prosecution sanction on clear application of mind and Lokayukta cannot be considered as an aggrieved person to challenge the order of the competent authority. Simultaneously, the Lokayukta also submitted the report to Enforcement Directorate, Bangalore Zone (“**ED**”) bearing no. ECIR/BGZO/08/2012 (“**ECIR**”) and ED initiated certain proceedings against C Mruthyunjaya Swamy for the offences punishable under the PMLA. Consequent to the findings of the investigations under PMLA, the ED submitted a closure report wherein the disproportionate assets could not be established in the hands of C Mruthyunjaya Swamy and his family members and the proceeding initiated under PMLA was also closed on June 7, 2022. All the matters and proceedings relating to the action initiated by the Lokayukta and other government agencies as set out above, were decided in favour of C Mruthyunjaya Swamy and his family members and presently there are no proceedings which are pending.

**2. *Certain untraceable persons have filed complaints with SEBI and other authorities against our Company and our Promoter, C Mruthyunjaya Swamy, with allegations including indulging in corrupt practices, misusing of authority by our Promoter while being in public service and influencing the government officers in awarding the contracts to our Company, among others. There is no assurance that our Company or SEBI or other authorities do not receive similar complaints in future. Any further development in similar complaints filed with SEBI or other authorities may adversely affect our business, results of operations and financial condition.***

SEBI, Ministry of Corporate Affairs and other authorities received certain complaints (“**Complaints**”) from certain persons (“**Complainants**”) against our Promoter, C Mruthyunjaya Swamy and our Company, with certain grave and unsubstantiated allegations. The allegations inter-alia contained insinuations, amongst others, that our Promoter (i) incorporated our Company with an intent to utilize amounts which were illegally earned by our Promoter; (ii) created asset base of our Company with money earned from illegal sources and proceeds of bribes; (iii) grabbed government contracts in illicit ways by exercising influence over government officers; (iv) misused authority for monetary and other gains for his benefit while being in government service; (v) bribed officials of the government in order to retain and obtain business from the government departments; (vi) bribed officials of the government in order to avail advance payments without completing the projects; (vii) worked with officials in the government to inflate project estimates costs; (viii) appointed close associates as Benami Directors that for last 2-3 years ; (ix) the Company has achieved high profit margins in financials (x) the Company has disclosed false fake fabricated information regarding work-in-hand, expected work and future turnover for the seeking

approval for the public listing (“Allegations”). As the Complainants were not traceable, our Company vide letters dated May 15, 2024 and August 19, 2024 has appropriately replied to SEBI, Ministry of Finance, the Director General of Income tax (Bangalore), the Principal Commissioner of Income tax, the Director General of Income tax (Delhi), the chief vigilance officer, Directorate of Enforcement, New Delhi and Joint Director, Directorate of Enforcement, Bangalore., in order to respond to the Allegations made in the Complaints stating inter-alia that: (i) our Company was initially incorporated and run by Sowbhagyamma and Sujith T R in the year 2016 and not by our Promoter, C Mruthyunjaya Swamy. Further, the Company clarified that C Mruthyunjaya Swamy became promoter of our Company with effect from June 30, 2023 on account of transfer of shares by way gift by Sowbhagyamma and has never been part of the management of our Company since incorporation; (ii) all its assets, including a commercial building, a resort in Kundapur, and a coffee estate in Coorg, were acquired through legally valid and registered sale deeds and through proceeds which are legally verifiable; (iii) strongly refuted these claims by emphasizing the integrity and transparency of its contract procurement process. Further the Company clarified that all contracts with government departments are awarded through a competitive bidding process and adherence to legal and procedural prescriptions as set out under the bidding documents; (iv) in response to misuse of authority by our Promoter for monetary and other gains for his benefit while being in government service, our Company vehemently denied such practices; (v) in response to the accusation of bribes paid to the officials for retention and obtaining government contracts, our Company has vehemently denied such practices and clarified that all contracts with government departments are awarded through a competitive bidding process and adherence to legal and procedural prescriptions as set out under the bidding documents; (vi) in response to the accusation that our Promoter bribed officials to secure advance payments without completing projects, our Company has vehemently denied such practices and clarified that the procedure for receiving advance payments is strictly governed by the terms of the agreements that our Company has entered into with the government; (vii) in response to the accusation that our Promoter worked with officials to inflate project estimate costs, our Company has vehemently denied such practices and stated that there was no factual basis to the same; (viii) in response to appointment of close associates as Managing Director and Whole-time Director, our Company stated that the said directors are appointed based on their qualifications or experience in their relevant industry, in strict compliance with the relevant provisions of the Companies Act, 2013; (ix) in response to the high profit margins, the Company stated that the same was attributable to strategic planning, efficient operations, dedicated team, income from project management consultancy and miscellaneous services and strong order book of the Company and (x) in response to the accusation that the Company has disclosed false fake fabricated information regarding work-in-hand, expected work and future turnover, our Company stated that there was no factual basis to the same.

Further, it was also alleged that our Company has not cleared payments to their laborers, labour contractors, subcontractors and suppliers; and has included false projections of the high growth margins in the DRHP. Our Company has refuted the allegation made with appropriate justifications. Additionally, our Company with an intent to address the apprehensions of the Complainant attempted to trace the origin of the Complaints, but the same could not be traced and the phone numbers furnished by the Complainants were found to be bogus. Consequently, our Company has replied to the Complaints, denying the allegations made therein, with proper documentary proof and evidence to SEBI and all the other authorities to which the letter was addressed. Further, on July 19, 2024, our Company lodged a complaint with Jayanagar Police Station, Bangalore for assessing the motive behind the Complaints filed. Based on preliminary investigation, the officials has found that the addresses and the phone numbers mentioned on the Complaints were untraceable.

While we do not believe that similar complaints would be received prior to consummation of the proposed initial public offering of our Equity Shares, however, recurrence of such complaints in future may impact the timelines for our proposed IPO along with significant time being spent by our Promoters and management team in addressing such complaints, which can have an adverse impact on our business operations, cash flows and reputation. We are also exposed to the risk of any governmental authority taking cognizance of such complaints and initiating enquiries or legal proceedings against our Promoter and our Company, which will require us defend ourselves against the allegations made, the outcome of which will not be in our control. Even if we are successful in defending such cases arising out of these allegations, we may be subject to legal and other costs incurred pursuant to defending such litigation, and such costs may be substantial and not recoverable.

**3. *Our revenue contribution from government clients has increased from 18.25% in FY 2023 to 63.40% as of FY 2024, and we currently rely substantially on our government clients for our revenues.***

Our Company procures government contracts either through direct contracts (independently or as consortium partner) or as sub-contracts. Our revenue contribution from government clients and the subcontracting projects has increased from 18.25% in FY 2023 to 63.40% in FY 2024, and we currently rely substantially on our government clients for our revenues. The details of our order book for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 are as follows:

(₹ in million)

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Order Book*	974.08	2,308.16	1,603.46	987.32
Contribution to Revenue from business of Government of Karnataka	818.03	1,463.37	292.64	235.36
% Contribution to Revenue from business of Government of Karnataka	83.98%	63.40%	18.25%	23.84%

\*Inclusive of unbilled revenue

Our reliance on state governments, particularly, government of Karnataka and other entities like municipal corporations in the state of Karnataka has increased over the years. Most of our current projects are government sponsored and these are often subject to delay. Such delays could be on account of a change in the state government, changes in policies impacting the public at large, scaling back of government policies or initiatives, changes in governmental or external budgetary allocation, or insufficiency of funds or reluctance of the government departments to make quick decisions, which can significantly and adversely affect the business, financial condition and results of operations of our Company.

Further, contracts awarded by the Government of Karnataka (“GoK”) may provide GoK with the right to terminate the contract for convenience, without any reason which may impact our business operations, profitability and results of operations. Since the majority of our Company’s projects are contracts with the government entities, we are susceptible to such termination or invocation. In the event that a contract is terminated or invoked without cause, our revenues and results of operations may be adversely affected.

**4. Our Company relies heavily on the Government of Karnataka for its business. 83.98% of our revenue from operations in six months period ended September 30, 2024, is from Government of Karnataka.**

Our Company relies heavily on Government of Karnataka (“GoK”) for its business by the virtue of direct contracts entered into with the respective departments or through sub-contracting contracts entered into with the contracts. For the six months period ended September 30, 2024, 83.98% of our revenue from operations is derived from GoK. As on date of this Prospectus, all our projects are geographically in one state i.e. Karnataka. This concentration heightens our exposure to adverse developments related to regulatory, as well as economic, demographic and other changes in the state of Karnataka as well as the occurrence of natural and man-made disasters in Karnataka, which may adversely affect business, results of operations and financial condition. Our projects require significant labour and are also reliant on government policies in terms of taxes, duties and incentives made applicable by the state government. For further details, please see section titled “Statement of Special Tax Benefits” on page 117. As a result, any unfavourable policies in Karnataka could adversely affect our business, results of operations and financial condition. Any change in policies of Government of Karnataka, in respect of the segments we are engaged with them may impact our business. Further, we have only a limited ability to negotiate the terms of the contracts in respect of projects of Government of Karnataka, which tend to favour GoK. For instance, the terms laying out our obligations are decided by GoK and it may not possible for us to amend such obligations. The contractual terms may present risks to our business, including:

- GoK’s discretion to grant time extensions, which may result in project delays and/or cost overruns;
- Our liability as a contractor for consequential or economic loss to GoK;
- risks we have to assume and lack of recourse to our government client where defects in site or geological conditions were unforeseen or latent from our preliminary investigations, design/engineering prior to submitting a bid.

Any adverse change in macro-economic and political situation affecting the economy of State of Karnataka in general, could prompt GoK to reduce provision for the projects we are involved also lead to delay in or cancellation of projects. Further, generally the contracts by GoK are awarded based on tenders issued, unlike repetitive contracts in private sector. We cannot assure that we will be awarded such projects in future.

Also, in case we fail to perform as per the contracts awarded to us, our contracts may be terminated by GoK, which may impact our ability to bid for future projects by GoK, other state governments and to participate in such projects as a sub-contractor. While no such instances have occurred in past, we may not assure you that such events may not occur in future and we may not be able to find suitable replacement for such business. Therefore,

any adverse developments in our relationship with GoK may have a material adverse impact on our business, financial condition and prospects.

Further, contracts awarded by the Government of Karnataka (“GoK”) may provide GoK with the right to terminate the contract for convenience, without any reason. Since the majority of our Company’s projects are contracts with the government entities, we are susceptible to such termination or invocation. In the event that a contract is terminated or invoked without cause, our revenues and results of operations may be adversely affected. Further, there have been riots in the past, in state of Karnataka, however, there have been no impact of such riots in our business operations. Such tensions could lead to political or economic instability in Karnataka and a possible adverse effect on our business, results of operations and financial condition.

**5. *Delays in completion of our current and future projects and time overrun could have adverse effect on our business prospects and results of operations.***

Typically, our projects are subject to specific completion schedule requirements. The scheduled completion targets for our projects are estimates and are subject to delays as a result of, among other things, unforeseen engineering problems, force majeure events, unavailability of financing, unanticipated cost increases or changes in scope and inability in obtained government approvals or as may be contractually agreed with the client. We also provide bank guarantees to our clients which may be invoked if we are unable to complete projects within a specified time frame and such guarantees may be extended owing to any change in such timelines. Failure to adhere to contractually agreed timelines could lead to forfeiture of security deposits, payment of liquidated damages and/ or our performance guarantees being invoked.

While there have been no delays in performance of the contracts in our completed projects, for further details, please see section titled “*Our Business – Our Completed projects*” on page 196. There can be no assurance that our projects will be completed within the specified time frame. We are experiencing time overrun in 10 of our 17 ongoing projects, however, applications have been made to the respective authorities for extension of timeline. For details, please see section titled “*Risk Factors- We are experiencing time overrun in 10 out of 17 of our ongoing projects*” on page 49. Further, there have been no instances of time overrun in the past, we cannot assure you that all potential liabilities that may arise from delays or that any damage, that may be claimed for such delays from clients or any third party, would be adequate to cover losses resulting there from.

Further, any delay in completing the project would result in the total cost of a project contract to exceed the original estimates. Such time overruns and cost overruns may adversely affect our business and results of operations.

**6. *We are significantly dependent on the procurement of projects. Our revenue and earnings are dependent upon award of new contracts which we cannot directly control. If we fail to secure new contracts on a continual basis, our operating results may be materially and adversely affected, and we may be unable to secure projects or maintain our growth it may impact our profitability and subsequently our revenues, and business operations.***

Our relationships with our clients are mainly contract-based with reference to projects. Our revenue is generated from projects awarded to us from time to time. The timing of awards for such projects is unpredictable and outside of our control. The growth of our business depends on our ability to obtain projects including by way of being awarded tenders pursuant to competitive bidding processes. As we do not have any long-term contractual arrangements with our clients, we must seek to source and enter into new contracts from time to time. Apart from providing quotation directly to our clients, we also secure contracts through open tendering and invitational tendering. We operate in competitive markets where it is difficult to predict whether and when we will receive awards since these awards and projects often involve complex and lengthy negotiations and bidding processes. These processes can be impacted by a variety of factors including governmental approvals, financing contingencies, environmental conditions and overall market and economic conditions. In addition, during an economic downturn, many of our competitors may be more inclined to take greater or unusual risks or terms and conditions in a contract that we might not deem as standard market practice or acceptable. As a result, we may be subject to the risk of losing new awards to competitors. There is also a risk that revenue may not be derived from awarded projects as quickly as anticipated. Also, any rejection of award or cancellation or suspension of an order by a customer may also affect our revenue and financial condition.

There is no assurance that we will continue to secure new contracts or maintain or increase our current level of business activities with existing or prospective clients in the future. It is generally very difficult to predict whether or when we will secure new contracts, as it may depend on a number of factors, such as the actual business needs,

market conditions, financing arrangements and government policy. If we are unable to identify new clients and secure new contracts on a continual basis, our business and results of operations may be materially and adversely affected.

Furthermore, we cannot assure you that we will be able to maintain or improve business relationships with our existing clients and any of them may terminate their respective business relationships with us at any time. Any material difficulty in securing new projects from our clients, termination or significant reduction in the number or contract value of the projects secured from them could cause our revenue and profits to decrease significantly.

**7. Contracts awarded by the Government of Karnataka ('GoK') may provide GoK with the right to terminate the contract for convenience, without any reason which may impact our business operations, profitability and results of operations.**

Our business is principally focused on projects in water management including lift irrigation and ground water recharging undertaken by the Government of Karnataka. Certain of our contracts with GoK include provisions such as permitting the GoK to terminate the agreement for convenience; termination on account of delay in completion of work and imposition of liquidated damages on account of delay. While we are generally able to recover actual costs incurred until that time, but we do not recover the full payment that would otherwise have been due to us under the contract. The exercise of such termination rights, or the use of such rights as leverage to re-negotiate terms and conditions of the contract, including pricing terms, could materially and adversely affect our business, financial condition and results of operations.

**8. There is an outstanding litigation against our Promoter, Sowbhagyamma. Any adverse decision in such proceedings may render us / them liable to liabilities / penalties and may adversely affect our business, results of operations and financial condition.**

Our Promoter, Sowbhagyamma, is involved in a legal proceeding, which is pending. A summary of outstanding litigation proceedings involving our Company, Promoters, Directors and Group Companies, has been disclosed in section titled “*Outstanding Litigation and Other Material Developments*” on page 348 in terms of the SEBI ICDR Regulations as of the date of this Prospectus is provided below:

*(in ₹ million)*

Particulars	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceeding	Disciplinary actions by SEBI or Stock Exchanges	Material Civil Litigation *	Aggregate amount involved**
<b>Company</b>						
By our Company	Nil	Nil	Nil	Nil	Nil	Nil
Against our Company	Nil	1	Nil	Nil	1	3.14
<b>Directors (Other than Promoters)</b>						
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against our Directors	Nil	Nil	Nil	Nil	Nil	Nil
<b>Promoters</b>						
By our Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against our Promoters	Nil	Nil	Nil	Nil	1	Not quantifiable
<b>Group Companies</b>						
Proceeding against Group Companies which have material impact on our Company	Nil	Nil	Nil	Nil	Nil	Nil

\*This comprises the pending proceedings which may have a material impact on our Company, in accordance with the Materiality Policy.

\*\* To the extent quantifiable



Our Promoter, Sowbhagyamma had filed a suit before the Court of Additional City Civil & Sessions Judge, Bangalore against Sri Bhaskar and Bruhat Bangalore Mahanagara Palike (“**Defendants**”) for seeking relief of declaration to establish acquisition of easementary right to light and air from properties of Defendants. The matter is currently pending. We cannot assure you that any of the outstanding litigation matters will be settled in favour of our Promoter, or that no (additional) liability will arise out of these proceedings. For further details, please see section titled “*Outstanding Litigation and Other Material Developments*” on page 348. In addition to the foregoing, we could also be adversely affected by complaints, claims or legal actions brought by persons, before various forums such as courts, tribunals, consumer forums or sector-specific or other regulatory authorities in the ordinary course or otherwise, in relation to our products and services, our technology and/or intellectual property, our branding or marketing efforts or campaigns or our policies or any other acts/omissions. Further, we may be subject to legal action by our employees and/or ex-employees in relation to alleged grievances such as termination of their employment with our Company. We cannot assure you that such complaints or claims will not result in investigations, enquiries or legal actions by any courts, tribunals or regulatory authorities against us.

**9. *The immediate relatives of our promoters, who are deemed to be a part of the Promoter Group under the SEBI ICDR Regulations have not provided consent, information or any confirmations or undertakings pertaining to themselves which are required to be disclosed as part of the Promoter Group in this Prospectus.***

Our Company requested C. Siddhalinga Devaru, C. Mangala, C. Mahadevi, immediate relatives of our Promoter C. Mruthyunjayaswamy and Hema H M and S. Chandrashekariah and Dr. Gurumurthy, immediate relatives of our Promoter, Sowbhagyamma who are deemed to be a part of the Promoter Group under the SEBI ICDR Regulations (“**Relevant Persons**”), to provide information, confirmations and undertakings in respect of themselves and their relevant entities as members of the Promoter Group. However, our Company, despite several attempts, could not establish communication with these Relevant Persons. Therefore, our Company, pursuant to its letter dated September 25, 2023, had sought an exemption from the inclusion of Relevant Persons in Promoter Group of our Company. SEBI, pursuant to its letter dated December 4, 2023, rejected the application and directed our Company to include these Relevant Persons as part of Promoter Group of our Company and include applicable disclosures based on the information as available in the public domain. Subsequently, our Company had also issued letters dated December 9, 2023, via registered post on December 10, 2023, as an attempt to establish communication with C. Siddhalinga Devaru, C Mangala, C Mahadevi, S. Chandrashekariah and Dr Gurumurthy. As of the date of this Prospectus, our Company has not been able to establish communication with the Relevant Persons.

Accordingly, based on a careful examination of the search results available on public platforms including Watchout Investors database and CIBIL database, our Company confirms that the Relevant Persons (a) are not debarred or prohibited from accessing capital markets under any order or direction passed by SEBI; and (b) have not been declared as Wilful Defaulter or Fraudulent Borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrower issued by Reserve Bank of India. In this regard, suitable disclosures have been included in this Prospectus based on publicly available information and public domain search including on the websites of CIBIL and watchout investors.

Given that certain of such undertakings and confirmations are based only on publicly available information published on websites, our Company has not been able to identify any body corporate in which 20.00% or more of the equity share capital is held by any of the Relevant Persons in which they are members and consequently, our Company has not been able to identify all entities which may be considered as a part of the Promoter Group of our Company and/or include disclosures in this Prospectus pertaining to any factual confirmations required to be made in relation to the Promoter Group members. There can be no assurance that all relevant and/or complete disclosures pertaining to Relevant Persons and their connected entities, as members of the Promoter Group of our Company are included in this Prospectus. To that extent, the incremental disclosures made in the section titled “*Our Promoters and Promoter Group – Our Promoter Group*” in relation to Relevant Persons and/or connected entities beginning on page 243 of this Prospectus, are limited and based on the publicly available information published.

**10. *We have experienced high attrition rate in respect of our Directors and Key Managerial Personnel. In particular, two Chief Financial Officers have resigned in the past one year. We may not be able to retain such persons in future which could adversely affect our business, results of operations, financial conditions and cash flows.***

We are dependent on our Directors and key managerial personnel for setting our strategic business direction and managing our business. Our Directors and key managerial personnel have extensive experience in their areas of

expertise. Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled professionals. Without a sufficient number of skilled employees, our operations and manufacturing quality could suffer. Two (2) of our Chief Financial Officers resigned during the Fiscal 2025 and with respect to our Directors, one (1) of our directors has resigned during the Fiscal 2024. We may experience similar attrition rates in the future which may decrease our operating efficiency and productivity and lead to a decline in the profitability of our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining suitable employees. The loss of the services of our key personnel or our inability to recruit or train a sufficient number of experienced personnel or our inability to manage the attrition levels of key personnel may have an adverse effect on our financial results and business prospects.

**11. We enter into joint ventures arrangements for completion of our projects which may expose us to additional liabilities on account of our partners' failure or underperformance and any premature termination of which, may adversely affect our business, reputation, financial condition and results of operations.**

We have entered into joint ventures arrangements for certain of our projects, wherein we have defined roles and responsibilities in respect of various project undertakings. Our joint ventures performance is subject to market risks, private competition, labour unrests, nonavailability etc. In some instances, we may not be able to pre-qualify for large projects on our own and may seek to align with other entities to be able to qualify for bids for large projects in the public and private sectors. In the six months ended September 30, 2024 and last three financial years, the joint venture arrangement of our Company along with the revenue generated from such joint venture arrangement are as below:

(₹ in million except as stated)

Sr. No.	Project Name	Joint Holder Name	Value of Contract in Millions (DPIPL)	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
				Value	%	Value	%	Value	%	Value	%
1.	Byrapura & Hiremagaluru LIS Project	JV - RPS DPIPL	309.6	-	-	1.98	0.08%	46.08	2.64%	230.61	19.29%
2.	Koramangala - Challaghatta (KC) Valley Project - Phase II	RPS ACCO DPIPL JV	2,141.9	-	-	197.96	8.30%	179.98	10.32%	-	-
3.	Bangalore East Lift Irrigation Scheme (LIS)	JNS DPIPL JV	926.7	75.32	7.70	207.63	8.70%	-	-	-	-
4.	Multi Village scheme for drinking water supply - Koppal	DPIPL SPML JV	2,350	248.26	27.31	763.81	32.01%	-	-	-	-
5.	Providing Water supply scheme to Kuknuru & Yelaburga	DWSIL CIPL SIPL	2,011.80	79.32	9.73	-	-	-	-	-	-
6.	Provision for nos of new FOB connecting platforms for Palakkad Division under Amrut Bharat Scheme	JV - DWSIL CORE4 ENGINE ERS	146.80	-	-	-	-	-	-	-	-

Sr. No.	Project Name	Joint Holder Name	Value of Contract in Millions (DPIPL)	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
				Value	%	Value	%	Value	%	Value	%
<b>Total</b>				<b>402.9</b>	<b>43.74</b>	<b>1,171.38</b>	<b>49.09</b>	<b>226.06</b>	<b>12.96</b>	<b>230.61</b>	<b>19.29</b>

There can be no assurance that we will be able to locate or form partnerships with competent or necessary third parties to enable us to pre-qualify for bids in the future. Any failure to identify and form alliances and failure by third parties to fulfill their obligations may adversely impact our ability to bid for and obtain projects in the future.

Some of these contracts have joint and several liabilities on the joint venture partners. Investments through joint ventures may, under certain circumstances, involve risks as joint venture partners may fail to meet their financial, commercial or other obligations in respect of the joint venture. If our joint venture partners fail to perform their obligations satisfactorily, we may have to make additional investments and/or provide additional services to ensure the adequate performance and delivery of contracted services. Non performance by any of the joint venture partners or consortium partners may expose us to significant financial and co-operational liabilities. While our Company has not incurred additional costs on account of partners' failure or underperformance in the six months period ended September 30, 2024 and the last three financial years, we cannot assure you that that our joint venture partners will continue to perform and we will not incur additional cost account of partners' failure or underperformance in the future. Any such non-performance of the contractual obligation may adversely affect our business, and operations of the Company.

In addition, our joint venture partners may have business interests or goals that differ from our or our shareholders' business interests or goals. Any disputes that may arise between us and our joint venture partners may cause delays, suspension or abandonment of the project. In the event we are not satisfied with the services being provided by our existing joint venture partners, we may be unable to identify suitable alternative partners. We cannot assure you that we will be able to successfully form such alliances and ventures or realize the anticipated benefits of such alliances and joint ventures. Any such termination of the agreements may adversely affect our business, financial condition and results of operations. No assurance can be given as to the future actions of any joint venture partner.

While our joint venture arrangements are typically valid for the duration of the project contract, there can be instances in the future where the term of such joint venture arrangements expire prior to completion of the project or we may terminate the arrangement, prior to the completion of the project. In such instances, we cannot assure you that our joint venture partners will continue to fulfil their contractual obligations in relation to such projects and that we will be able to recover their share of costs and satisfactorily conclude such projects without their support. Further, in the event our existing joint venture partners are replaced by new partners, there can be no assurance that the new partners will fulfil their contractual obligations. In addition, we may be required to institute legal proceedings against our joint venture partners in such cases and may have to incur additional costs which may adversely affect our business and financial condition.

**12. We derive a significant part of our revenue from some customers. If one or more of such customers choose not to source their requirements from us or to terminate our contracts, our business, cash flows, financial condition and results of operations may be adversely affected.**

The table set forth below provides the revenue contribution and revenue contribution as a percentage of our total revenue from contracts with customers of our largest customer, our top 5 customers and our top 10 customers, for the six months period ended September 30, 2024 and Fiscal 2024, Fiscal 2023 and Fiscal 2022:

*₹ in million except as stated)*

Particulars	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue
Top 1 customer*	248.26	25.39	763.81	32.01	397.67	22.81	230.61	19.29

Particulars	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue
Top 5 customers*	439.96	44.99	1,580.98	66.26	1,020.85	58.56	755.89	63.22
Top 10 customers*	492.34	50.35	1,648.75	69.10	1,036.74	59.47	833.71	69.73

\*While more than 50% of our revenue from operations originates from our top 10 customers, names of the customers have not been included in the above table as consents for disclosure of certain customer names were not available. Further, since this information is commercially sensitive to our business, we are unable to disclose the names of our top 10 customers.

We expect that we will continue to be reliant on our major customers for the foreseeable future. Accordingly, any failure to retain these customers and/or negotiate and execute contracts with such customers on terms that are commercially viable, could adversely affect our business, financial condition and results of operations. We have not had any instance of termination of contracts by any our customers in the past three fiscal years and the six months period ended September 30, 2024. In addition, any defaults or delays in payments by a major customer or insolvency or financial distress of any major customer may have an adverse effect on business, financial condition and results of operations. Our reliance on a select group of customers may also constrain our ability to negotiate our arrangements, which may have an impact on our profit margins and financial performance.

**13. Our current order book may not necessarily translate into future income in its entirety. Some of our current orders may be modified, cancelled, delayed, put on hold or not fully paid for by our customers, which could adversely affect our business, financial condition, results of operations and future prospects.**

Details of our order book and revenue realised against the same for the six months period ended September 30, 2024 and the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 are as follows:

(₹ in million)

Particulars	Six months period ended September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Contract value of order book	11,004.36	9,727.21	9,636.28	2,833.10
<b>Revenue recognition from the contract value of order</b>				
Billed	528.54	1,963.35	1,665.82	1,183.45
Unbilled	449.25	422.63	77.42	12.27

Further, as on November 30, 2024, out of total contract value of ₹ 11,004.36 million, we have completed work amounting to ₹ 3,479.85 million and our outstanding order book is of ₹ 7,524.51 million which are at various stages of implementation. The calculation and presentation of the Order Book may vary from other companies, including our competitors. There can be no assurance that our Order Book will actually be realized as revenues or, if realized, will result in profits. In accordance with industry practice, most of our contracts are subject to cancellation, termination, or suspension at the discretion of the client at any stage of the contract. In addition, the projects in our Order Book are subject to change in the scope of services to be provided as well as cost adjustments in relation to our contracts. Our Order Book includes expected revenues for contracts that are based on estimates.

Our contracts with government entities are usually based on standard terms and conditions set out by the said entities. Thus, we have had only limited ability to negotiate the terms of these contracts, which tend to favour government clients and we may be required to accept unusual or onerous provisions in such contracts in order to be engaged to execute such projects. These onerous conditions forming part of government contracts may have adverse effects on our profitability. Further, any change in governmental policies that results in a reduction in capital investment in the sector in which we operate could adversely affect us. If there is any change in the government or the governmental policies, practices or focus that result in a slowdown in projects, our business, prospects, financial condition and results of operations may be materially and adversely affected. Also, if payments under our contracts with the government authorities are delayed, our financial condition and results of operations may be affected on account of an effect on our working capital requirements, resulting in additional finance costs and increase in our realization cycle. Furthermore, any change in the government may result in a change in policy and reassessment of existing awarded contracts. In such instances, the revised terms and conditions of future contracts may render all or some projects unviable, resulting in reduction of our revenues.

Also, any reduction in the budgetary allocation or support by the government authorities may have a significant impact on the number of projects for which tenders may be issued by them resulting in slowdown or decline in our business prospects.

We operate in a highly competitive environment. If we are unable to meet the eligibility criteria and industry expectations in comparison with our competitors, we may not be successful in qualifying to bid for various future projects. Further, even if we meet the pre-qualification criteria, we cannot assure that we will be able to bid for the project / contract in the most competitive manner. These factors may limit us in getting future contracts, which may adversely affect our revenue. Further, due to the inherent nature of the contracts with government authorities, there is also risk of projects getting inordinately delayed or not getting completed, struck off or getting into litigations.

Projects can remain in Order Book for extended periods of time because of the nature of the project and the timing of the particular services required by the project. The risk of contracts in Order Book being cancelled or suspended generally increases during periods of wide-spread economic slowdowns. In addition, even where a project proceeds as scheduled, it is possible that contracting parties may default and fail to pay amounts owed. Any delay, cancellation or payment default could adversely affect our cash flow position, revenues and/or profit.

**14. We have experienced negative cash flows from operating activities in the past. Any negative cash flows in the future would adversely affect our cash flow requirements, which may adversely affect our ability to operate our business and implement our growth plans, thereby affecting our financial condition.**

We experienced negative cash flows from operating activities during the financial year ended March 31, 2022. The following table sets forth certain information relating to our cash flows during last three financial years:

(₹ in million)

Particulars	Six months period ended September 30, 2024	For the year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Net cash flow from operating activities	(467.59)	268.95	514.64	(78.03)
Cash flow from Investing Activities	18.37	5.60	(295.54)	(44.55)
Cash flow from financing activity	(3.33)	(8.15)	8.34	(0.47)

The major reason for negative cash flow as on September 30, 2024 was on account of increase in unbilled revenue and as on March 31, 2022 was on account of changes in other current liabilities by ₹ (189.66) million which resulted upon receipt of advances from customers of ₹ 189.92 million in Fiscal 2021, respectively. The Company has deployed its cash resources on project execution which has resulted in completion of some portion of milestone activity of the project however, the bills could not be generated during the period. As per the requirements of IND-AS, the Company follows “percentage of completion method” which is a method of accounting for long-term contracts where the contract costs and revenue are recognised as revenue and expenses by making reference to the stage of completion of the contracting activity at the end of the reporting period. This method calculates the ongoing recognition of revenue and expenses related to long-term projects based on the proportion of work completed. By doing so, the Company can recognize some gain or loss related to a project in every accounting period in which the project continues to be active.

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If our Company is not able to generate sufficient cash flows, it may adversely affect our business and financial operations. For detailed cash flow statement and further details, please see “Summary Financial Information - Restated Consolidated Cash Flow Statement” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Cash Flows” on pages 73 and 338 respectively.

**15. We rely on a limited number of suppliers for our raw material, loss of these suppliers may have an adverse effect on our business, results of operations and financial conditions.**

We are reliant on a limited number of suppliers for the supply of raw materials for our operations. The table below sets out the raw materials which we have obtained from our largest supplier, top 5 suppliers and top 10 suppliers together with such supply as a percentage of our total raw materials supply in the six months period ended September 30, 2024 and Fiscal 2024, Fiscal 2023 and Fiscal 2022:

(₹ in million except as stated)

Particulars	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Raw materials sourced	% of total raw materials purchase	Raw materials sourced	% of total raw materials purchase	Raw materials sourced	% of total raw materials purchase	Raw materials sourced	% of total raw materials purchase
Top 1 supplier of raw materials	169.2	28.06	198.90	13.09	357.97	34.25	155.30	23.22
Top 5 suppliers of raw materials	458.3	75.99	483.10	31.79	479.29	45.86	436.09	65.20
Top 10 suppliers of raw materials	585.5	97.98	608.12	40.01	532.08	50.92	485.80	72.63

\*While more than 50% of our raw materials originates from our top 10 suppliers, names of the suppliers have not been included in the above table as consents for disclosure of certain suppliers names were not available.

If one or more of our suppliers ceases supply to our Company for reasons including due to commercial disagreements, insolvency of the supplier or supply chain issues, we may be unable to source our raw materials from alternative suppliers on similar commercial terms or within a reasonable timeframe. This may adversely impact our production and eventually our business, results of operations, financial conditions and cash flows. In such a scenario, we may also breach contractual terms of delivery and installation which we have entered into with our customers, which may have an adverse impact on our results of operations, financial conditions and cash flows.

**16. In addition to executing projects on a contracting basis, we also undertake sub-contracting projects, which may involve additional conditions and requirements. Failure to comply with these conditions could result in early termination or penalties imposed by the contractor, potentially adversely affecting our cash flows, business operations, and financial performance.**

In addition to our primary contracting activities, we also engage in sub-contracting projects, which often involve additional conditions and requirements that may differ from our standard contractual agreements. These sub-contracting arrangements are typically governed by specific terms set forth by the primary contractor, and adherence to these terms is essential for the successful execution of the projects.

Following is break-up of projects undertaken by the Company on sub-contracting basis:

(₹ in million except as stated)

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Contribution to Revenue from sub-contracting agreements	171.51	643.87	1,235.54	744.44
% Contribution to Revenue from sub-contracting agreements	17.61%	27.89%	77.05%	75.40%

Failure to comply with the stipulated conditions of subcontracting could result in severe repercussions, including early termination of the sub-contract or the imposition of financial penalties by the primary contractor. Such outcomes could adversely affect our cash flows, disrupt our operational efficiency, and compromise our overall financial performance. While there have been no instances of failure on our part to adhere with the contractual provisions while undertaking a subcontracting project for the six months period ended September 30, 2024 and financial years ended March 31, 2024, March 31, 2023, March 31, 2024 and, we cannot assure you that such instances will not occur in the future.

**17. We derive a significant portion of our revenue from our water management business through a bidding process and there can be no assurance that projects for which we bid will be awarded to us and recorded in our Order Book or that we will actually realize revenues from such projects as a result of which our financial condition would be materially and adversely affected.**

During the six months period ended September 30, 2024 and Fiscal 2024, Fiscal 2023 and Fiscal 2022, 97.51%, 93.62%, 90.44% and 83.58% of our total revenue is derived from water management/irrigation which amounted to ₹ 953.52 million ₹ 2,233.86 million, ₹ 1,576.56 million, ₹ 999.32 million respectively. Our business depends significantly on our ability to bid for and be awarded projects in water management projects including lift

irrigation and ground water recharging projects. We have been, and continue to be, involved in bidding for various tenders with state government and government-controlled entities in the future. In accordance with the terms of these tenders, the bidder who is selected as the lowest bidder may sometime be called for final negotiations on the project. As per standard industry practice, lowest bidders (L-1) must conclude contracts from the customer, however we cannot assure that the same will be the case every time. Most of the contracts are subject to cancellation, termination, or suspension at the discretion of the customer at any stage of the contract. In addition, these contracts may be subject to changes in the scope of services to be provided as well as adjustments to the costs relating to the contracts. In case of cancellation, termination, suspension or changes in terms of such contracts, it may have a material adverse impact on our business, results of operations and financial condition.

Further, in India the projects by state government or government-controlled entities are typically awarded after following a competitive bidding process and satisfaction of prescribed qualification criteria. The criteria generally includes experience, technical expertise, reputation and sufficiency of financial resources. While we have been satisfying required criteria to bid for such projects in the past, there can be no assurance that we will continue to meet such criteria in the future. We spend considerable time and resources in the preparation and submission of bids, and there can be no assurance that we will be awarded such contracts. In addition, we cannot assure you that we would bid where we have been qualified to submit a bid or that our bids, when submitted or if already submitted, would be accepted. There can be no assurance that we will be awarded such projects at the end of the tender process. Further, in situations where our bids have been successful, there may be delays in awarding of the projects, which may result in us having to retain resources which remain unallocated, thereby adversely affecting our financial condition and results of operations.

**18. *Our failure to successfully implement our expansion plan to North India and other parts of South India could adversely affect our business and results of operations.***

Currently we have operations only in the state of Karnataka. As of November 30, 2024, we have completed 35 projects within the state of Karnataka. We intend to focus on further expansion to especially North India, West India and other parts of South India. These operations are subject to risks that could adversely affect our business and results of operations, including risks associated with uncertain political and economic environments, government instability and laws and regulations that are different from the legal systems, laws and regulations. As of the last three fiscals and till November 30, 2024, we have submitted bids for 30 projects out of which we have been awarded with 23 projects in southern parts of India. Further, the Company has made 2 bids in the central parts of India and 1 bid in the eastern parts of India till date.

In order to manage our day-to-day operations, we must overcome cultural and language barriers and assimilate different business practices. In addition, we are required to create compensation programs, employment policies and other administrative programs that comply with the laws of different jurisdictions. Our failure to successfully manage our geographically diverse operations could impair our ability to react quickly to changing business and market conditions and to comply with industry standards and procedures. Our ability to operate and compete may be adversely affected by governmental regulations in the states in which we transact our business. In particular, we may be required to obtain approvals from the authorities in order to bid on contracts or conduct our operations or enter into a joint venture, agency or similar business arrangement with local individuals or businesses in order to conduct business in those states. In addition, we may become involved in proceedings with regulatory authorities that may require us to pay fines, comply with more rigorous standards or other requirements or incur capital and operating expenses for compliance with such laws and regulations. For further details relating to the expansion of our international operations, please see section titled “*Our Business - Our Strategy - Expanding our geographical area of operations*” on page 187.

**19. *Our business is heavily dependent on procurement of construction materials from our suppliers. We do not have long-term agreements with our suppliers of construction material and any increase in the cost of, or a shortfall in the availability of, such construction materials could have an adverse effect on our business and results of operations.***

During the six months period ended September 30, 2024 and Fiscal 2024, Fiscal 2023 and Fiscal 2022, our cost of materials consumed amounted to ₹ 603.08 million ₹ 1,519.78 million, ₹ 1,045.02 million, ₹ 668.84 million, constituting 61.68%, 63.70%, 59.95%, 55.94%, of our revenue from operations, respectively. While we procure the primary construction materials used at our project sites viz. steel, pipes, cements, power transformers, etc., from markets on purchase order bases. Further, we are reliant on third parties and local suppliers for the supply of our construction materials with whom we do not have long term agreements and, consequently, we may face a shortage in the supply of construction materials of appropriate quality, including due to factors such as default by

the supplier. Shortage or delay in the supply of quality construction materials or any change in the market conditions could hamper our operations or may lead to a shortfall in construction materials.

Further, we also face a risk that one or more of our existing suppliers may discontinue their supplies to us, and any inability on our part to procure construction materials from alternate suppliers in a timely manner, or on commercially acceptable terms, may adversely affect our business, financial condition and results of operations. In addition, absence of long-term contracts with our construction materials suppliers may also lead to our delivery estimates being adversely affected. Shortage of construction materials would lead to our estimates being adversely affected, resulting in loss of our business and an adverse impact on our results of operations, cash flows and financial condition.

**20. Our Statutory Auditors have included certain emphasis of matters in our Restated Financial Information.**

Our Statutory Auditors have included following emphasis of matters in our Restated Consolidated Financial Information with respect to the Special Purpose Consolidated Ind AS Financial Statements:

Period	Nature of remark	Details of remark	Company's response to remark	Impact on the Financial Statements and Financial Position of the Company
Interim Period April 1, 2024 to September 30, 2024	EOM	We draw attention to Note 2a of Annexure V to the Special Purpose Consolidated Ind AS Financial Statements, which describes the purpose and basis of preparation. The Special Purpose Consolidated Ind AS Financial Statements have been prepared by the Company solely for the purpose of preparation of the restated financial information as required under the ICDR Regulations in relation to the proposed initial public issue of the Company. As a result, the Special Purpose Consolidated Ind AS Financial Statements may not be suitable for any another purpose and are not financial statements prepared pursuant to any requirements under Section 129 of the Companies Act, 2013, as amended. The Special Purpose Consolidated Ind AS Financial Statements cannot be referred to or distributed or included in any offering document or used for any other purpose except with our prior consent in writing. Our report is intended solely for the purpose of preparation of the restated financial information and is not to be used, referred to or distributed for any other purpose without our prior written consent.	NIL	NIL

The opinion of our auditors is not modified in respect of these matters and while these emphasis of matters do not require any adjustments to the Restated Financial Information, there is no assurance that our audit reports for any future fiscal periods will not contain qualifications, adverse remarks, matters of emphasis or other observations which could subject us to additional liabilities due to which our reputation and financial condition may be adversely affected. For further details, please see section titled "*Financial Information*" on page 249.

**21. We could incur additional cost or loss in revenue in connection with our failure to comply with all our commitments of our contracts.**

Our contracts typically require us to assume several obligations, *inter alia*, which include but are not limited to the following: maintenance of licenses and permits required for performance of the works; adherence to safety requirements, etc., failing which penalties may be deducted from payments due; insurance liability; liability for defects within the stipulated liability period and breach of warranties; provisions for liquidated damages. While no penalties have been levied on account of failure to comply with the commitments of the contracts in the six months period ended September 30, 2024 and the last three financial years on the Company, we may, from time to time, not be able to comply with any or all of these provisions, which may result in the payment of damages and assessment of penalties, the incurrence of additional costs and loss in revenue, and adversely affect our business, financial condition and results of operations.

Additionally, we are typically responsible for completing a project by the scheduled completion date as agreed in the relevant contract. We may also be responsible for the performance standards of such a project. We may also



assume a project's technical risk, which means that we may have to satisfy certain technical requirements of the project despite the fact that at the time of project award, we may not have previously developed or applied the system or technology in question. If we subsequently fail to complete the project as scheduled, or if the project subsequently fails to meet the requisite performance standards, we may be held responsible for cost impacts to the client resulting from any delay or the cost to cause the project to achieve the performance standards, generally in the form of contractually agreed upon liquidated damages. To the extent that these events occur, we may be required to forego part of our contract revenue or provide a discount to the client which would have a material effect on our business, financial condition and results of operations.

**22. *We face certain competitive pressures from the existing competitors and new entrants in both public and private sector. Increased competition and aggressive bidding by such competitors is expected to make our ability to procure business in future more uncertain which may adversely affect our business, financial condition and results of operations.***

Our business is highly competitive. With the liberalisation of the Indian economy, the Government has encouraged competitive bidding. The competitive bidding process entails managerial time to prepare bids and proposals for contracts and at times requires us to resort to aggressive pricing to be able to be awarded the contracts. We may not be in a position to aggressively price our services in the future which may result in loss of business and adversely affect our future prospects. In the six months period ended September 30, 2024 and the past three years, we have lost 4 projects to our competitors.

With increased competition, our ability to estimate costs to provide services required under the contracts and ability to deliver the project on a timely basis will determine our profitability and competitive position in the market. The possibility exists that our competitors might develop new technologies that might cause the existing technology and offerings used by us to become less competitive. Our ability to anticipate such developments and deploy improved and appropriate technologies through development/acquisitions will determine our competitive position in the marketplace. Further, some of our competitors may have access to superior technological and more financial resources than those available to us, as a result of which, they may be more successful than us in bidding for the projects. Any failure on our part to compete effectively in terms of pricing of our services or providing quality services could have a material adverse effect on our operations and financial condition.

There can be no assurance that we will be able to compete successfully against our competitors as well as new entrants in our industry in the future, or that the companies that are not directly in competition with us now will not compete with us in the future. Accordingly, our business, financial condition, results of operations and future prospects would be adversely and materially affected if we are unable to maintain our competitive advantage and compete successfully against our competitors and any new entrants to our industry in the future.

**23. *A large part of our business transactions is with government entities or agencies, which may expose us to risk, including additional regulatory scrutiny, delayed receipt of collectibles and pricing pressure.***

Our business is principally focused on projects in water management including lift irrigation and ground water recharging undertaken by the Government of Karnataka. We may be subject to additional regulatory or other scrutiny associated with such transactions with government owned or controlled entities and agencies. Contracts with government agencies are subject to various uncertainties (including those associated with funding), procedural requirements, restrictions, and regulations including oversight audits by various government authorities and profit and cost controls. As a result, our government clients may terminate our contracts for convenience or decide not to renew our contracts with little or no prior notice. Since government contracts represent a significant majority of our revenues, the loss of such contracts could have a material adverse impact on our business, financial condition, and results of operations.

There may be delays associated with collection of receivables from government owned or controlled entities, which could affect our liquidity and results of operations. As of the last 3 financial years and the six months period ended September 30, 2024, there have been no delays in receipt of collectibles from the government entities or agencies. However, we cannot assure you that we will continue to receive payments from the government entities or agencies in a timely manner in the future. In addition, since government contracts are subject to specific procurement regulations and a variety of other socio-economic requirements, we must comply with such requirements. We must also comply with various other government regulations and requirements as well as various statutes related to employment practices, environmental protection, recordkeeping, and accounting. These regulations and requirements affect how we transact business with our clients and, in some instances, impose additional costs on our business operations. Government contracts also contain terms that expose us to heightened levels of risk and potential liability than non-government contracts.

We also are subject to inspection by the government entities and agencies under the respective agreements with them. For example, government agencies routinely review and inspect government contracts to determine whether allowable costs are in accordance with applicable regulations. While our Company has not faced any audits, investigations and proceedings from the government entities or agencies, we cannot assure you that, we would undergo any audit, investigation and proceedings from the government entities or agencies. If we violate a rule or regulation, fail to comply with a contractual or other requirement or do not satisfy an audit, a variety of penalties can be imposed including monetary damages and criminal and civil penalties. In addition, our government contracts could be terminated, we could be suspended or debarred from government contract work, or payment of our costs could be disallowed. The occurrence of any of these actions could harm our reputation and could have a material adverse impact on our business, financial condition, and results of operations.

**24. *Our failure to recover adequately on claims against project owners for payment could have a material adverse effect on us.***

We occasionally bring claims against project owners for additional costs exceeding the contract price or for amounts not included in the original contract price. These types of claims occur due to matters such as owner-caused delays or changes from the initial project scope, which result in additional cost, both direct and indirect. Often, these claims can be the subject of lengthy arbitration or litigation proceedings, and it is often difficult to accurately predict when these claims will be fully resolved. When these types of events occur and unresolved claims are pending, we may invest additional working capital in projects to cover cost overruns pending the resolution of the relevant claims. While all the claims raised by us as on the date of this Prospectus to the project owners have been recovered. While we have not had any instance of failure of recover claims against the project owners in the last three financial years and the six months period ended September 30, 2024. However, a failure to promptly recover on these types of claims could have a material adverse impact on our liquidity and financial results. For further details, please see section titled “*Outstanding Litigation and Other Material Developments*” on page 348.

**25. *We could be adversely affected if we fail to keep pace with technical and technological developments.***

Our recent experience indicates that clients are increasingly developing larger, more technically complex projects. We are also entering into new markets and expanding into unexplored technologies. To meet our clients’ needs, we must continuously update existing ones, and develop new technology. In addition, rapid and frequent technology and market demand changes can often render existing technologies obsolete, requiring substantial new capital expenditures and/or write downs of assets. Although we strive to keep our technology and equipment’s current with the latest international standards, the technologies, facilities and machinery we currently employ may become less competitive or even obsolete due to advancement in technology or changes in market demand, which may require us to incur substantial capital expenditure. Our failure to anticipate or to respond adequately to changing technical, market demands and/or client requirements could adversely affect our business and financial results. In order to further develop and implement these new technologies we may have to invest a large amount of capital which may have an adverse impact on our cash position. If our competitors introduce superior technology and we cannot make enhancements to ours to remain competitive, either because we do not have the resources to continually improve our technology or for any other reason, our competitive position, and in turn our business, results of operations and financial condition may be adversely affected.

**26. *Misconduct by employees, agents or partners or our failure to comply with laws or regulations could weaken our ability to win contracts, which could result in reduced revenues and profits.***

Any misconduct, fraud, non-compliance with applicable laws and regulations, or other improper activities by our employees, agents or partners could have a significant negative impact on our business and reputation. Such misconduct could include the failure to comply with government procurement regulations, regulations regarding the protection of classified information, regulations prohibiting bribery and other corrupt practices, regulations regarding the pricing of labor and other costs in government contracts, regulations on lobbying or similar activities, regulations pertaining to the internal controls over financial reporting, environmental laws, and any other applicable laws or regulations. Our failure to comply with applicable laws or regulations or acts of misconduct could subject us to fines and penalties, loss of security clearance, and suspension or debarment from contracting, which could weaken our ability to win contracts and result in reduced revenues and profits and could have a material adverse impact on our business, financial condition, and results of operations.

**27. *We are dependent on the expertise of our Promoter, particularly C Mruthyunjaya Swamy, and Directors***

***and our skilled workforce and our inability to retain them may result in adverse effect on our business, financial condition and the results of operations.***

The successful completion of our projects and the running of our day-to-day operations and the planning and execution of our business strategy depends significantly on our skilled and efficient Promoter, C Mruthyunjaya Swamy, Directors and skilled workforce. Our Promoter, C Mruthyunjaya Swamy, holds bachelor's degree in civil engineering and was associated with the Karnataka State Road Transport Corporation, Karnataka Engineering services and Government of Karnataka and our Managing Director, Manish Shetty, holds bachelors' degree in engineering and was working as the head at Shri J N Shetty, Class-I Contractors, are highly qualified individuals who have been associated with the industry and have experience in their respective fields. We depend on the management skills, guidance and experience of our Promoters for development of business strategies, monitoring their successful implementation and meeting future challenges. Further, we also significantly depend on the expertise, experience and continued efforts of our Promoters. Our future performance will depend largely on our ability to retain the continued service of our management team.

In addition, we may require a long period of time to hire and train replacement personnel when skilled personnel terminate their employment with us. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining skilled employees that our business requires. The loss of the services of such persons could have an adverse effect on our business, results of operations, cash flows and financial condition.

There is significant competition for highly skilled personnel in the industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. We cannot assure you that our competitors will not offer better compensation packages, incentives and other perquisites to such skilled personnel. Further, as we expect to continue to expand our operations and develop new products, we will need to continue to attract and retain experienced management personnel. If we are unable to retain or attract such members or are unable to locate suitable or qualified replacements, our results of operations may be adversely affected.

**28. *We are experiencing time overrun in 10 out of 17 of our ongoing projects.***

We are experiencing time overruns ranging from 1 month to 1 year approximately in 10 out of 17 of our ongoing projects due to delay in clearance of the site. Our Company has made application to the requisite authorities for extension of the time for execution and completion of the projects. We cannot assure you the requisite approvals will be granted in a timely manner. While we have not been subject to any penalty or liquidated damages, in these projects, there can be no assurance that such penalties or liquidated damages will not be imposed on us in the future. This could adversely affect our results of operations and financial condition.

**29. *Our Company does not have any documentary evidence for the past experience of certain of our Directors.***

In relation to our Non-Executive director, Nista U Shetty, we have relied on GST certificates and IT returns as documentary evidence to justify her past experience. They are not in receipt of any appointment letters, experience certificates etc. and we have used relevant information from the aforementioned documents for confirming the disclosures made in his biographies in the chapter titled "*Our Management*". For further details, please see "*Our Management*" on page 222.

**30. *We execute certain of our projects through unincorporated joint ventures.***

Some of our projects are being executed through unincorporated joint ventures with other companies. Details of our unincorporated joint venture arrangements along with the revenue generated from such projects in the six months period ended September 30, 2024 and the last three years are as below:

*(₹ in million, except as stated)*

S r. N o.	Project Name	Joint Holder Name	Value of Contract in Millions (DPIPL)	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
				Value	%	Value	%	Value	%	Value	%
1.	Byrapura & Hiremagaluru LIS Project	JV - RPS DPIPL	309.6	-	-	1.98	0.08%	46.08	2.64%	230.61	19.29%
2.	Koramangala - Challaghatta (KC) Valley	RPS ACCO	2,141.9	-	-	197.96	8.30%	179.98	10.32%	-	-

S r. N o.	Project Name	Joint Holder Name	Value of Contract in Millions (DPIPL)	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
				Value	%	Value	%	Value	%	Value	%
	Project Phase II	DPIPL JV									
3.	Bangalore East Lift Irrigation Scheme (LIS)	JNS DPIPL JV	926.7	75.32	7.70%	207.6 3	8.70%	-	-	-	-
4.	Multi Village scheme for drinking water supply - Koppal	DPIPL SPML JV	2,350	248.26	27.31 %	763.8 1	32.01 %	-	-	-	-
5.	Providing Water supply scheme to kuknuru & yelaburga	DWSIL CIPL SIPL	2,011.80	79.32	8.73%	-	-	-	-	-	-
6.	Provision for 6nos of new FOB connecting platforms for Palakkad Division under Amrut Bharat Scheme	JV - DWSIL CORE4 ENGINE ERS	146.80	-	-	-	-	-	-	-	-
<b>Total</b>				<b>402.90</b>	<b>43.74%</b>	<b>1,171, 38</b>	<b>49.09 %</b>	<b>226.0 6</b>	<b>12.96 %</b>	<b>230.6 1</b>	<b>19.29 %</b>

These unincorporated joint ventures are not separate legal entities and liabilities incurred by such unincorporated joint ventures would be shared jointly and severally by the members of such joint venture entities. While cross indemnification is usually available between the joint venture members, we could be exposed to liabilities arising out of defaults by our joint venture member.

**31. *Certain bank guarantees that we have availed of contain undertakings, conditions and restrictive covenants which could restrict our ability to conduct our business and operations.***

Certain bank guarantees which we have availed of in connection with our operations contain conditions and restrictive covenants. We have also assumed certain obligations under these arrangements. Such conditions, covenants and obligations may restrict or delay certain actions or initiatives that we may propose to take from time to time. A failure to observe such covenants or conditions under these guarantees may lead to a termination of these arrangements or an acceleration of all amounts due under such arrangements. Any acceleration of amounts due under such arrangements may also trigger cross default provisions under other similar arrangements. During any period in which we are in default, we may be unable to, or face difficulties in arranging similar bank guarantees. We may not be able to continue obtaining new bank guarantees in sufficient quantities to commensurate our business requirements. As a result, our ability to enter into new contracts could be limited. Any of these circumstances could adversely affect our business, financial condition and results of operations, as well as result in an adverse effect on the price of Equity Shares.

**32. *Our project may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.***

Success of our operations also depends on availability of labour and maintaining cordial relationships with our labour force. As of November 30, 2024, we had 89 permanent employees working at our project site across Karnataka. As of the date of this Prospectus, our employees are not members of any organised labour unions. Notwithstanding, strikes or disputes with our labour force may adversely affect our operations, which may have an impact on agreed timelines. While we have not had instance of strikes or labour disputes in the past, we cannot assure you that we shall not experience any strikes or labour disputes in the future. Such events could disrupt our operations and may have a material adverse effect on our business, financial condition and results of operations.

Although we have not experienced any significant disruptions at any of our project sites, we cannot assure you that there will not be any disruptions in our operations in the future. Our inability to effectively respond to such

events, manage our work efficiently and resolve any disruptions, in a timely manner and at an acceptable cost, could lead to the slowdown or shutdown of our operations, which in turn may have an adverse effect on our business, financial condition and results of operations.

**33. *Our operations are subject to hazards and other risks and could expose us to material liabilities, loss in revenues and increased expenses.***

Our operations are subject to hazards inherent in providing water management services, such as risk of equipment failure, work accidents, fire or explosion or hazards that may cause injury and loss of life, severe damage to or destruction of property and equipment and environmental damage. We may also be subject to claims resulting from defects arising from the services provided by us. Actual or claimed defects in equipment procured and/or construction quality could give rise to claims, liabilities, costs and expenses, relating to loss of life, personal injury, damage to property, damage to equipment and facilities, pollution, inefficient operating processes, loss of production or suspension of operations.

Our policy of covering these risks through contractual limitations of liability, indemnities and insurance may not always be effective. Also, at times, we may also experience significant delays in recovering the insurance claim amount under these policies. We may also be required to incur or bear environmental and workers' compensation liability. Clients and subcontractors may not have adequate financial resources to meet their indemnity obligations to us. Losses may derive from risks not addressed in our indemnity agreements or insurance policies, or it may no longer be possible to obtain adequate insurance against some risks on commercially reasonable terms. Failure to effectively cover ourselves could expose us to additional costs and potentially lead to material losses. Additionally, the occurrence of any of these risks may also adversely affect public perception about our operations and the perception of our suppliers, clients and employees, leading to an adverse effect on our business. These liabilities and costs could have an adverse effect on our business, results of operations and financial condition.

**34. *We depend on various third parties, including our contractors and independent service providers, over whom we may have no control.***

We engage third-party contractors to perform parts of our work. The success of our projects therefore also depends on the performance of various third parties, including our contractors and service providers. As we do not control any of our contractors or service providers, we cannot ensure they perform their obligations and services satisfactorily, to a standard that meets our requirements or targeted quality levels in relation to our projects. We may also not be able to recover compensation for any resulting defective work or materials. We cannot ensure that there will be no delay in performance of duties by our contractors, which may cause a delay in completion of our projects. We may also be exposed to risks relating to the ability of the contractors to obtain requisite approvals for the operation and maintenance activities as well as the quality of their services, equipment and supplies. In addition, we can make no assurance that such contractors or their sub-contractors will continue to hold or renew valid registrations under the relevant labour laws in India or be able to obtain the requisite approvals for undertaking such construction and operation.

Our contractors and service providers may also face financial, legal or other difficulties which may affect their ability to continue with a project. If our contractors are unable to perform in accordance with their commitments on time or meet the quality standards required, our ability to complete projects on time or at all could be impaired. This may have an adverse effect on our reputation, cash flows, business, results of operations and financial condition.

**35. *Our insurance coverage may not adequately protect us against all losses or the insurance coverage may not be available for all the losses as per the insurance policy, which could adversely affect business, financial condition and results of operations.***

Our operations are subject to various risks inherent to the industry in which we operate. The table below sets forth the details of our insurance coverage including as a percentage of our fixed assets and total assets as of the dates indicated:

*(₹ in million except as stated)*

Particulars	Six months period ended September 30, 2024	As of March 31,		
		2024	2023	2022
Aggregate coverage of insurance policies	32.48	47.03	42.88	Nil
Fixed assets (Property, Plant and Equipment)	242.63	245.06	243.21	100.64

Particulars	Six months period ended September 30, 2024	As of March 31,		
		2024	2023	2022
Percentage of Fixed Assets	13.38%	19.19%	17.63%	-
Total Assets	2,203.46	2,198.48	1,232.76	606.37
Percentage of total assets	1.47%	2.05%	3.48%	-

We do not have insurance policies with respect to certain fixed including land owned by our Company. Our Company has other policies such as workman`s compensation policy, employer`s liability and accidental insurance and fire and special peril policy, contractor plant and machinery policy for personnel and machinery. While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business, to the extent that we suffer loss or damage, for which we have not obtained or maintained insurance, or which is not covered by insurance, which exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations and financial condition could be adversely affected. In addition, our insurance policies expire from time to time and we may not be able to renew our policies in a timely manner, or at acceptable cost or at all. In case any uninsured loss occurs, we 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.

We cannot assure you that, in the future, any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. Further, an insurance claim once made could lead to an increase in our insurance premium, resulting in higher deductibles and also requiring us to spend towards addressing certain covenants specified by the insurance companies.

**36. *Our contingent liabilities could materially and adversely affect our business, results of operations and financial condition.***

The table below sets forth details of contingent liabilities as of at six months period ended September 30, 2024:  
(in ₹ million)

Particulars	As at September 30, 2024
Bank Guarantee given by bank on behalf of the Company	570.15
Income Tax demand for Assessment Year 2021-2022	3.14
Litigation Matters with Small Causes Court Case under section 166 of Motor Vehicle Act, 1989 dated November 11, 2023, before the Chief Judge, Court of Small Causes	5.00

While most of these contingent liabilities have been incurred in the normal course of business, if these 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. Our Company has not made any provision for contingent liabilities. For further details, please see section titled “*Restated Consolidated Financial Information – Note no. 33 - Contingent Liabilities*” on page 291. Further, we cannot assure you that we will not incur similar or increased levels of contingent liabilities in the future.

**37. *Our business, financial condition, results of operations, cash flows and prospects could be materially and adversely affected if we are unable to successfully execute some of our business activities (including those of our joint ventures) and growth strategies and manage our growth effectively.***

Our ability to sustain and manage growth depends primarily upon our ability to manage key operational issues, such as recruiting and retaining skilled personnel, establishing additional regional project offices, developing and marketing profitable products and services to cater to the needs of our existing and potential clients in our current markets, improving our risk management systems to monitor our businesses, maintaining and, in a timely manner, upgrading an effective technology platform, developing a knowledge base to face emerging challenges and ensuring a high standard of client service.

Our ability to sustain and manage growth is also affected by factors outside of our control, such as GDP growth, changes in regulatory policies, changes in clients’ plan for new and existing projects and changes in interest rates. We may not be able to successfully maintain growth rates due to unfavorable changes in any one or more of the aforementioned factors. Our inability to effectively manage any of these operational issues or react to external

factors may materially and adversely affect our business, prospects, financial condition, cash flows and results of operations, as well as the market price of our Equity Shares.

**38. *Our Company has delayed in goods and services tax (“GST”) Return Filings, employee provident fund (“EPF”), professional tax and employees state insurance corporation (“ESIC”) payments and such delayed compliance may attract additional late fees against our company which could impact the financial position of us to that extent. Any non-compliance or delays in GST return filings and EPF payments may expose us to penalties from the regulators.***

As a Company, we are required to file GST returns and make payments in respect of EPF, professional tax payments and ESIC payments with the respectively authorities. However, there are certain inadvertent delays in relation to filling of GST returns, EPF, professional tax payments and ESIC payments in the past for which the Company had to pay additional late fees. Our Company has not received any show cause notice or paid any penalty imposed by any regulatory authority in this regard.

In the past, we have delayed filing of monthly GST returns with an average delay of 1 day, 1 day, 11.5 days, 3.5 days, 9 days and 4.33 days for FY 2024, FY 2023, FY 2022, FY2021, FY 2019 and FY 2018 respectively on account of (a) initial stage complexities in registration in the creation and approval process of employee IDs; (b) COVID outbreak and lockdown; (c) technical issues with OTP generation for GST filing; and (d) expired digital signature of the registered person of the Company etc. Similarly, we have a delay of 8 days and 30 days in EPF payments for FY 2023-24 and FY 2022-23, respectively on account of initial stage complexities in registration in the creation and approval process of employee IDs. In the six months period ended September 30, 2024, we have a delay of 1 day, in professional tax payment on account of technical issues with OTP generation.

We have taken steps to improve the internal system for payment of GST to mitigate the technical difficulties and the Company has also appointed an external consultant to ensure timely payment of towards EPF, professional tax and ESIC. However, we cannot assure that our Company will not commit such inadvertent delays or defaults in future, or any penalty or fine will not be imposed by any regulatory authority in respect to the same. The happening of such an event may cause a material effect on our results of operations and financial position.

**39. *Our business is subject to seasonal fluctuations that may restrict our ability to carry on project activities thereby adversely affecting our revenues and business operations.***

Our business operations are dependent on the location where the project to be executed is situated, the weather conditions there which could include factors such as heavy rains, landslides, floods including during the monsoon season, each of which may restrict our ability to carry on project activities and fully utilize our resources during the season. Our ability to transport the required manpower and machinery to such location are also critical to our timely completion of the projects. During periods of curtailed activity due to adverse weather conditions, particularly unseasonal rains, we may continue to incur overhead and financing expenses, but our revenues from operations may be delayed or reduced. Adverse seasonal developments may also require the evacuation of personnel, suspension or curtailment of operations, resulting in damage to project sites or delays in the delivery of raw materials. Any such fluctuations may adversely affect our total income, cash flows, results of operations and financial conditions.

**40. *Our inability to obtain, renew or maintain our statutory and regulatory permits and approvals required to operate our businesses may adversely affect our business, financial condition, results of operation and cash flows.***

We are required to obtain various statutory and regulatory permits and approvals to operate our business which requires us to comply with certain terms and conditions to continue our operations. As on the date of this Prospectus, there are no material approvals applied for by our Company but yet to be received and there are no material approvals required but not obtained or applied for by our Company. Failure to obtain these permits and approvals may result in imposition of fines and penalties by the relevant regulator. Further, the said approvals and permits also require us to comply with certain terms and conditions, and in the event that we are unable to comply with any or all of these terms and conditions or seek waivers or extensions of time for complying with these terms and conditions, we may be subject to stringent restrictions on our operations. This may result in the interruption of all or some of our operations and may have an adverse effect on our business, financial condition, results and cash flow. In the event that we are unable to obtain, renew or maintain statutory permits and approvals or comply with regulatory requirements, it may result in the interruption of all or some of our operations, imposition of penalties and could materially and adversely affect our business, financial performance and reputation.

In addition, we are required to obtain certain approvals in the normal course of our business such as employee provident fund, employees' state insurance corporation registration and tax registrations. For further details, please see section titled "Government and Other Approvals" on page 353. Further, our approvals and licenses are subject to numerous conditions, some of which are onerous and may require us to incur substantial expenditure in order to comply with such conditions. We may not, at all times, have all the approvals required for our business. We cannot assure you that the approvals, licenses, registrations or permits issued to us will not be suspended or revoked, or that applicable penalties will not be imposed on us in the event of non-compliance with any terms and conditions. We may also incur substantial costs related to litigation if we are subject to significant regulatory action, which may adversely affect our business, future financial performance and results of operations.

**41. *While the name and logo used by us for our business is registered, our inability to protect our intellectual property from third party infringement may adversely affect our business and prospects.***

As of the date of this Prospectus, our Company has obtained registered trademark in relation to our name and logo



under class 37 of the Trade Marks Act, 1999. While we enjoy the statutory protections accorded to a registered trademark, we rely on protections available under Indian law, which may not be adequate to prevent unauthorized use of our intellectual property by third parties. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may infringe on our rights, which may have an adverse effect on our business, results of operations, financial condition and cash flow. For further details, please see section titled "Government and Other Approvals - Intellectual Property" on page 354.

**42. *We maintain a workforce based upon current and anticipated workloads. If we do not receive future contract awards or if these awards are delayed, additional employee cost may be incurred.***

We generally appoint critical employees under direct role. Our estimates of future performance depend on, among other matters, whether and when we will receive certain new contract awards, including the extent to which we utilize our workforce. The rate at which we utilize our workforce is impacted by a variety of factors including our ability to manage attrition, our ability to forecast our need for services which allows us to maintain an appropriately sized workforce, our ability to transition employees from completed projects to new projects or between internal business groups, and our need to devote resources to non-chargeable activities such as training or business development. While our estimates are based upon our good faith judgment, these estimates can be unreliable and may frequently change based on newly available information. The uncertainty of contract award timing can present difficulties in matching our workforce size with our contract needs. If an expected contract award is delayed or not received, we could incur cost resulting from reductions in staff or redundancy of facilities that would have the effect of reducing our profits.

The cost of providing our services, including the extent to which we utilize our workforce, affects our profitability. For example, the uncertainty of contract award timing can present difficulties in matching our workforce size with our contracts. If an expected contract award is delayed or not received, we could incur cost resulting from excess staff, reductions in staff, or redundancy of facilities that could have a material adverse impact on our business, financial conditions, and results of operations.

**43. *Conditions and restrictions imposed on us by the agreements governing our indebtedness and our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and cash flows.***

We have incurred indebtedness of ₹ 547.16 million as of November 30, 2024, and we may avail debt facilities in the future to run our business. Our Debt Equity ratio as on six months period ended September 30, 2024 and the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, was 0.00 times, 0.01 times, 0.01 times and Nil times, respectively. Further, our interest coverage ratio was 307.50 times, 155.13 times, 739.88 times and Nil times, as on six months period ended September 30, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, respectively. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our business.

Further, our existing financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions, and require us to obtain consents from respective lenders prior to carrying out specified activities and entering into certain transactions, any of which could adversely affect our business and financial condition. While we have not defaulted in complying with the covenants or obligations under the



financing agreements in the six months period ended September 30, 2024 and the last three financial years, we cannot assure you that we will continue to comply with all the covenants in the future.

We cannot assure you that we will be able to obtain approvals to undertake any of these activities as and when required or comply with such covenants or other covenants in the future. In the event we breach any financial or other covenants contained in any of our financing arrangements, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. Our failure to meet our obligations under the debt financing agreements, including our repayment obligations under the financing arrangements could have an adverse effect on our business, results of operations, cash flows and financial condition. For details in connection with our indebtedness, please see section titled “*Financial Indebtedness*” on page 345.

Further, these debt obligations are typically secured by a combination of security interests over our assets, including hypothecation of movables and future receivables. The security allows our lenders to inter alia sell the relevant assets in the event of our default.

Further, if we incur more debt or if there is an increase in the applicable interest rates for our existing debt, our interest payment obligations will increase, and we may become subject to additional conditions from our lenders, including additional restrictions on the operation of our business. The financing agreements that we are party to, or which we may enter into in the future, may be unilaterally terminated by our lenders or our lenders could decline to lend to us under such agreements. Further, we cannot assure you that we will be able to raise additional financing in a timely manner on favourable terms, or at all. Any failure in the future to obtain necessary financing could result in a cash flow mismatch and adversely impact our growth plans. Any of these factors could have an adverse effect on our business, financial condition, our cash flows and results of operations.

**44. *Our Promoters have provided guarantees in connection with our borrowings. Our business, financial condition, results of operations and prospects may be adversely affected by the revocation of all or any of the guarantees provided by our Promoters in connection with our Company’s borrowings.***

Our Promoters have provided personal guarantees to lenders for our borrowings. Total outstanding amount of our borrowings secured by way of personal guarantees of our Promoters is ₹ 577.24 million as on September 30, 2024. Further, the total sanctioned amount of our borrowings, secured by way of personal guarantees extended by our Promoters is ₹ 817.71 million as on September 30, 2024. In addition, the respective guarantors are also responsible for any overdue interest or penalties on our borrowings. If any of these guarantees are revoked, our lenders may require alternative guarantees or cancel such loans or facilities, entailing repayment of amounts outstanding under such facilities. If we are unable to procure alternative guarantees which are satisfactory to our lenders, we may need to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, or we may have to agree to more onerous terms under our financing agreements, which may limit our operational flexibility. Accordingly, our business, financial condition, results of operations and prospects may be adversely affected by the revocation of all or any of the guarantees provided by our Promoters in connection with our Company’s borrowings. For further details, please see sections titled “*Financial Information*” and “*Financial Indebtedness*” on pages 249 and 345, respectively.

**45. *We are heavily dependent on various heavy construction equipment at our sites. Any unscheduled, unplanned or prolonged disruption or break-down of our equipment could adversely affect our business, financial results and growth prospects.***

We conduct our operations at our project sites across Karnataka. Our business is dependent on our ability to efficiently manage our project sites, which is subject to various operating risks, including those beyond our control, such as the equipment breakdown, or accidents, severe weather conditions (including heavy rainfall), natural disasters and infectious disease outbreaks such as the COVID-19 pandemic resulting in unplanned slowdowns. Any significant malfunction or breakdown of our equipment may entail significant repair and maintenance costs and cause delays in our operations. While we have not had any instance of unscheduled, unplanned or prolonged disruption or break-down of equipment disrupting the operations of our Company in the six months period ended September 30, 2024 and the last three financial years, we cannot assure you that such instance may not happen in the future, which may disrupt the operations of the Company and have an adverse impact on the business of our Company.

Further, if we are unable to repair & restore our equipment in a timely manner or at all, our operations may need to be suspended until we procure the appropriate equipment to replace them. Our inability to timely repair our equipment or procure spare parts in a timely manner, may result in operational downtime. In case, we are unable to carry out the necessary repair of the malfunctioned equipment promptly, our timelines for completion of the

project may be hampered which could have an adverse impact on our business.

**46. *The objects of the Issue include funding working capital requirements of our Company which are based on certain assumptions and estimates.***

The objects of the Issue including working capital requirements of our Company, which are based on management estimates and certain assumptions. For further details, please see section titled “*Objects of the Issue*” on page 98. The working capital requirements and deployment of funds may be subject to change due to factors beyond our control including force majeure 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.

**47. *Our inability to successfully implement some or all our business strategies in a timely manner or at all could have an adverse effect on our business. Further, our inability to effectively manage any of these issues may adversely affect our business growth and, as a result, impact our businesses, financial condition and results of operations.***

As part of our strategy aimed towards business growth and improvement of market position, we intend to implement several business strategies, which include:

- Leverage core competencies in execution of water management projects;
- Expanding our geographical area of operations
- Pursue other segments within infrastructure development space; and
- Monetising our existing properties.

For further details, please see section titled “*Our Business – Our Strategy*” on page 186.

Our strategies may not succeed due to various factors, including our inability and failure to develop procure new projects with sufficient growth potential as per the changing market requirements, our failure to effectively market our services or foresee challenges with respect to our business initiatives, our failure to sufficiently upgrade our infrastructure, automation, equipment and technology as required to cater to the requirement of changing demand and market preferences, our failure to maintain quality and consistency in our operations or to ensure scaling of our operations to correspond with our strategy and customer demand, changes in GoI policy or regulation, our inability to respond to regular competition, and other operational and management difficulties. While we have not faced any issues in relation to implementation of our strategies in the six months period ended September 30, 2024 and the last three financial years, however, any failure on our part to implement our strategy due to many reasons as attributed aforesaid could be detrimental to our long-term business outlook and our growth prospects and may materially adversely affect our business, financial condition and results of operations.

Further, our ability to sustain growth depends primarily upon our ability to manage issues such as our ability to sustain existing relationships with our clients, ability to compete effectively, ability to scaling up our operations, adhering to high quality and execution standards, ability to expand our presence in other parts of India, the effectiveness of our marketing initiatives, selecting and retaining skilled personnel. Sustained growth also puts pressure on our ability to effectively manage and control historical and emerging risks. Our inability to effectively manage any of these issues and implement our business strategies may adversely affect our business growth and, as a result, impact our businesses, financial condition and results of operations.

**48. *Our Promoters and certain of our Directors may be interested in our Company other than remuneration and reimbursement of expenses.***

Our Promoters and certain of our Directors, while managing the day to day operations, are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding and benefits such as dividends arising therefrom. Our Directors may also be interested to the extent of any transaction entered into by our Company with any other company/firm/entity in which they are director/promoter/partner. While our Promoters and Directors believe that they act in the benefit and best interest of our Company, we cannot assure you that they will continue to do so. For details, please see sections titled “*Our Promoters and Promoter Group*” and “*Our Management*” on pages 240 and 222, respectively. Also please see section titled “*Restated Consolidated Financial Information- Note no. 51- Related Party Disclosures*” on page 304.

- 49. We may not be able to secure additional funding in the future. In the event our Company is unable to obtain sufficient funding, it may delay our growth plans and have a material adverse effect on our business, cash flows and financial condition.**

From time to time, our Company's plans may change due to changing circumstances, new business developments, new challenges or investment opportunities or unforeseen contingencies. If our plans change or if we are required to adapt to changing circumstances or business realities, our Company may need to obtain additional financing to meet inter alia capital expenditure. Such financing may be in the form of debt funding, which may be raised through borrowings from commercial banks, issue of debentures or other debt securities. If we raise funds in future by incurring additional debt, the interest and debt repayment obligations of our Company will increase, and we may be subject to supplementary or new covenants, which could limit our ability to access cash flow from operations and/or other means of financing. Moreover, these additional funds could come at a higher cost which may impact our profitability. Further, we cannot assure you that we will be able to obtain adequate financing to fund future capital requirements on acceptable terms, in time.

- 50. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the Shareholders.**

We have in the course of our business entered into, and will continue to enter into, several transactions with our related parties. For further details, please see section titled "Restated Consolidated Financial Information- Note no. 51 - Related Party Disclosures" on page 304.

While all such transactions have been conducted on an arm's length basis, in compliance with Companies Act, 2013 and other applicable laws, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. The related party transactions that are more than 10% of the total transactions of a similar nature for the six months period ended September 30, 2024 and Fiscals 2024, 2023 and 2022 are as below:

(₹ in million except as stated)

Nature of Transaction	Six months period ended September 30, 2024	% of revenue from operation	Fiscal 2024	% of revenue from operation	Fiscal 2023	% of revenue from operation	Fiscal 2022	% of revenue from operation
Contract*	98.70	10.09%	246.63	10.20	334.80	19.05	741.80	62.01
Consultancy	6.13	0.63%	11.33	0.47	-	-	-	-
Technical/Service	0.07	0.01%	23.62	0.98	-	-	-	-

\*Entities in which KMP or relatives of KMP can exercise significant influence - RPS ACC DPIPL joint venture and R P Shetty joint venture with our Company

The transactions we have entered into and any further transactions that we may enter into with our related parties could potentially involve conflicts of interest which may be detrimental to us. Although all related party transactions that we may enter into post-listing, will be subject to board or shareholder approval, as necessary under the Companies Act, 2013, as amended and the SEBI Listing Regulations, we cannot assure you that such transactions in the future, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

- 51. We have a high working capital requirement and if we are unable to raise sufficient working capital our operations will be adversely affected.**

Our business operations are subject to high working capital requirements. Currently, we meet our working capital requirements through a mix of internal accruals and working capital facilities from scheduled commercial banks. As on November 30, 2024, we had sanctioned working capital facilities aggregating to ₹ 105 million as fund-based limit (over draft) and non-fund-based facility of ₹ 700 million. While we believe that our internal accruals and working capital facilities availed from our lenders will be sufficient to address our working capital requirements, we cannot assure you that we will continue to generate sufficient internal accruals and / or be able to raise adequate working capital from lenders to address our future needs. Our inability to meet our present or enhanced working capital requirements will have an adverse impact on our results of operation, business and financial condition. For further details pertaining to our present working capital position, please see sections titled "Financial Indebtedness" and "Management's Discussion and Analysis of Financial Condition and Results of

Operation” beginning on pages 345 and 315, respectively.

**52. *Certain sections of this Prospectus contain information from Marketysers Global Report, which has been commissioned and paid for by our Company as well as the and the IISc Report and any reliance on such information for making an investment decision in the Issue is subject to inherent risks.***

Certain sections of this Prospectus include information based on, or derived from, the Marketysers Global Report or extracts of the Marketysers Global Report prepared by Marketysers Global Consulting LLP (Reports and Data), which is not related to our Company, Directors or Promoters. We commissioned and paid for this report for the purpose of confirming our understanding of the industry in connection with the Issue. Further, we have included extracts or information flowing from the IISc Report in order to capture certain aspects of the industry we operate in. All such information in this Prospectus indicates the Marketysers Global Report and / or IISc Report as its source. Accordingly, any information in this Prospectus derived from, or based on, the Marketysers Global Report and / or IISc Report should be read taking into consideration the foregoing.

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Further, the Marketysers Global Report is not a recommendation to invest / disinvest in any company covered in the Marketysers Global Report. Accordingly, prospective investors should not place undue reliance on, or base their investment decision solely on this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Issue pursuant to reliance on the information in this Red Herring Prospectus based on, or derived from, the Marketysers Global Report. You should consult your own advisors and undertake an independent assessment of information in this Prospectus based on, or derived from, the Marketysers Global Report before making any investment decision regarding the Issue. Please see section titled “*Industry Overview*” on page 122. For the disclaimers associated with the Marketysers Global Report, please see section titled “*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data*” on page 18.

**53. *Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and are based on management estimates.***

Our funding requirements set out in the section titled “*Objects of the Issue*” on page 98 are based on management estimates and have not been appraised by any bank or financial institution or any other independent agency. 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 utilisation of proceeds from the Issue may also change. This may also include rescheduling the proposed utilisation of Net Proceeds at the discretion of our management. We may make necessary changes to utilisation of Net Proceeds in compliance with the provisions of the Companies Act and the Company will make use of Net Proceeds as per applicable laws. In the event of any variation in actual utilisation of the Net 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.

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

We propose to utilise the Net Proceeds towards funding working capital requirements of our Company and general corporate purposes. For further details of the proposed objects of the Issue, please see section titled “*Objects of the Issue*” on page 98. We cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. Further, the Net Proceeds are intended to be utilised by the Company only and none of the members of our Promoter Group or Group Companies will receive any portion of the Net Proceeds. The planned use of the Net Proceeds is based on current conditions and is subject to changes in external circumstances, costs, other financial conditions or business strategies. Any variation in the planned use of the Net Proceeds will be made in compliance with SEBI ICDR Regulations, SEBI Listing Regulations, and other applicable laws and would also require Shareholders’ approval by passing a special resolution and our Promoters will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal.

to vary the objects and may involve considerable time or cost overrun and in such an eventuality it may adversely affect our operations or business.

**55. *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 compliance requirement or 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 limited reviewed quarterly reports with respect to our business and financial condition, in addition to various other compliances which will entail incurring costs. 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. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

**56. *We cannot assure payment of dividends on the Equity Shares in the future. Our ability to pay dividends in the future will depend upon our earnings, financial condition, cash flows and capital requirements.***

Our ability to pay dividends depends on our earnings, financial condition, cash flows, capital requirements, applicable Indian legal restrictions and other factors. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. We may, in the future, be restricted by the terms of our loan agreements, from making any dividend payments, unless otherwise agreed upon by our lenders. We cannot assure you that we will be able to pay dividends in the future. For further details on our dividend policy and dividends paid, please see section titled "Dividend Policy" on page 248. The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

**57. *The average cost of acquisition of Equity Shares held by our Promoters may be less than the Issue Price.***

The average cost of acquisition per Equity Share held by our Promoters namely, Sowbhagyamma, Sujith T R, C Mruthyunjaya Swamy and Hema H M is ₹7.07, ₹2.50, Nil and Nil, respectively. Since the average cost of acquisition by our Promoters may be lesser than the Issue Price, investors who purchase the Equity Shares may do so at a cost that is higher than the average cost of acquisition of the Equity Shares of our Promoters.

**58. *We will continue to be controlled by our Promoters after the completion of the Issue.***

As on date of this Prospectus, our Promoters hold 96.02% of our Equity Share capital. After completion of this Issue, our Promoters will continue to exercise significant control or exert significant influence over our business policies and affairs and all matters requiring Shareholders' approval, including composition of our Board, the adoption of amendments to our constitutional documents, the approval of mergers, strategic acquisitions or joint ventures and the policies for dividends, lending, investments and capital expenditures. Accordingly, the interests of our Promoters in capacity as Shareholder of the Company may conflict with the interests of other Shareholders of the Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

**59. *Negative publicity could damage our reputation and adversely impact business and financial results.***

Negative public opinion about the Company, or the industries in which we serve could adversely affect our ability to retain and attract merchants, customers and employees and expose us to litigation and regulatory actions.

Negative public opinion can result from our actual or alleged conduct in any number of activities, including but not limited to cybersecurity breaches, failures to safeguard personal information, corporate governance, sales and marketing practices, regulatory compliance, mergers and acquisitions, and actions taken by government regulators and community organizations in response to that conduct. Any actual or alleged conduct by one business that we operate can result in negative public opinion about other businesses that we operate. Although we take steps to minimize reputational risk in dealing with merchants and end-customers, we are inherently exposed to this risk. The proliferation of social media may increase the likelihood that negative public opinion from any of the events discussed above will impact our reputation and business.

### ***External Risks***

#### **Risks Relating to India**

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

The Indian economy and its capital markets are influenced by economic, political and market conditions in India and globally including the volatility in the securities markets in other countries. We are dependent on prevailing economic conditions in India and our results of operations are affected by factors influencing the Indian economy. Further, the following external risks may have an adverse impact on our business and results of operations, should any of them materialize:

- increase in interest rates may adversely affect our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- political instability, resulting from a change in governmental or economic and fiscal policies, may adversely affect economic conditions in India. In recent years, India has implemented various economic and political reforms. Reforms in relation to land acquisition policies and trade barriers have led to increased incidents of social unrest in India over which we have no control;
- civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war including in India's various neighbouring countries; India has experienced epidemics and natural calamities such as earthquakes, tsunamis, floods, and drought in recent years;
- any act of God and its consequent impact on public and economy;
- occurrence of natural or man-made disasters (such as typhoons, flooding, earthquakes and fires) which may cause us to suspend our operations;
- prevailing regional or global economic conditions, including in India's principal export markets;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- other significant regulatory or economic developments in or affecting India or its consumption sector;
- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- logistical and communications challenges;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms or on a timely basis;
- international business practices that may conflict with other customs or legal requirements to which we are subject to, including anti-bribery and anti-corruption laws; being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so; and
- contagious diseases such as the COVID-19 pandemic, the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine, and any other diseases. A worsening of the current COVID-19 pandemic or any similar future outbreaks of COVID-19, avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares. Our performance and the growth of our business depends on the overall performance of the Indian economy as well as the economies of the regional markets in which we operate.

**61. *Changing laws, rules and regulations and legal uncertainties, including adverse application of***

*corporate, labour and tax laws, may adversely affect our business, results of operations and prospects.*

The regulatory environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations that could affect our industry, which could lead to new compliance requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. Any adverse regulatory change in this regard could lead to fluctuation of prices of construction materials and thereby increase our operational cost. Additionally, our loans are subject to specific conditions imposed by the Ministry of Commerce and Industry, GoI and the RBI. In the event of any adverse regulatory development or in the event that we are otherwise not able to secure such loans, we may not be able to benefit from such low interest rates or the ability to fix the price within the specified time frame at the same price at which we sell our products to our customers.

The Taxation Laws (Amendment) Act, 2021, also prescribes certain changes to the income tax rate applicable to companies in India. Further, as GST is implemented, there can be no assurance that we will not be required to comply with additional procedures or obtain additional approvals and licenses from the government and other regulatory bodies or that they will not impose onerous requirements and conditions on our operations. With the implementation of GST, we are obligated to pass on any benefits accruing to us as result of the transition to GST to the consumer thereby limiting our benefits. In order for us to utilise input credit under GST, the entire value chain has to be GST compliant, including us. While we are and will continue to adhere to the GST rules and regulations, there can be no assurance that our suppliers and dealers will do so. Any such failure may result in increased cost on account of non-compliance with the GST and may adversely affect our business and results of operations.

The Competition Act, 2002, as amended (“**Competition Act**”) prohibits any anti-competition agreement or arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India. The Competition Act also prohibits abuse of a dominant position by any enterprise. The combination regulation (merger control) provisions under the Competition Act 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, or CCI. Any breach of the provisions of Competition Act, may attract substantial monetary penalties. The Competition Act aims to, among other things, prohibit all agreements and transactions, which may have an appreciable adverse effect 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 of India if such agreement, conduct or combination has an appreciable adverse effect in India. We are not currently party to any outstanding proceedings, nor have we ever received any notice in relation to noncompliance with the Competition Act. Any enforcement proceedings initiated by the CCI in future, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI may affect our business, financial condition and results of operations.

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

In addition, many laws and regulations relating to privacy and the collection, storing, sharing, use, disclosure, and protection of certain types of data are subject to varying degrees of enforcement and new and changing interpretations by courts or regulators. Several jurisdictions have implemented new data protection regulations and others are considering imposing additional restrictions or regulations.

Similarly, changes in other laws may require additional compliances and/or result in us incurring additional expenditure. 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. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be

considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Our employees are employed by us and are entitled to statutory employment benefits, such as defined benefit gratuity plan, among others. In addition to our permanent employees, we empanel agencies for our outsourcing requirements and also engage persons on a contractual basis. We are subject to various labour laws and regulations governing our relationships with our employees and contractors, including in relation to minimum wages, working hours, overtime, working conditions, hiring and terminating the contracts of employees and contractors, contract labour and work permits.

The Government of India has passed new laws relating to social security, occupational safety, industrial relations and wages namely, the Code on Social Security, 2020, the Occupational Safety, Health and Working Conditions Code, 2020, the Industrial Relations Code, 2020 and the Code on Wages, 2019, respectively which were to take effect from April 1, 2021 (collectively, the “**Labour Codes**”). The Government of India has deferred the effective date of the Labour Codes and they shall come into force from such date as may be notified by the Government. Further, the Code on Social Security, 2020 (“**Social Security Code**”) will impact overall employee expenses and, in turn, could impact the profitability of our Company. Under the Social Security Code, a new concept of deemed remuneration has been introduced, such that where an employee receives more than half (or such other percentage as may be notified by the Central Government), of their total remuneration in the form of allowances and other amounts that are not included within the definition of wages under the Social Security Code, the excess amount received shall be deemed as remuneration and accordingly be added to wages for the purposes of the Social Security Code and the compulsory contribution to be made towards the employees’ provident fund. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

**62. *Financial instability in the global or Indian financial markets could adversely affect our results of operations and financial condition and may cause the price of our Equity Shares to decline.***

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in the USA and Asian emerging market countries. Financial turmoil in the global economy has affected the Indian economy in the past. Although economic conditions are different in each country, investors’ reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy and could harm our results of operations and financial condition.

Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Following the United Kingdom’s exit from the European Union (“**Brexit**”), there still remains significant uncertainty around the impact of Brexit on the general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets.

In addition, China is one of India’s major trading partners and there are rising concerns of a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. Such developments, or the perception that they could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

**63. *Civil disturbances, regional conflicts and other acts of violence in India and abroad may disrupt or otherwise adversely affect the Indian economy.***

Certain events that are beyond the control of our Company, such as violence, civil unrest, or geo-political unrest, including those involving India, Russia, Ukraine, the United Kingdom, USA, China or other countries, may adversely affect worldwide financial markets and could potentially lead to a severe economic recession, which could adversely affect our business, results of operations, financial condition and cash flows, and more generally,



any of these events could lower confidence in India's economy. Southern Asia has, from time to time, experienced instances of civil unrest and political tensions and hostilities among neighbouring countries. Political tensions could create a perception that there is a risk of disruption of services provided by India-based companies, which could have an adverse effect on our business, future financial performance and the price of the Equity Shares. Furthermore, if India were to become engaged in armed hostilities, particularly hostilities that are protracted or involve the threat or use of nuclear weapons, the Indian economy and consequently Company's operations might be significantly affected. India has from time to time experienced social and civil unrest and hostilities, including riots, regional conflicts and other acts of violence. Events of this nature in the future could have an adverse effect on our business, results of operations and financial condition.

**64. *If inflation rises in India, increased costs may result in a decline in profits.***

India has experienced high inflation in the recent past. Increasing inflation in India could cause a rise in the costs of rent, wages, construction materials and other expenses. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our clients, whether entirely or in part, and may adversely affect our business and financial condition. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows. Further, the GoI and RBI have previously initiated economic measures to combat high inflation rates, and it is unclear how such measures will impact our business as well as the business of our customers. There can be no assurance that Indian inflation levels will not worsen in the future.

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

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

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

Under the 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 pricing guidelines and reporting requirements specified by the RBI or in the alternate, the pricing is in compliance with the extant provisions of the SEBI Regulations. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred above, then the prior approval of the RBI will be required. Additionally, Shareholders who seek to convert the Rupee proceeds from sale of shares in India into foreign currency and repatriate that foreign currency from India may require a no objection or a tax clearance certificate from the income tax authority. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm's length basis, and a higher (or lower, as applicable) price per share may not be permitted. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all. Further, due to possible delays in obtaining requisite approvals, investors in the Equity Shares may be prevented from realizing gains during periods of price increase or limiting losses during periods of price decline.

The Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of the Equity Shares will be paid in ₹ and subsequently converted into appropriate foreign currency for repatriation. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders.

In terms of Press Note 3 of 2020, dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade ("DPIIT"), the foreign direct investment policy has been recently amended to state that all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the GoI. Further, in the event of a 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 GoI. Furthermore, on April 22, 2020, the Ministry of Finance, GoI has also made a similar amendment to the FEMA Rules. While the term “beneficial owner” is defined under the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 and the General Financial Rules, 2017, neither the foreign direct investment policy nor the FEMA Rules provide a definition of the term “beneficial owner”. The interpretation of “beneficial owner” and enforcement of this regulatory change involves certain uncertainties, which may have an adverse effect on our ability to raise foreign capital. Further, there is uncertainty regarding the timeline within which the said approval from the GoI may be obtained, if at all.

**67. *There is no existing market for the Equity Shares, and we do not know if one will develop. The Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.***

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Issue. The Issue Price of the Equity Shares has been determined by our Company in consultation with the BRLM and in accordance with the Book Building Process and is based on numerous factors. For further details, please see section titled “*Basis for Issue Price*” on page 108. The Issue Price of the Equity Shares may bear no relationship to the market price of the Equity Shares after the Issue. The Issue Price is not indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price. There can be no assurances that Bidders who are Allotted Equity Shares through the Issue will be able to re-sell their Equity Shares at or above the Issue Price.

**68. *A slowdown in economic growth in India could cause our business to suffer.***

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. Any slowdown or perceived slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit, a downgrading in India’s sovereign debt rating or a decline in India’s foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. In particular, the COVID-19 pandemic caused an economic downturn in India and globally. Any downturn in the macroeconomic environment in India could also adversely affect our business, financial condition, results of operations and prospects.

India’s economy could be adversely affected by a general rise in interest rates or inflation, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the GoI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy.

The Indian economy is also influenced by economic and market conditions in other countries, particularly emerging market conditions in Asia. A decline in India’s foreign exchange reserves and exchange rate fluctuations may also affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business, financial condition, results of operations and prospects.

Further, other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our expansions; volatility in, and actual or perceived trends in trading activity on, India’s principal stock exchanges; changes in India’s tax, trade, fiscal or monetary policies, like application of GST; political instability, terrorism or military conflict in India or in countries in the region or globally, including in India’s various neighbouring countries; occurrence of natural or manmade disasters; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions, including in India’s principal export markets; and other significant regulatory or economic developments in or affecting India or its financial services sectors.

**69. *An investment in the Equity Shares is subject to general risks related to investments in Indian companies.***

We are incorporated in India and our assets and employees are located in India. Consequently, our business, results of operations, financial condition and the market price of the Equity Shares will be affected by changes in interest rates in India, policies of the Government of India, including taxation policies along with policies relating to industry, political, social and economic developments affecting India.

**70. *Any downgrading of India’s debt rating by an international rating agency could have an adverse impact on our business.***

India's sovereign rating is Baa3 with a "stable" outlook (Moody's), BBB-with a "stable" outlook (S&P) and BBB with a "stable" outlook (Fitch). India's sovereign rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Any adverse change in India's credit ratings by international rating agencies may adversely impact the Indian economy and consequently our ability to raise additional financing in a timely manner or at all, as well as the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and financial performance, ability to obtain financing for capital expenditures and the price of the Equity Shares.

**71. *Significant differences exist between Ind AS and other accounting principles, such as United States Generally Accepted Accounting Practices ("US GAAP") and international financial reporting standards ("IFRS"), which may be material to investors' assessments of our financial condition.***

The Restated Consolidated Financial Information included in this Prospectus has been prepared in accordance with Ind AS. We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Ind AS financial statements, which are restated as per the SEBI ICDR Regulations included in this Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should be limited accordingly.

**72. *We have in this Prospectus included certain non-GAAP financial measures and Key Performance Indicators ("KPIs") that may vary from any standard methodology that is applicable across our industry. We rely on certain assumptions and estimates to calculate such measures, therefore such measures may not be comparable with financial, operational or industry-related statistical information of similar nomenclature computed and presented by other similar companies.***

We have included certain financial and operational measures in this Prospectus, which we believe to be non-GAAP financial measures ("Non-GAAP Measures") and KPIs, in accordance with the SEBI ICDR Regulations. We compute and disclose such KPIs relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of companies such as us. These KPIs 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 and operational measures, and industry-related statistical information of similar nomenclature that may be computed and presented by other companies pursuing similar business.

**73. *Rights of Shareholders under Indian laws may differ to those under the laws of other jurisdictions.***

Indian laws and 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 under Indian law, including in relation to class actions, may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as a Shareholder in an Indian company than as a Shareholder of an entity in another jurisdiction.

**74. *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. 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 or consummated because of the SEBI Takeover Regulations.

### **Risks Relating to the Issue and the Equity Shares**

**75. *We cannot assure payment of dividends on the Equity Shares in the future.***

While our declaration of dividends is at the discretion of our Board and subject to Shareholder approval as set out in the section titled “*Dividend Policy*” on page 248 and the amount of future dividend payments by our Company, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. Our Company may decide to retain all of its earnings to finance the development and expansion of its business and therefore, we may not declare dividends on the Equity Shares. Additionally, we may, in the future, be restricted by the terms of our loan agreements to make any dividend payments unless otherwise agreed with our lenders. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital and capital expenditure requirements. For further details, please see section titled “*Dividend Policy*” on page 248. We cannot assure you that we will generate sufficient revenues to cover our operating expenses and, as such, pay dividends to the Shareholders consistent with our past practice, or at all.

**76. *The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the current market price of some securities listed pursuant to certain previous issues managed by the Book Running Lead Manager may be below their respective issue prices.***

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is proposed to be determined through a book-building process and shall be based on various factors, as described in the section titled “*Basis for Issue Price*” on page 108. This price may not necessarily be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. You may not be able to re-sell your Equity Shares at or above the Issue Price and may as a result lose all or part of your investment.

We cannot assure you that active trading in our Equity Shares will develop after the Issue, or if such trading develops that it will continue. The Bidders may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

The trading price of our Equity Shares after this Issue may be subject to significant fluctuations as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Prospectus. Further, the current market price of securities listed pursuant to certain previous initial public offerings managed by the Book Running Lead Manager is below its issue price. For further details, please see section titled “*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the Book Running Lead Manager*” on page 362.

The market price of our Equity Shares may be influenced by many factors, some of which are beyond our control, including:

- the failure of security analysts to cover the Equity Shares after this Issue, or changes in the estimates of our performance by analysts;
- the activities of competitors and suppliers;
- future sales of the Equity Shares by our major Shareholders;
- investor perception of us and the industry in which we operate;
- our quarterly or annual earnings or those of our competitors;
- developments affecting fiscal, industrial or environmental regulations;
- the public’s reaction to our press releases and adverse media reports;
- speculative trading in the Equity Shares;
- changes in exchange rates;
- outbreaks of new pandemics and/ or epidemics; and
- general economic and market conditions.

Changes in relation to any of the factors listed above could adversely affect the market price of the Equity Shares. The market price of the Equity Shares may decline below the Issue Price and investors may not be able to re-sell Equity Shares at or above the Issue Price resulting in a loss of all or part of your investment.

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

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

**78. *The determination of the Price Band is based on various factors and assumptions and the Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue. Further, the current market price of some securities listed pursuant to certain previous issues managed by the Book Running Lead Managers is below their respective issue prices.***

There has been no public market for our Equity Shares prior to the Issue. The determination of the Price Band is based on various factors and assumptions and will be determined by our Company in consultation with the Book Running Lead Manager. Furthermore, the Issue Price of the Equity Shares will be determined by our Company in consultation with the Book Running Lead Manager through the Book Building Process. These will be based on numerous factors, including factors as described under section titled "*Basis for Issue Price*" on page 108 and may not be indicative of the market price for the Equity Shares after the Issue. You may not be able to re-sell your Equity Shares at or above the Issue price and may as a result lose all or part of your investment. In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the Book Running Lead Manager is below their respective issue price. For further details, please see section titled "*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the Book Running Lead Manager*" on page 362. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company 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.

**79. *There is no guarantee that the Equity Shares will be listed on the Stock Exchanges in a timely manner or at all. Investors may not be able to immediately sell any of the Equity Shares subscribed to in this Issue on Indian Stock Exchanges.***

In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the Stock Exchanges within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited with the Equity Shares within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately two Working Days from the Bid Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within three Working Days of the Bid Closing Date. There could be a failure or delay in the listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise any delay in commencing 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 investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

**80. *Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and the sale of Equity Shares by our Promoters may adversely affect the trading price of the Equity Shares.***

We may be required to finance our growth, whether organic or inorganic, through future equity offerings. Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, may lead to dilution of your shareholding in our Company. Any future equity issuances by us (including under an employee benefit scheme) or disposal of our Equity Shares by our Promoters or any of our other shareholders or any other change in our shareholding structure to comply with the minimum public shareholding norms applicable

to listed companies in India or any public perception regarding such issuances or sales 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. Further, our Company may consider issue of bonus shares in the future from reserves and surpluses, to reward the shareholders, which could have alternatively been used for dividends or buyback, may adversely affect the trading price of the Equity Shares of our Company. For instance, our reserve funds aggregating to ₹ 496.31 million as on March 31, 2022 was reduced by an amount of ₹ 144.00 million, as these funds were utilised for issuance of 14,400,000 Equity Shares pursuant to bonus issue undertaken on August 21, 2023 in the ratio of 3 Equity Shares for every 1 Equity Share held. For further details, please see section titled “*Capital Structure*” on page 87. Further, we cannot assure you that we will not issue further Equity Shares or that our existing Shareholders including our Promoters will not dispose of further Equity Shares after the completion of the Issue (subject to compliance with the lock-in provisions under the SEBI ICDR Regulations) or pledge or encumber their Equity Shares. Any future issuances could also dilute the value of Shareholder’s investment in the Equity Shares and adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the Issue Price. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

**81.  *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 public 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 laws 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 our Equity Shares, your proportional interests in our Company would be diluted.

**82.  *The Indian tax regime is currently undergoing substantial changes which could adversely affect our business and the trading price of the Equity Shares.***

Our business, results of operations and financial condition could be adversely affected by any change in the extensive central and state tax regime in India applicable to us and our business. Tax and other levies imposed by the central and state governments in India that affect our tax liability, include central and state taxes and other levies, income tax, turnover tax, goods and services tax, stamp duty and other special taxes and surcharges, which are introduced on a temporary or permanent basis from time to time. This extensive central and state tax regime is subject to change from time to time. The final determination of our tax liability involves the interpretation of local tax laws and related regulations in each jurisdiction, as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned, and expenditures incurred.

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

Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future. The Finance Act, 2020 has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other

cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

Further, GoI has notified the Finance Act, 2021, which introduced various amendments to the taxation laws in India. Under the Finance Act, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. Further, the GoI has announced the union budget for Fiscal 2025, pursuant to which the Finance Act, 2024, which shall come into force on April 1, 2024 which has introduced various amendments. In addition, unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

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

**83. *Qualified Institutional Buyers 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 and the Retail Individual Bidders are not permitted to withdraw their Bids after the Bid/Issue Closing Date.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to block the Bid Amount on the submission of the Bid and 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. RIBs can revise or withdraw their Bids at any time during the Bid/Issue Period and until the Bid/Issue Closing Date, but not thereafter. While our Company is required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all the Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment, within three (3) Working Days from the Bid/Issue Closing Date or such other period as may be prescribed by SEBI, events affecting the Bidders' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows 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 Issue or cause the trading price of the Equity Shares to decline on listing.

**84. *Pursuant to listing of the Equity Shares, we 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.***

SEBI and Stock Exchanges in order to enhance market integrity and safeguard interest of investors, have been introducing various enhanced pre-emptive surveillance measures. The main objective of these measures is to alert and advise investors to be extra cautious while dealing in these securities and advise market participants to carry out necessary due diligence while dealing in these securities. Accordingly, SEBI and Stock Exchanges have provided for (a) GSM on securities where such trading price of such securities does not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net-worth, price per equity multiple and market capitalization; and (b) ASM on securities with surveillance concerns based on objective parameters such as price and volume variation and volatility.

On listing, we may be subject to general market conditions which may include significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after the Issue due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any other political or economic factor. The occurrence

of any of the abovementioned factors may trigger the parameters identified by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, client concentration and close to close price variation. In the event our Equity Shares are covered under such pre-emptive surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in relation to trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active market and trading for our Equity Shares.



## SECTION IV: INTRODUCTION

### THE ISSUE

The following table summarizes the details of the Issue:

<b>The Issue of Equity Shares<sup>(1)</sup></b>	Up to 7,500,000 Equity Shares of face value ₹ 10 each aggregating up to ₹ 2,205.00 million
<i>of which:</i>	
<b>A) QIB Portion<sup>(2)(3)</sup></b>	Not more than 3,750,000 Equity Shares of face value ₹ 10 each aggregating up to ₹ 1,102.50 million
<i>of which</i>	
- Anchor Investor Portion <sup>(2)</sup>	Up to 2,250,000 Equity Shares of face value ₹ 10 each
- Net QIB Portion available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	Up to 1,500,000 Equity Shares of face value ₹ 10 each
<i>of which</i>	
a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Up to 75,000 Equity Shares of face value ₹ 10 each
b) Balance of the Net QIB Portion for all QIBs including Mutual Funds	Up to 1,425,000 Equity Shares of face value ₹ 10 each
<b>B) Non-Institutional Portion<sup>(4)</sup></b>	Not less than 1,125,000 Equity Shares of face value ₹ 10 each aggregating up to ₹ 330.75 million
<i>of which</i>	
One-third of the Non-Institutional Portion available for allocation to Bidders with an application size more than ₹ 0.20 million to ₹ 1.00 million	375,500 Equity Shares of face value ₹ 10 each
Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 1.00 million	750,000 Equity Shares of face value ₹ 10 each
<b>C) Retail Portion<sup>(3)</sup></b>	Not less than 2,625,000 Equity Shares of face value ₹ 10 each aggregating up to ₹ 771.75 million
<b>Pre and post Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue (as of the date of this Prospectus)	19,200,000 Equity Shares of face value ₹ 10 each
Equity Shares outstanding after the Issue	26,700,000 Equity Shares of face value ₹ 10 each
<b>Use of Net Proceeds of the Issue</b>	Please see the section titled “ <i>Objects of the Issue</i> ” on page 98 for information about the use of the Net Proceeds.

- (1) *The Issue has been authorized by a resolution of our Board of Directors in its meeting held on September 22, 2023, and also authorized through a special resolution of our Shareholders in their EGM held on November 3, 2023.*
- (2) *Our Company in consultation with the BRLM, allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB Portion was accordingly be reduced for the shares allocated to Anchor Investors. One-third of the Anchor Investor Portion was 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 were added to the QIB Portion. 5% of the Net QIB Portion were made available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion was made available for allocation on a proportionate basis to all Net QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Any unsubscribed portion in the Mutual Fund Portion was added to Net the QIB Portion and allocated proportionately to the Net QIB Bidders in proportion to their Bids. For further details, please see the section titled “Issue Procedure” on page 378. Allocation to all categories was made in accordance with SEBI ICDR Regulations.*

- (3) *Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category except the QIB Portion, was allowed to be met with spill over from any other category or combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange subject to applicable law. In the event of an undersubscription in the Issue, subject to receiving minimum subscription for 90% of the Issue and compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, the Allotment for the valid Bids will be made in the first instance towards subscription for 90% of the Issue. Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. For further details, please see the section titled “Issue Procedure” on page 378.*
- (4) *The allotment to each Non-Institutional Bidder was not less than the Minimum NIB 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. For further details, please see section titled “Issue Procedure” on page 378.*

Allocation to Bidders in all categories, except the Anchor Investor Portion, Non-Institutional Investor Portion and the Retail Individual Bidder Portion, if any, was made on a proportionate basis subject to valid Bids received at or above the Issue Price. The allocation to each Retail Individual Bidder and the Non-Institutional Investors was not less than the minimum Bid Lot, or minimum application size, as the case may be, subject to availability of Equity Shares in Retail Portion or the Non-Institutional Portion respectively, and the remaining available Equity Shares, if any, shall be Allocated on a proportionate basis. The allocation to each Non-Institutional Investor was not less than ₹ 0.2 million, subject to the availability of Equity Shares in Non-Institutional Investors’ category, and the remaining Equity Shares, if any, was allocated on a proportionate basis in accordance with SEBI ICDR Regulations. Allocation to Anchor Investors were on a discretionary basis. For further details, please see the section titled “Issue Procedure” on page 378.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

For further details, including in relation to grounds for rejection of Bids, please see sections titled “Issue Structure” and “Issue Procedure” on pages 374 and 378, respectively. For further details on the terms of the Issue, please see section titled “Terms of the Issue” on page 367.

## SUMMARY FINANCIAL INFORMATION

*The following tables set forth the summary financial information of our Company derived from the Restated Consolidated Financial Information.*

*The Restated Consolidated Financial Information has been prepared, based on financial statements for the six months period ended September 30, 2024 and Fiscals 2024, 2023 and 2022. The Restated Consolidated Financial Information have been prepared in accordance with Ind AS and the Companies Act, 2013, restated in accordance with the SEBI ICDR Regulations and are presented in the section titled “Restated Consolidated Financial Information” on page 249.*

*The summary financial information presented below should be read in conjunction with the sections titled “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 249 and 315, respectively.*

*[The remainder of this page has intentionally been left blank]*

## RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

*(in ₹ million, unless stated otherwise)*

Particulars	Six months period ended September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>				
<b>Non-current assets</b>				
a) Property, plant and equipment	242.63	245.06	243.21	100.64
b) Other intangible assets	0.19	0.24	0.11	-
c) Financial assets				
i. Investments	101.14	-	-	-
ii. Loans	-	68.63	66.29	-
iii. Other financial assets	50.85	97.34	94.35	5.00
d) Other non-current assets	44.20	44.33	50.49	0.35
e) Deferred tax assets (Net)	-	-	-	-
<b>Total non-current assets</b>	<b>439.00</b>	<b>455.60</b>	<b>454.45</b>	<b>105.99</b>
<b>Current assets</b>				
f) Inventories	223.91	195.13	64.98	33.59
g) Financial assets				
i. Trade receivables	101.87	254.63	231.52	134.54
ii. Cash and cash equivalents	5.48	125.77	359.07	135.75
iii. Bank balances other than cash and cash equivalents	171.56	503.82	4.12	-
iv. Other financial assets	12.83	38.75	5.25	88.24
h) Other current assets	1248.80	624.78	113.37	108.26
<b>Total current assets</b>	<b>1,764.46</b>	<b>1,742.88</b>	<b>778.31</b>	<b>500.38</b>
<b>Total Assets</b>	<b>2,203.46</b>	<b>2,198.48</b>	<b>1,232.76</b>	<b>606.37</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
a) Equity share capital	192.00	192.00	48.00	48.00
b) Other equity	1,692.63	1,450.56	997.47	496.31
<b>Total Equity attributable to Equity Holders</b>	<b>1,884.63</b>	<b>1,642.56</b>	<b>1,045.47</b>	<b>544.31</b>
Non-controlling interest	0.09	0.70	0.64	-
<b>Total Equity</b>	<b>1,884.72</b>	<b>1,643.26</b>	<b>1,046.11</b>	<b>544.31</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
a) Financial liabilities				
i. Borrowings	3.83	5.49	8.63	-
b) Provisions	1.88	1.07	0.35	0.12
c) Deferred tax liabilities (net)	1.80	1.91	1.03	0.57
d) Other Non-Current Liabilities	2.66	2.66	2.66	2.66
<b>Total non-current liabilities</b>	<b>10.18</b>	<b>11.13</b>	<b>12.67</b>	<b>3.35</b>
<b>Current liabilities</b>				
a) Financial liabilities				
i. Borrowings	3.26	3.13	2.89	-
ii. Trade payables				
-Dues of micro enterprises and small enterprises	0.36	6.29	0.62	0.81
-Dues of creditors other than micro enterprises and small enterprises	43.65	106.04	101.12	35.05
b) Other current liabilities	15.32	117.20	56.46	10.72
c) Provisions	171.53	236.79	1.10	0.91
d) Current tax liabilities (net)	74.44	74.63	11.79	11.22

<b>Particulars</b>	<b>Six months period ended September 30, 2024</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Total current liabilities</b>	<b>308.56</b>	<b>544.08</b>	<b>173.98</b>	<b>58.71</b>
<b>Total liabilities</b>	<b>318.74</b>	<b>555.22</b>	<b>186.65</b>	<b>62.06</b>
<b>Total equity and liabilities</b>	<b>2,203.46</b>	<b>2,198.48</b>	<b>1,232.76</b>	<b>606.37</b>

**RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS**

*(in ₹ million, unless stated otherwise)*

Particulars	Six months period ended September 30, 2024	For the year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Revenue from operations	977.80	2,385.98	1,743.24	1,195.72
Other income	7.30	32.39	14.23	0.63
<b>Total income</b>	<b>985.10</b>	<b>2,418.37</b>	<b>1,757.47</b>	<b>1,196.35</b>
<b>Expenses</b>				
Cost of material consumed	603.08	1,519.78	1,045.02	668.84
Employee benefits expense	26.48	36.21	11.26	0.97
Finance costs	1.06	5.07	0.93	-
Depreciation and amortization expense	2.58	4.85	3.71	0.86
Other expenses	20.57	38.61	17.36	7.80
<b>Total expenses</b>	<b>653.78</b>	<b>1,604.53</b>	<b>1,078.28</b>	<b>678.47</b>
<b>Profit/(Loss) before tax</b>	<b>331.32</b>	<b>813.84</b>	<b>679.19</b>	<b>517.88</b>
<b>Tax expense:</b>				
-Current tax	89.47	215.64	177.64	134.49
-Deferred tax	(0.14)	0.95	0.44	0.02
<b>Total Tax Expenses</b>	<b>89.33</b>	<b>216.59</b>	<b>178.08</b>	<b>134.51</b>
<b>Profit after Tax is attributable to owners of the company</b>	<b>241.99</b>	<b>597.25</b>	<b>501.12</b>	<b>383.37</b>
<b>Other Comprehensive Income/(Loss)</b>				
<b>Items that will not be Reclassified to Statement of Profit and Loss</b>				
Remeasurement of Defined Employee Benefit Plans	0.10	0.23	0.06	0.01
Tax impact of items that will not be reclassified to statement of profit and loss	(0.03)	(0.06)	(0.02)	-
<b>Other Comprehensive Income is Attributable to Owners of the Company</b>	<b>0.08</b>	<b>0.17</b>	<b>0.04</b>	<b>0.01</b>
<b>Total Comprehensive Income</b>	<b>242.06</b>	<b>597.42</b>	<b>501.16</b>	<b>383.38</b>
Earnings Per Share (EPS) attributable to Equity Holder				
Equity Shares of Par Value ₹10/- Each				
Basic and diluted	12.60	31.11	26.10	19.97

**RESTATED CONSOLIDATED CASH FLOW STATEMENT**

*(in ₹ million, unless stated otherwise)*

Particulars	Six months period ended September 30, 2024	For the year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
<b>Cash Flow from/(Used in) Operating Activities</b>				
Profit before tax	331.32	813.84	679.19	517.88
<b>Adjustments to Reconcile Net Profit to Net Cash Provided by Operating Activities:</b>				
Depreciation and amortization	2.58	4.85	3.71	0.86
Finance cost	1.06	5.07	0.93	-
Interest income	(4.48)	(17.76)	(6.49)	(0.61)
<b>Operating profit before working capital changes</b>	<b>330.48</b>	<b>806.00</b>	<b>677.34</b>	<b>518.13</b>
<b>Movements in working capital:</b>				
Changes in trade receivables	152.76	(23.11)	(96.97)	(97.69)
Changes in other financial assets	25.92	(33.50)	82.99	(88.24)
Changes in other current assets	(623.90)	(505.25)	(55.25)	(54.63)
Changes in trade payable	(68.32)	10.59	65.88	1.64
Changes in borrowings	0.13	0.24	2.89	-
Changes in provisions	(64.33)	236.18	0.48	0.91
Changes in other current liabilities	(101.89)	60.75	45.74	(189.66)
Changes in inventories	(28.78)	(130.15)	(31.39)	(22.21)
Repayment of security deposit	(0.01)	-	-	-
<b>Cash Generated/(Used) in Operations</b>	<b>(377.94)</b>	<b>421.75</b>	<b>691.71</b>	<b>68.25</b>
Income Tax Paid	(89.65)	(152.80)	(177.07)	(146.28)
<b>Net cash flow from operating activities</b>	<b>467.59</b>	<b>268.95</b>	<b>514.64</b>	<b>(78.03)</b>
<b>Cash Flow from/(Used) Investing Activities</b>				
Purchase of property, plant and equipment/capital expenditure including intangible asset	(0.09)	(6.83)	(146.39)	(45.16)
Interest received	4.48	17.76	6.49	0.61
Investment/proceeds from fixed deposit with bank	46.49	(2.99)	(89.35)	-
Loans given	68.63	(2.34)	(66.29)	-
Investment in Mutual Funds	(101.14)	-	-	-
<b>Cash Generated/ (Used) in Investing Activities</b>	<b>18.37</b>	<b>5.60</b>	<b>(295.54)</b>	<b>(44.55)</b>
<b>Cash Flow from/(Used in) Financing Activities</b>				
Proceed/(repayment) of borrowings (Net)	(1.66)	(3.14)	8.63	(0.47)
Proceed from non-controlling interest	(0.61)	0.06	0.64	-
Interest Paid	(1.06)	(5.07)	(0.93)	-
<b>Cash Generated/(Used) in Financing Activities</b>	<b>(3.33)</b>	<b>(8.15)</b>	<b>8.34</b>	<b>(0.47)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(452.55)</b>	<b>266.40</b>	<b>227.44</b>	<b>(123.05)</b>
Cash and cash equivalent at beginning of year	629.59	363.19	135.75	258.80
Cash and cash equivalent at end of year	177.04	629.59	363.19	135.75
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(452.55)</b>	<b>266.40</b>	<b>227.44</b>	<b>(123.05)</b>

## GENERAL INFORMATION

Our Company was incorporated as '*Denta Properties and Infrastructure Private Limited*' in Bangalore, Karnataka as a private limited company under Companies Act, 2013, pursuant to a certificate of incorporation dated November 17, 2016 issued by Deputy Registrar of Companies, Central Registration Centre. Thereafter, pursuant to a resolution passed at the meeting of the Board of Directors held on June 14, 2023, and a special resolution of the Shareholders at the extraordinary general meeting held on June 26, 2023, the name of our Company was changed to '*Denta Water and Infra Solutions Private Limited*' and a fresh certificate of incorporation dated July 31, 2023, consequent upon the name change, was issued by the RoC. Subsequently, our Company was converted from a private limited company to a public limited company pursuant to a special resolution passed in the extraordinary general meeting of our Shareholders held on August 14, 2023 and consequently, the name of our Company was changed to its present name, '*Denta Water and Infra Solutions Limited*', and a fresh certificate of incorporation dated September 12, 2023 was issued by the RoC to our Company.

### Registered Office:

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

#### **Denta Water and Infra Solutions Limited**

#40, 3<sup>rd</sup> floor, Sri Lakshminarayana Mansion,  
South End Road, Basavanagudi, Bangalore,  
South Bangalore- 560 004  
Karnataka, India

**Corporate Identity Number:** U70109KA2016PLC097869

**Registration Number:** 097869

### Address of the Registrar of Companies

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

#### **Registrar of Companies, Karnataka at Bangalore**

'E' Wing, 2<sup>nd</sup> Floor,  
Kendriya Sadana,  
Kormangala,  
Bangalore-560034,  
Karnataka.

### Board of Directors

The Board of our Company as on the date of this Prospectus comprises the following:

Name	Designation	DIN	Address
Manish Shetty	Managing Director	09075221	H. No. 478/1, Dhupdhal, Mahatesh Ngr, Ghataprabha, Taluka Gokak, Belagavi – 591 306, Karnataka, India
Sujith T R	Whole-time Director	07637371	Madhumasa 80 feet Road, Gokula extension, Kyathasandra, Tumkur – 572104, Karnataka
Nista U Shetty	Non-Executive Director	09395250	3-143, Near Unity Hall, Hangalur, Kundapura, Udupi - 576 217 Karnataka, India
Gopalakrishna Kumaraswamy	Independent Director	10320657	300, 7 <sup>th</sup> Cross, Domlur Bus Depot, Domlur Layout Extension, Bangalore North, Bangalore - 560 071, Karnataka, India
Pradeep N	Independent Director	10329635	No 560, Kanthadeepa, 2 <sup>nd</sup> block, 6 <sup>th</sup> stage, Banashankari Layout, Bangalore, Bengaluru - 560 098 Karnataka, India
R. Narendra Babu	Independent Director	10330389	No 58, 1 <sup>st</sup> Floor, 3 <sup>rd</sup> Cross, 5 <sup>th</sup> Main, Keb Layout, Sanjay Nagar, Gaddalahally, Bengaluru – 560 094, Karnataka, India



For brief profiles and further details of our Board, please see the section titled “*Our Management*” on page 222.

### **Company Secretary & Compliance Officer**

Sujata Gaonkar  
#40, 3<sup>rd</sup> floor, Sri Lakshminarayana Mansion,  
South End Road, Basavanagudi, Bangalore  
South Bangalore – 560 004,  
Karnataka, India  
**Telephone:** +91 080 2991 6509  
**E-mail:** cs@denta.co.in

### **Investor Grievances**

Investors may contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-Issue or post-Issue related queries, grievances and for redressal of complaints 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.

All Issue related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than UPI Bidders using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders using the UPI Mechanism.

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 Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

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

### **Registrar to the Issue**

#### **Integrated Registry Management Services Private Limited**

30, Ramana Residency, 4<sup>th</sup> cross,  
Sampige road, Malleswaram  
Bangalore – 560 004,  
Karnataka, India  
**Telephone:** +91 80 2346 0815  
**E-mail:** giri@integratedindia.in  
**Investor Grievance E-mail:** [giri@integratedindia.in](mailto:giri@integratedindia.in) / [dentaipo@integratedindia.in](mailto:dentaipo@integratedindia.in)  
**Website:** [www.integratedindia.in](http://www.integratedindia.in)  
**Contact Person:** S. Giridhar  
**SEBI Registration Number:** INR000000544

### **Book Running Lead Manager**

#### **SMC Capitals Limited**

A- 401/402, Lotus Corporate Park,  
Off Western Express Highway,

Jai Coach Signal, Goregaon (East),  
Mumbai – 400063  
Maharashtra, India  
**Telephone:** 022 – 66481818  
**Email:** denta.ipo@smccapitals.com  
**Investor Grievance E-mail:** investor.grievance@smccapitals.com  
**Website:** www.smccapitals.com  
**Contact Person:** Suhas Satardekar/ Sarvesh Saxena  
**SEBI registration number:** INM000011427  
**CIN:** U74899DL1994PLC063201

#### **Syndicate Member**

##### **SMC Global Securities Limited**

17, Netaji Subhash Marg,  
Daryaganj  
Delhi 110 002, India  
Tel: 11-6662 3300 / 99106 44949 / 98100 59041  
**Fax:** 011301 26061  
**Website:** www.smctradeonline.com  
**Contact Person:** Sushil Joshi, Neeraj Khanna  
**Email Id:** skj@smcindiaonline.com, neerajkhanna@smcindiaonline.com  
**SEBI Registration No.:** INZ000199438  
**Investor Grievance E-mail:** neerajkhanna@smcindiaonline.com  
**CIN:** L74899DL1994PLC63609

#### **Statement of responsibilities**

Since SMC Capitals Limited is the sole BRLM to the Issue and all the responsibilities relating to the co-ordination and other activities in relation to the Issue shall be performed by them and hence, a statement of inter se allocation of responsibilities is not applicable.

#### **Appraising Entity**

None of the objects of the Issue 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 Issue.

#### **Legal Counsel to the Issue**

##### **Dentons Link Legal**

Aiwan-e-Ghalib Complex,  
Mata Sundri Lane,  
New Delhi 110 002, India  
**Telephone:** +91 11 4561 1000

#### **Statutory Auditors of our Company**

##### **Maheshwari & Co**

##### **Chartered Accountants**

10-11, Esplanade School Building, III Floor 3,  
Amrut Keshav Naik Marg, Next to New Empire Cinema,  
Fort, Mumbai, Maharashtra – 400001  
**Tel:** +91 96991 45711  
**E-mail:** cagattani@icai.org  
**Firm Registration Number:** 105834W  
**Peer Review Number:** 014967  
**Contact person:** Pawan Gattani

## Changes in Auditors

Except as disclosed below, there has been no changes in our statutory auditors in the three years preceding the date of this Prospectus.:

Name of Auditors	Date of Change	Reason for change
<b>Venkatachala Raghavendra &amp; Co</b> No. 27, Nagarabhavi, 2nd Stage, 1st Floor, Papareddy palya 82ft road, Bangalore Karnataka 560072 <b>Email:</b> divyabv.98@gmail.com <b>Peer Review No.:</b> N.A <b>Firm Registration No.:</b> 010125S	June 13, 2023	Resignation due to auditors not having 'Peer Review Level-1' certification for carrying out the audit of a listed company.
<b>Maheshwari &amp; Co</b> 10-11, Esplanade School Building, III Floor 3, Amrut Keshav Naik Marg, Next to New Empire Cinema, Fort – 400 001, Mumbai, Maharashtra, India <b>Email:</b> cagattani@icai.org <b>Peer review certificate number:</b> 014967 <b>Firm Registration Number:</b> 105834W	September 22, 2023*	Appointment as the Statutory Auditor

\*Prior to September 22, 2023, Maheshwari & Co. were also appointed as the statutory auditors of the Company for the financial year ended March 31, 2023, to fill the casual vacancy caused due to the resignation of Venkatachala Raghavendra & Co.

### Banker(s) to the Company

#### State Bank of India Limited

SME Jayanagar Branch (06959) No. 311  
(New) 19, 1<sup>st</sup> floor, 1<sup>st</sup> Main road  
40<sup>th</sup> Cross, Jayanagar, 8<sup>th</sup> block  
Bangalore – 560 070, Karnataka, India  
**Telephone:** +91-080-26657240  
**Email:** sbi.06959@sbi.co.in  
**Website:** bank.sbi  
**Contact person:** Kamala Shridhar Malagi

#### Kotak Mahindra Bank Limited

27 BKC, C 27, G Block,  
Bandra Kurla Complex  
Bandra (E), Mumbai - 400 051  
Maharashtra, India  
**Telephone:** +91 9019368982  
**Email:** sagar.bhat@kotak.com  
**Website:** www.kotak.com  
**Contact person:** Sagar Bhat

#### Bank of Baroda

No.344/8, 4<sup>th</sup> Main,  
Upper Palace Orchards,  
Sadashivnagar, Bangalore- 560080  
**Telephone:** 080-23627185 / 23617185  
**Email:** vipaor@bankofbaroda.co.in  
**Website:** www.bankofbaroda.in  
**Contact person:** C R Kuppuswamy

### Banker(s) to the Issue

#### Escrow Collection Bank(s)/ Refund Bank(s) / Public Issue Account Bank(s) / Sponsor Bank(s)

#### Axis Bank Limited

“Axis House” 6<sup>th</sup> Floor,

C-2, Wadia International Centre,  
Pandurang Budhkar Marg,  
Worli, Mumbai 400-025  
Maharashtra  
**Telephone:** 022-24253672  
**Email:** vishal.lade@axisbank.com  
**Website:** www.axisbank.com  
**Contact Person:** Vishal M. Lade  
**CIN:** L65110GJ1993PLC020769  
**SEBI Registration No.:** INBI00000017

## **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](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) on the SEBI website, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which an ASBA Bidder (other than a UPI Bidder 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 are available at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34) on the SEBI website, and at such other websites as may be prescribed by SEBI from time to time.

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

### ***Self-Certified Syndicate Bank(s) and mobile applications enabled for Unified Payment Interface Mechanism***

The banks registered with the SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorizing 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](http://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. Applications through the UPI Mechanism in the Issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website.

A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The list is available on the website of SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

### ***Syndicate Self-Certified Syndicate Bank Branches***

In relation to Bids (other than Bids by Anchor Investors and RIBs) 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 at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>, which may be updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, the website is at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> or any such other website as may be prescribed by SEBI from time to time.

### ***Registered Brokers***

Bidders can submit ASBA Forms in the Issue using the stock broker network of the stock exchange, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA forms from the Bidders (other than UPI Bidders), including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at [www.bseindia.com/Markets/PublicIssues/brokercentres\\_new.aspx](http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx) and [www.nseindia.com/products/content/equities/ipos/ipo\\_mem\\_terminal.htm](http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm), respectively, as updated from time to time.

### ***Registrar and Share Transfer Agents***

The list of the RTAs eligible to accept 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](http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx) and [www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm) respectively, or such other websites as updated from time to time.

### ***Collecting Depository Participants***

The list of the CDPs eligible to accept ASBA Forms from Bidders (other than RIBs) 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](http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx) and [www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), or such other websites as updated from time to time.

### **Credit Rating**

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

### **Debenture Trustees**

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

### **Monitoring Agency**

Our Company, in compliance with Regulation 41 of the SEBI ICDR Regulations, has appointed CARE Ratings Limited, as the Monitoring Agency, for monitoring the utilization of the Net Proceeds. The details of the Monitoring Agency are as follows:

#### **CARE Ratings Limited**

4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express Highway,  
Sion (East), Mumbai- 400 022.

**Tel:** 022-67543456

**E-mail:** [nitin.dalmia@careedge.in](mailto:nitin.dalmia@careedge.in)

**Website:** <https://www.careratings.com/>

**Contact Person:** Nitin Dalmia

For details in relation to the proposed utilisation of the Net Proceeds, see “*Objects of the Issue*” on page. 98

### **Initial Public Issue Grading**

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

### **Green Shoe Option**

No green shoe option is contemplated under the Issue.

### **Experts to the Issue**

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

Our Company has received written consent dated December 30, 2014 from our Statutory Auditors namely, M/s Maheshwari & Co, Chartered Accountants, holding a valid peer review certificate from ICAI to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus, and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors and in respect of their examination report dated December 7, 2024 on our Restated Consolidated Financial Information and on the statement of special tax benefits dated December 30, 2024 included in this Prospectus, and such consent has not been withdrawn as of the date of this Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under Securities Act.

Our Company has received written consent dated December 17, 2024, from independent chartered engineer, Chethan Kumar R., Chartered Engineers. (membership number: A-31852) to include their name as required under Section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013, to the extent and in their capacity as an independent chartered engineer, and such consent has not been withdrawn as on the date of this Prospectus. However, the term ‘expert’ shall not be construed to mean an ‘expert’ as defined under U.S. Securities Act.

### Underwriting Agreement

After the determination of the Issue Price and allocation of Equity Shares, our Company entered into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be issued through the Issue. Subject to the applicable laws, extent of underwriting obligations and the Bids to be underwritten in the Issue shall be as per the Underwriting Agreement. The Underwriting Agreement is dated January 27, 2025. 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:

Name, address, telephone number and e-mail address of the Underwriters	Indicative Number of Equity Shares of face value ₹ 10 each to be Underwritten	Amount Underwritten (in ₹ million)
<b>SMC Capitals Limited</b> A- 401/402, Lotus Corporate Park, Off Western Express Highway, Jai Coach Signal, Goregaon (East), Mumbai – 400063 Maharashtra, India <b>Telephone:</b> 022 – 66481818 <b>E-mail:</b> anurag.bansal@smcindiaonline.com <b>Contact Person:</b> Anurag Bansal	2,500,000	735.00
<b>SMC Global Securities Limited</b> 17, Netaji Subhash Marg, Daryaganj Delhi 110 002, India <b>Contact Person:</b> Sushil Joshi, Neeraj Khanna <b>Email Id:</b> skj@smcindiaonline.com, neerajkhanna@smcindiaonline.com	5,000,000	1,470.00

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

In the opinion of the Board of Directors (based on representations made to our Company by the Underwriters), the resources of each of the aforementioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The aforementioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). The Board of Directors, at its meeting held on January 27, 2025, 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. The Underwriting Agreement has been executed as on the date of this Prospectus. The extent of underwriting obligations and the Bids to be underwritten in the Issue shall be as per the Underwriting Agreement.

### **Filing**

A copy of the Draft Red Herring Prospectus has been filed electronically through the SEBI's online intermediary portal at <https://siportal.sebi.gov.in/intermediary/index.html>, in accordance with SEBI master circular bearing reference SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. It was also filed with the SEBI at:

### **Securities and Exchange Board of India**

SEBI Bhavan, Plot No.  
C4 A, 'G' Block  
Bandra Kurla Complex  
Bandra (E), Mumbai 400 051  
Maharashtra, India.

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

### **Book Building Process**

Book building, in the context of the Issue, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms and the Revision Forms within the Price Band, which was decided by our Company, in consultation with the BRLM and, was advertised in all editions of the widely circulated English national daily newspaper Financial Express, all editions of the widely circulated Hindi national daily newspaper Jansatta and Bangalore editions of the widely circulated Kannada daily newspaper Vishwavani, (Kannada being the regional language of Karnataka, where our Registered Office is located) each with wide circulation at least two Working Days prior to the Bid/Issue Opening Date and was made available to the Stock Exchanges for the purposes of uploading on their respective websites. The Issue Price was determined by our Company in consultation with the BRLM after the Bid/Issue Closing Date. For further details, please see section titled "*Issue Procedure*" on page 378.

**All Bidders, except Anchor Investors, are mandatorily used the ASBA process for participating in the Issue by providing details of their respective ASBA Account in which the corresponding Bid Amount was blocked by the SCSBs and Sponsor Bank, as the case may be. The Retail Individual Bidders participated through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount was blocked by SCSBs; or (b) through the UPI Mechanism. Anchor Investors were not permitted to participate in the Issue through the ASBA process.**

**In accordance with the SEBI ICDR Regulations, QIBs and NIBs were not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. RIBs (subject to the Bid Amount being up to ₹ 200,000) could revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date. Further, Anchor Investors could not withdraw their Bids after the Anchor Investor Bid/Issue Period. Allocation to the Anchor Investors was on a discretionary basis, while allocation to QIBs (other than Anchor Investors), RIBs and NIBs was on a proportionate basis.**

For further details on the method and procedure for Bidding and book building procedure, please see the sections titled "*Terms of the Issue*", "*Issue Structure*" and "*Issue Procedure*" on pages 367, 374 and 378, respectively.

**The Book Building Process is in accordance with 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.**

Bidders were required to note the Issue 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 this Prospectus with the RoC. For an illustration of the Book Building process and the price discovery process, please see the section titled “*Issue Procedure*” on page 378.

Each Bidder, by submitting a Bid in the Issue, was deemed to have acknowledged the above restrictions and the terms of the Issue. Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Issue. In this regard, our Company has appointed the BRLM to manage this Issue and procure Bids for this Issue.

#### **Illustration of Book Building Process and Price Discovery Process**

For an illustration of the Book Building Process and further details, please see the sections titled “*Terms of the Issue*” and “*Issue Procedure*” on pages 367 and 378, respectively.



## CAPITAL STRUCTURE

The share capital of our Company, as on the date of this Prospectus, is set forth below.

*(in ₹, except share data)*

Sr. No.	Particulars	Aggregate value at face value (₹)	Aggregate value at Issue Price*
<b>A.</b>	<b>AUTHORIZED SHARE CAPITAL<sup>(1)</sup></b>		
	30,000,000 Equity Shares of ₹ 10 each	300,000,000	-
<b>B.</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE</b>		
	19,200,000 Equity Shares of ₹ 10 each	192,000,000	-
<b>C.</b>	<b>PRESENT ISSUE</b>		
	Fresh Issue of up to 7,500,000 Equity Shares of face value ₹ 10 each aggregating up to ₹ 2,205,000,000 <sup>(2)</sup>	75,000,000	2,205,000,000
<b>D.</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE</b>		
	26,700,000 Equity Shares of ₹ 10 each (assuming full subscription to the Issue)	267,000,000	-
<b>E.</b>	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Issue <i>(as on the date of this Prospectus)</i>		Nil
	After the Issue*		2,13,00,00,000

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

For details in relation to changes in the authorised share capital of our Company in last 10 years, please see section titled "History and Certain Corporate Matters – Amendments to our Memorandum of Association" on page 217.

The Issue has been authorized by our Board pursuant to its resolution dated September 22, 2023, and the Issue has been authorised by our Shareholders pursuant to their resolution dated November 3, 2023.

## Notes to the Capital Structure

### 1. Equity share capital history of our Company

#### a. History of Equity Share capital

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

Date of allotment	Number of Equity Shares allotted	Details of allottees/ shareholders and Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
October 28, 2016	100,000	Subscription to MoA by issuance of 51,000 Equity Shares to Sowbhagyamma and 49,000 Equity Shares to Sujith T R	10	10	Cash	Initial Subscription to the MoA	100,000	1,000,000
March 30, 2018	4,700,000	Allotment of 4,700,000 Equity Shares to Sowbhagyamma	10	10	Cash	Rights Issue	4,800,000	48,000,000
August 21, 2023	14,400,000	Allotment of 5,040,000 Equity Shares to Sowbhagyamma, 147,000 Equity Shares to Sujith T R, 5,040,000 Equity Shares to Hema H M, 3,600,000 Equity Shares to C Mruthyunjaya Swamy, 544,200 Equity Shares to Anusha M, 14,400 Equity Shares to H M Prabhu and 14,400 Equity Shares to H M Viswanath	10	-	Other than Cash	Bonus Issue in the ratio 3 Equity Shares for every 1 Equity Share held	19,200,000	192,000,000
	<b>Total</b>						<b>19,200,000</b>	<b>192,000,000</b>

#### b. Secondary transactions of equity shares of our Company

Date of transfer of equity shares	Number of equity shares transferred	Details of transferor	Details of transferee	Face value per equity shares (₹)	Transfer price per equity shares (₹)	Nature of consideration	Percentage of pre-Issue Equity Share capital (%)	Percentage of post-Issue Equity Share capital (%)
June 30, 2023	1,680,000	Sowbhagyamma	Hema H M	10	Nil	Transfer by the way of gift	8.75	6.29
June 30, 2023	1,200,000	Sowbhagyamma	C Mruthyunjaya Swamy	10	Nil	Transfer by the way of gift	6.25	4.49
June 30, 2023	181,400	Sowbhagyamma	Anusha M	10	Nil	Transfer by the way of gift	0.94	0.68
June 30, 2023	4,800	Sowbhagyamma	H M Prabhu	10	Nil	Transfer by the way of gift	0.03	0.02
June 30, 2023	4,800	Sowbhagyamma	H M Viswanath	10	Nil	Transfer by the way of gift	0.03	0.02

**c. History of Preference Share capital**

Our Company does not have any preference share capital as on the date of this Prospectus.

**d. Equity Shares issued for consideration other than cash or out of revaluation of reserves**

- (i) Our Company has not issued any shares out of revaluation reserves since its incorporation.
- (ii) Except as disclosed below, our Company has not issued any Equity Shares for consideration other than cash:

Date of allotment	Number of Equity Shares allotted	Details of allottees/ shareholders and Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Nature of allotment	Benefits if any that have accrued to our Company
August 21, 2023	14,400,000	Allotment of 5,040,000 Equity Shares to Sowbhagyamma, 147,000 Equity Shares to Sujith T R, 5,040,000 Equity Shares to Hema H M, 3,600,000 Equity Shares to C Mruthyunjaya Swamy, 544,200 Equity Shares to Anusha M, 14,400 Equity Shares to H M Prabhu and 14,400 Equity Shares to H M Viswanath	10	N.A.	Other than cash	Bonus issue in the ratio 3 Equity Shares for every 1 Equity Share held	-

**e. Equity Shares issued under any scheme of arrangement**

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

**f. Equity Shares issued at a price lower than the Issue Price in preceding one year**

Our Company has not issued any Equity Shares at a price lower than the Issue Price in preceding one year preceding from the date of this Prospectus.

**g. Equity Shares issued under employee stock option schemes**

Our Company does not have any employee stock option schemes as on the date of this Prospectus.

**2. History of the share capital held by our Promoters**

As on the date of this Prospectus, our Promoters hold, in the aggregate, 18,436,000 Equity Shares of face value ₹ 10 each, which constitutes 96.02% of the issued, subscribed and paid-up Equity Share capital of our Company.

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

The details regarding the shareholding of our Promoters since incorporation of our Company is set forth in the table below:

Date of allotment/ transfer	Reason/ Nature of transaction	Number of Equity Shares	Nature of consideration	Face value (₹)	Issue price/ Acquisition price/ Transfer price per Equity Share (₹)	% of pre-Issue capital	% of post-Issue capital
<b>(A) Sowbhagyamma</b>							
October 28, 2016	Subscription to the MoA	51,000	Cash	10	10	0.27	0.19
March 30, 2018	Rights Issue	4,700,000	Cash	10	10	24.48	17.60
June 30, 2023	Transfer to Hema H M by way of a gift.	(1,680,000)	N.A.	10	N.A.	(8.75)	(6.29)
June 30, 2023	Transfer to C Mruthyunjaya Swamy by way of a gift	(1,200,000)	N.A.	10	N.A.	(6.25)	(4.49)
June 30, 2023	Transfer to Anusha M by way of a gift	(181,400)	N.A.	10	N.A.	(0.94)	(0.68)
June 30, 2023	Transfer to H M Prabhu by way of a gift	(4,800)	N.A.	10	N.A.	(0.03)	(0.02)
June 30, 2023	Transfer to H M Viswanath by way of a gift	(4,800)	N.A.	10	N.A.	(0.03)	(0.02)
August 21, 2023	Bonus issue in the ratio 3 Equity Shares for every 1 Equity Share held	5,040,000	N.A.	10	N.A.	26.25	18.88
<b>Sub Total (A)</b>		<b>6,720,000</b>				<b>35.00</b>	<b>25.17</b>
<b>(B) Sujith T R</b>							
October 28, 2016	Subscription to the MoA	49,000	Cash	10	10	0.26	0.18
August 21, 2023	Bonus issue in the ratio 3 Equity Shares for every 1 Equity Share held	147,000	N.A.	10	N.A.	0.76	0.55
<b>Sub Total (B)</b>		<b>196,000</b>				<b>1.02</b>	<b>0.73</b>
<b>(C) C Mruthyunjaya Swamy</b>							
June 30, 2023	Transfer from Sowbhagyamma by way of a gift	1,200,000	N.A.	10	N.A.	6.25	4.49
August 21, 2023	Bonus Issue in the ration Bonus issue in the ratio 3 Equity Shares for every 1 Equity Share held	3,600,000	N.A.	10	N.A.	18.75	13.48
<b>Sub Total (C)</b>		<b>4,800,000</b>				<b>25.00</b>	<b>17.98</b>

Date of allotment/ transfer	Reason/ Nature of transaction	Number of Equity Shares	Nature of consideration	Face value (₹)	Issue price/ Acquisition price/ Transfer price per Equity Share (₹)	% of pre-Issue capital	% of post-Issue capital
<b>(D) Hema H M</b>							
June 30, 2023	Transfer from Sowbhagyamma by way of a gift	1,680,000	N.A.	10	N.A.	8.75	6.29
August 21, 2023	Bonus issue in the ratio 3 Equity Shares for every 1 Equity Share held	5,040,000	N.A.	10	N.A.	26.25	18.88
<b>Sub Total (D)</b>		<b>6,720,000</b>				<b>35.00</b>	<b>25.17</b>
<b>Total (A)+(B)+(C)+(D)</b>		<b>18,436,000</b>				<b>96.02</b>	<b>69.05</b>

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment of such Equity Shares. Further, none of the Equity Shares held by our Promoters are pledged or otherwise encumbered as on the date of this Prospectus.

The entire shareholding of our Promoters is in dematerialised form as on the date of this Prospectus.

**b. Shareholding of our Promoters and members of Promoter Group**

The details of the equity shareholding of our Promoters and the members of Promoter Group in our Company as on the date of this Prospectus is set out below:

Name of Shareholder	Pre-Issue		Post-Issue	
	No. of Equity Shares of face value ₹ 10 each	% of total shareholding	No. of Equity Shares of face value ₹ 10 each	% of total shareholding
<b>Promoters</b>				
Sowbhagyamma	6,720,000	35.00	6,720,000	25.17
Sujith T R	196,000	1.02	196,000	0.73
C Mruthyunjaya Swamy	4,800,000	25.00	4,800,000	17.98
Hema H M	6,720,000	35.00	6,720,000	25.17
<b>Total holding of the Promoters (A)</b>	<b>18,436,000</b>	<b>96.02</b>	<b>18,436,000</b>	<b>69.05</b>
<b>Promoter Group</b>				
H M Viswanath	19,200	0.10	19,200	0.07
H M Prabhu	19,200	0.10	19,200	0.07
Anusha M	725,600	3.78	725,600	2.72
<b>Total holding of Promoter Group (other than Promoters) (B)</b>	<b>7,64,000</b>	<b>3.98</b>	<b>7,64,000</b>	<b>2.86</b>
<b>Total holding of Promoters and Promoter Group (A + B)</b>	<b>19,200,000</b>	<b>100.00</b>	<b>19,200,000</b>	<b>71.91</b>

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

- (i) Pursuant to Regulations 14 and 16 (1) of the SEBI ICDR Regulations, an aggregate of not less than 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters shall be locked in for a period of eighteen months as minimum promoter's contribution ("Minimum Promoter's Contribution") from the date of Allotment and the shareholding of the Promoters in excess of 20% of the fully diluted post-Issue Equity Share capital shall be locked in for a period of six months from the date of Allotment as a majority of the Net Proceeds are not proposed to be utilized for capital expenditure.
- (ii) Details of the Equity Shares to be locked-in for eighteen months from the date of Allotment as Minimum Promoter's Contribution are set forth in the table below:

Name of the Promoter	Date of allotment/ transfer of Equity Shares	Date of transaction and when made fully paid-up	Nature of transaction	No. of Equity Shares locked-in	Face Value per Equity Share (₹)	Issue/ acquisition price per Equity Share (₹)	Percentage of post-Issue paid-up capital (%)*	Date up to which Equity Shares are subject to lock-in
Sowbhagyamma	October 28, 2016	October 28, 2016	Subscription to the MoA	51,000	10	10	0.19	August 06, 2026
Sowbhagyamma	March 30, 2018	March 30, 2018	Rights Issue	1,629,000	10	10	6.10	August 06, 2026
Sowbhagyamma	August 21, 2023	August 21, 2023	Bonus issue in the ratio 3 Equity Shares for every 1 Equity Share held	266,453	10	Nil	1.00	August 06, 2026
Sujith T R	October 28, 2016	October 28, 2016	Subscription to the MoA	49,000	10	10	0.18	August 06, 2026
Sujith T R	August 21, 2023	August 21, 2023	Bonus issue in the ratio 3 Equity Shares for every 1 Equity Share held	7,772	10	Nil	0.03	August 06, 2026
C Mruthyunjaya Swamy	June 30, 2023	June 30, 2023	Transfer from Sowbhagyamma by way of a gift	1,200,000	10	Nil	4.49	August 06, 2026
C Mruthyunjaya Swamy	August 21, 2023	August 21, 2023	Bonus issue in the ratio 3 Equity Shares for every 1 Equity Share held	190,323	10	Nil	0.71	August 06, 2026
Hema H M	June 30, 2023	June 30, 2023	Transfer from Sowbhagyamma by way of a gift	1,680,000	10	Nil	6.29	August 06, 2026
Hema H M	August 21, 2023	August 21, 2023	Bonus issue in the ratio 3 Equity Shares for every 1 Equity Share held	266,453	10	Nil	1.00	August 06, 2026
<b>Total</b>	-	-	-	<b>19,46,453</b>	-	-	<b>20.00</b>	-

\* Subject to finalisation of basis of allotment

- (iii) Our Promoters have given consent to include such a number of Equity Shares held by them as may constitute 20% of the fully diluted post-Issue Equity Share capital of our Company as the Minimum Promoter's Contribution. Our Promoters have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner, the Minimum Promoter's Contribution from the date of filing of this 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.
- (iv) Our Company undertakes that the Equity Shares that are being locked-in are not and will not be, ineligible for computation of Minimum Promoter's Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, our Company confirms the following:
- (a) The Equity Shares offered for Minimum Promoter's Contribution do not include (i) Equity Shares acquired during the three immediately preceding years for consideration other than cash, and revaluation of assets or capitalisation of intangible assets in such transaction; (ii) Equity Shares resulting from bonus issue by utilization of revaluation reserves or unrealised profits of our Company or bonus shares issued against Equity Shares, which are otherwise ineligible for computation of Minimum Promoter's Contribution;
- (b) The Minimum Promoter's Contribution does not include any Equity Shares acquired during the

immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;

- (c) Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Prospectus pursuant to conversion from a partnership firm; and
- (d) 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.

**d. Details of Equity Shares locked-in for six months**

Pursuant to Regulation 17 of the SEBI ICDR Regulations, the entire pre-Issue capital of our Company (including those Equity Shares held by our Promoters in excess of the Minimum Promoter's Contribution) shall be locked-in for a period of six months from the date of Allotment, (i) any Equity Shares held by the eligible employees (whether currently employees or not) of our Company which have been allotted to them under an employee stock option scheme, prior to the Issue, except as required under applicable law, (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 six months from the date of purchase by such shareholders, and (iii) as otherwise permitted under the SEBI ICDR Regulations.

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

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

**f. Other lock-in requirements:**

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan granted by a scheduled commercial bank, a public financial institution, NBFC-SI or a deposit taking housing finance company, subject to the following:

- (i) with respect to the Equity Shares locked-in for six months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan; and
- (ii) with respect to the Equity Shares locked-in as Minimum Promoter's Contribution for eighteen 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 Issue, which is not applicable in the context of this Issue.

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

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in, in the hands of such transferee, for the remaining period and compliance with provisions of the 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 Issue and locked-in for a period of six months, may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in in the hands of such transferee and compliance with the applicable provisions of the Takeover Regulations.

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

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

**h. Shareholding Pattern of our Company**

The table below presents the shareholding pattern of our Company as on the date of this Prospectus:

Category (I)	Category of Shareholder (II)	Number of shareholders (III)	Number of fully paid up equity shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of Equity Shares underlying depository receipts (VI)	Total No. of Equity Shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of voting rights held in each class of securities (IX)				No. of 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)		Number of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								No of voting rights						No. (a)	As a % of total Equity Shares held (b)	No. (a)	As a % of total Equity Shares held (b)	
								Class (Equity)	Class e.g.: Others	Total	Total as a % of (A+B+C)							
(A)	Promoters & Promoter Group	7	19,200,000	-	-	19,200,000	100	19,200,000	N.A.	19,200,000	100	-	-	-	-	-	19,200,000	
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C1)	Equity Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C2)	Equity Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Total</b>	<b>7</b>	<b>19,200,000</b>	<b>-</b>	<b>-</b>	<b>19,200,000</b>	<b>100</b>	<b>19,200,000</b>	<b>N.A.</b>	<b>19,200,000</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,200,000</b>	



### 3. Shareholding of our Directors and Key Managerial Personnel in our Company

Except as state below, as on date of this Prospectus, none of our Directors and / or Key Managerial Personnel hold any Equity Shares.

Name	No. of Equity Shares of face value ₹ 10 each	% of pre-Offer capital	% of post-Offer capital
<i>Directors (including Executive Directors) and KMPs</i>			
Sujith T R	196,000	1.02	0.73
<b>Total</b>	<b>196,000</b>	<b>1.02</b>	<b>0.73</b>

### 4. Details of Equity shareholding of the major Equity Shareholders of our Company

- (a) As on the date of this Prospectus, our Company has 7 shareholders.
- (b) Set forth below are details of shareholders holding 1% or more of the paid-up share capital of our Company as on the date of this Prospectus:

Name of Shareholder	Pre-Issue	
	No. of Equity Shares of face value ₹ 10 each	% of Equity Share capital
Sowbhagyamma	6,720,000	35.00
Sujith T R	196,000	1.02
C Mruthyunjaya Swamy	4,800,000	25.00
Hema H M	6,720,000	35.00
Anusha M	725,600	3.78

- (c) Set forth below are details of shareholders holding 1% or more of the paid-up share capital of our Company as of 10 days prior to the date of this Prospectus:

Name of Shareholder	Pre-Issue	
	No. of Equity Shares of face value ₹ 10 each	% of Equity Share capital
Sowbhagyamma	6,720,000	35.00
Sujith T R	196,000	1.02
C Mruthyunjaya Swamy	4,800,000	25.00
Hema H M	6,720,000	35.00
Anusha M	725,600	3.78

- (d) Set forth below are details of shareholders holding 1% or more of the paid-up share capital of our Company as of one year prior to the date of this Prospectus:

Name of Shareholder	Pre-Issue	
	No. of Equity Shares of face value ₹ 10 each	% of Equity Share capital
Sowbhagyamma	6,720,000	35.00
Sujith T R	196,000	1.02
C Mruthyunjaya Swamy	4,800,000	25.00
Hema H M	6,720,000	35.00
Anusha M	725,600	3.78

- (e) Set forth below are details of shareholders holding 1% or more of the paid-up share capital of our Company as of two years prior to the date of this Prospectus:

Name of Shareholder	Pre-Issue	
	No. of Equity Shares of face value ₹ 10 each	% of Equity Share capital
Sowbhagyamma	4,751,000	98.98
Sujith T R	49,000	1.02

5. There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our Directors and their relatives (as defined in Companies Act 2013) have financed the purchase by any other person of securities of our Company other than in the normal course of business of the financing entity, during a period of six months immediately preceding the date of this Prospectus.
6. The BRLM and their respective associates (determined as per the definition of ‘associate company’ under the Companies Act, and as per definition of the term ‘associate’ under the SEBI Merchant Bankers Regulations) do not hold any Equity Shares as on the date of this Prospectus. The BRLM and their respective affiliates may engage in transactions with and perform services for our Company, and their respective affiliates in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company or their respective affiliates or associates, for which they may in the future receive customary compensation.
7. Our Company has not issued any equity shares under any employee stock options scheme since incorporation. As on the date of this Prospectus, our Company does not have any employee stock options scheme or any employee stock option plan.
8. Our Company, the Promoters, the Directors, and the BRLM have not entered into any buy-back arrangement or any other similar arrangements for the purchase of Equity Shares being offered under the Issue.
9. Except as disclosed above “*Capital Structure - Build-up of the shareholding of our Promoters in our Company*” on page 89 none of our Promoters, the members of our Promoter Group, our Directors and their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Prospectus.
10. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
11. All issuances of equity shares made by our Company since incorporation till the date of this Prospectus, were in accordance with the provisions of the Companies Act, 2013, as applicable.
12. No person connected with the Issue, including but not limited to, our Company, the BRLM, the members of the Syndicate, our Directors, Promoters, members of our Promoter Group or Group Companies, shall offer any incentive, whether direct or indirect, in any manner whatsoever, whether in cash or in kind or in services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.
13. None of the Equity Shares held by our Promoters and the members of our Promoter Group are pledged or otherwise encumbered as on the date of this Prospectus.
14. All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Prospectus.
15. All the Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment, failing which, no Allotment shall be made.
16. There are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into or which would entitle any person any option to receive Equity Shares as on the date of this Prospectus.
17. Our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable for, directly or indirectly into 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 qualified institutional placement or by way of further public issue of Equity Share or otherwise.

18. Our Company will not undertake any 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 the filing of this Prospectus with SEBI until the Equity Shares are listed on the Stock Exchanges.
19. Our Promoters and the members of our Promoter Group will not participate in the Issue.
20. Our Company ensured that any transactions in the Equity Shares by our Promoters and our Promoter Group during the period between the date of filing of this Prospectus and the date of closure of the Issue was reported to the Stock Exchanges within 24 hours of such transactions.
21. Our Company has not undertaken any public issue of securities or any rights issue of any kind or class of securities since its incorporation.
22. Neither the (i) BRLM or any associate of the BRLM (other than mutual funds sponsored entities which are associates of the BRLM or insurance companies promoted by entities which are associates of the BRLM or AIFs sponsored by the entities which are associates of the BRLM or FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associates of the BRLM); nor (ii) any person related to the Promoters or Promoter Group can apply under the Anchor Investor Portion.
23. Any oversubscription to the extent of 1% of the Issue size can be retained for the purposes of rounding off to the nearest multiple of minimum allotment lot while finalizing the Basis of Allotment.
24. The Issue has been made through the Book Building Process in terms of Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Issue was made available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLM, allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, out of which one-third was be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares were added to the Net QIB Portion. Further, 5% of the Net QIB Portion was made available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion was 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 Issue Price. However, if the aggregate demand from Mutual Funds was less than 5% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion was added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, (a) not less than 15% of the Issue was made available for allocation to Non-Institutional Bidders (out of which (i) one third was reserved for applicants with application size more than ₹0.2 million and up to ₹1 million and (ii) two-thirds was reserved for applicants with application size more ₹ 1 million provided that the unsubscribed portion in either of such sub-categories were allocated to applicants in the other sub-category of Non – Institutional Bidders) and (b) not less than 35% of the Issue was made available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received from them at or above the Issue Price. All potential Bidders (except Anchor Investors) were mandatorily required to utilize the ASBA process providing details of their respective ASBA accounts and UPI ID in case of UPI Bidders using the UPI Mechanism, as applicable, pursuant to which their corresponding Bid Amount was blocked by SCSBs) or by the Sponsor Banks under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors were not permitted to participate in the Issue through the ASBA Process. For further details, please see section titled “*Issue Procedure*” on page 378.
25. None of the Shareholders of our Company are directly or indirectly related to the BRLM or their associates.

**SECTION V: PARTICULARS OF THE ISSUE**  
**OBJECTS OF THE ISSUE**

**Details of utilisation of Proceeds**

The details of utilization of the proceeds of the Issue are summarized below:

<b>Particulars</b>	<b>Amount (₹ in million)</b>
Gross proceeds of the Issue	2,205.00
(Less) Issue related expenses *	251.58
<b>Net Proceeds</b>	<b>1,953.42</b>

\*For further details, please see section titled “- Issue related expenses” on page 104”

**Objects of the Issue**

Our Company proposes to utilize the Net Proceeds raised through the Issue for the following objects:

1. To meet working capital requirements of our Company; and
2. General corporate purposes, subject to the applicable laws

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

In addition, our Company expects to achieve the benefits of listing the Equity Shares on Stock Exchanges.

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable our Company to undertake its existing activities and the activities for which funds are being raised through the Issue. Further, the activities proposed to be funded from the Net Proceeds would be as permitted under the main objects set out in the Memorandum of Association.

**Requirement of Funds and proposed Schedule of Deployment**

<b>Particulars</b>	<b>Total Estimated Cost</b>	<b>Amount to be deployed from Net Proceeds</b>	<b>Estimated deployment**</b>	
			<b>Fiscal Year 2025</b>	<b>Fiscal Year 2026</b>
To meet the working capital requirements	1,500.00	1,500.00	500	1,000.00
General corporate purposes*	453.42	453.42	151.14	302.28
<b>Total</b>	<b>1,953.42</b>	<b>1,953.42</b>	<b>651.14</b>	<b>1,302.28</b>

\*The amount utilised for general corporate purposes from the Net Proceeds shall not exceed 25% of the gross proceeds of the Issue.

The above fund requirements and proposed deployment are based on internal management estimates, which are subject to change in the future, and have not been appraised by any bank or financial institution or any other independent agency. These are based on current conditions and business needs and are subject to revisions in light of the financial condition of our business, interest rate fluctuations, business, strategy or external circumstances which may not be in our control. We may have to revise our estimated costs, funding allocation, reschedule our proposed expenditures and fund requirements owing to factors such as financial and business conditions, finance costs, competition, and other external factors which may not be within our control. Further, in case the Net Proceeds are not completely utilised in a scheduled Fiscal Year due to any reason, the same would be utilised (in part or full) in the next Fiscal Year/ subsequent period as may be determined by our Company, in accordance with applicable law. This may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management, subject to compliance with applicable law. Our historical capital and operational expenditure may not be reflective of our future expenditure plans. Subject to applicable law, if the actual utilisation towards any of the objects is lower than the proposed deployment such balance will be used for future growth opportunities including general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds from the Issue in accordance with the SEBI ICDR Regulations.

In case we require additional capital towards meeting the objects of the Issue, we may explore a range of options including utilising internal accruals and availing additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls.

### Means of Finance

The fund requirements for all objects are proposed to be entirely funded from the Net Proceeds and internal accruals. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by our internal accruals and/or debt, as required. If the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds from the Issue in accordance with the SEBI ICDR Regulations.

### Details of the Objects

#### 1. To fund the working capital requirements of our Company

We have continuous working capital requirements, and we fund our working capital requirements in the ordinary course of business from our internal accruals, financing from various banks. Basis our management estimates, we propose to utilise ₹ 1,500 million from the Net Proceeds to fund our Company's working capital requirements for Fiscal 2025 and Fiscal 2026. Our Company requires additional working capital for funding its incremental working capital requirements and unlocking the internal accruals deployed in working capital. The funding of the incremental working capital requirements will lead to a consequent increase in our profitability, ability to utilize internal accruals for growth opportunities and achieving the proposed targets as per our business plan which shall lead to a consequent reduction in our finance costs and thereby have a positive impact on our profitability and financial condition. For further details please see section titled "*Financial Indebtedness*" and "*Financial Information*" on page 345 and 249 respectively.

#### *Basis of estimates for working capital requirements*

##### A) Our existing working capital

Our business is working capital intensive and we fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, net worth, financing from various banks and unsecured loans, if any. Our Company has fund based facility (overdraft) of ₹105.00 million and non-fund based facility of ₹ 700.00 million as on November 30, 2024. For further details, please see section entitled "*Financial Indebtedness*" on page 345. The details of our Company's working capital requirements, based on audited financial for the six months period ended September 30, 2024 and Fiscals 2024, Fiscal 2023 and Fiscal 2022 are provided in the table below:

(in ₹ million)

Sr. No.	Particulars	Six months period ended September 30, 2024	March 31, 2024 (Audited)	March 31, 2023 (Audited)	March 31, 2022 (Audited)
<b>I</b>	<b><u>Current assets</u></b>				
	a) Inventories	223.91	195.13	64.98	33.59
	b) Financial assets				
	(i) Trade receivables	101.87	254.63	231.52	134.54
	(ii) Cash and cash equivalents	177.04	629.59	363.19	135.75
	(iii) Loans	-	-	-	-
	(iv) Other financial assets <sup>#</sup>	12.83	38.75	5.25	88.24
	c) Other Current Assets	1,248.80	624.78	113.37	108.26
	<b>Total Current Assets (A)</b>	<b>1,764.46</b>	<b>1,742.88</b>	<b>778.31</b>	<b>500.38</b>

Sr. No.	Particulars	Six months period ended September 30, 2024	March 31, 2024 (Audited)	March 31, 2023 (Audited)	March 31, 2022 (Audited)
<b>II</b>	<b><u>Current liabilities</u></b>				
	a) Financial Liabilities				
	(i) Trade payables	44.01	112.33	101.74	35.86
	(ii) Other financial liabilities	3.26	3.13	2.89	-
	(iii) Provisions	171.53	236.79	1.10	0.91
	b) Other Current liabilities	15.32	117.21	56.46	10.72
	c) Current tax liabilities (net)	74.44	74.63	11.79	11.22
	<b>Total current liabilities (B)</b>	<b>308.56</b>	<b>544.08</b>	<b>173.98</b>	<b>58.71</b>
<b>III</b>	<b>Working capital requirements (A) – (B)</b>	<b>1,455.90</b>	<b>1,198.80</b>	<b>604.33</b>	<b>441.67</b>
<b>IV</b>	<b>Means of Finance</b>				
	Short Term Borrowings (i)	500.00	500.00	-	-
	Internal Accruals and Net-worth (ii)	955.90	698.80	604.33	441.67
	<b>Total Means of Finance (i) + (ii)</b>	<b>1,455.90</b>	<b>1,198.80</b>	<b>604.33</b>	<b>441.67</b>

*\*Other Financial Assets include Earnest Money Deposits and interest accrued but not due on deposit thereon, kept as performance & security deposit. The Earnest Money Deposit is payable at the time of bidding for the tender and is refundable.*

#### **B) Our estimated working capital requirement**

On the basis of our existing working capital requirements, the details of the Company's expected working capital requirements as at March 31, 2025 and March 31, 2026, and funding of the same are as set out in the table below:

<i>(in ₹ million)</i>			
S. No.	Particulars	Estimated amount as on March 31, 2025	Estimated amount as on March 31, 2026
<b>I</b>	<b>Current Assets</b>		
<b>1.</b>	<b>Inventories</b>	249.69	296.75
<b>2.</b>	<b>Financial assets</b>		
	(a) Trade receivables	326.14	387.83
	(b) Cash and cash equivalents	758.29	1,257.67
	(c) Loans	-	-
	(d) Others	49.63	59.02
<b>3.</b>	<b>Other current assets</b>	800.23	951.60
	<b>Total current assets (A)</b>	<b>2,183.98</b>	<b>2,952.87</b>
<b>II</b>	<b>Current Liabilities</b>		
<b>1.</b>	<b>Financial liabilities</b>		
	(a) Trade payables	145.00	173.07
	(b) Other financial liabilities	3.13	3.13
	(c) Provisions	11.83	14.08
<b>2.</b>	<b>Other current liabilities</b>	150.13	178.52
<b>3.</b>	<b>Current tax liabilities (net)</b>	95.59	113.67
	<b>Total current liabilities (B)</b>	<b>405.68</b>	<b>482.47</b>
<b>III</b>	<b>Working capital requirements (A-B)</b>	<b>1,778.30</b>	<b>2,470.40</b>

S. No.	Particulars	Estimated amount as on March 31, 2025	Estimated amount as on March 31, 2026
<b>IV</b>	<b>Funding Pattern</b>		
	Net Proceeds from the Fresh Issue	500.00	1,000.00
	Short term borrowings	500.00	500.00
	Internal accruals	778.30	970.40
	<b>Total Means of Finance</b>	<b>1,778.30</b>	<b>2,470.40</b>

# As certified by Maheshwari & Co., Chartered accountants, pursuant to their certificate dated December 29, 2024.

Our Statutory Auditors have provided no assurance on the prospective financial information, working capital estimates or projections and have performed no service with respect to the same.

The table below contains the details of the holding levels (in number of days or relevant matrix as applicable) considered and is derived from the Working Capital Financial Statements for the financial years ended March 31, 2022, March 31, 2023 and March 31, 2024 and assumptions based on which the working plan projections has been made and approved by the Board of Directors:

(₹ in million)

S. No.	Particulars	March 31, 2022 (Actuals)	March 31, 2023 (Actuals)	March 31, 2024 (Actuals)	September 30, 2024 (Actuals)	March 31, 2025 (Estimated)	March 31, 2026 (Estimated)
<b>I</b>	<b>Current Assets</b>						
<b>1.</b>	<b>Inventories</b>	33.59	64.98	195.13	223.91	249.69	296.75
<b>2.</b>	<b>Financial assets</b>						
	(a) Trade receivables	134.54	231.52	254.63	101.87	326.14	387.83
	(b) Cash and cash equivalents	135.75	363.19	629.59	177.04	758.29	1,257.67
	(c) Loans	-	-	-	-	-	-
	(d) Others	88.24	5.25	38.75	12.83	49.63	59.02
<b>3.</b>	<b>Other current assets</b>	108.26	113.37	624.78	1,248.80	800.23	951.60
<b>II</b>	<b>Current Liabilities</b>						
<b>1.</b>	<b>Financial liabilities</b>						
	a) Trade payables	35.86	101.74	112.33	44.01	145.00	173.07
	b) Other financial liabilities	-	2.89	3.13	3.26	3.13	3.13
	c) Provisions	0.91	1.10	236.79	171.53	11.83	14.08
<b>2.</b>	<b>Other current liabilities</b>	10.72	56.46	117.21	15.32	150.13	178.52
<b>3.</b>	<b>Current tax liabilities (net)</b>	11.22	11.79	74.63	74.44	95.59	113.67

#### Key Assumptions to the projected working capital requirements of our Company#

Particulars	FY 2026 Assumptions (Days)	FY 2025 Assumptions (Days)	Six months period ended September 30, 2024	FY 2024 (Actual Days)	FY 2023 (Actual Days)	FY 2022 (Actual Days)
<b>(1) Current Assets</b>						
• Inventories	29.81	29.81	83.58	29.85	13.61	10.25

Particulars	FY 2026 Assumptions (Days)	FY 2025 Assumptions (Days)	Six months period ended September 30, 2024	FY 2024(Actual Days)	FY 2023 (Actual Days)	FY 2022 (Actual Days)
• Trade Receivables	38.95	38.95	38.03	38.95	48.48	41.07
• Cash and Cash Equivalent	126.32	90.57	66.09	96.31	76.04	41.44
• Other Current Assets	95.58	95.58	466.16	95.58	23.74	33.05
<b>(2) Current Liabilities</b>						
• Trade payables	54.80	54.80	50.85	54.80	59.71	27.01

*#As certified by Maheshwari & Co., Chartered accountants, pursuant to their certificate dated December 29, 2024.*

### Justification for Holding Period Levels

S. No	Particular	Justifications
1	Inventories	Inventories include construction materials and work in progress. Historically, our inventories' holding level was negligible on account of outsourcing of contract execution till Fiscal 2022 and successful completion of the project which translated into unbilled revenue receivables. However, Company estimates inventories holding days to be around 30 days in Fiscal 2025 and Fiscal 2026 considering size of orders in hand, projected activity schedule and various factors involved in the execution of projects and processing bills thereto such as site-inspection, confirmation, approval to raise running account bills and processing of the bills.
2	Trade Receivable	The historical holding days of trade receivables (calculated as trade receivables divided by revenue from operations over 365 days) has been 38.95 days in Fiscal 2024, 48.48 days in Fiscal 2023, 41.07 days in 2022. As per the current credit terms of the company & prevalent trend in business of the company, the holding level for debtors anticipated at 38.95 days of total revenue from operations during Fiscal 2025 and Fiscal 2026 which is in line with previous years holding levels.
3	Other Current Financial Assets	Other Current financial Assets include Margin towards bank guarantees provided as performance and security deposit by way of Fixed Deposits with original maturity of more than 3 months and less than 12 months from the Balance sheet date
4	Cash and Cash Equivalent	Cash and cash equivalents are computed from the historic Special Purpose Restated Standalone Financial Information. Our Company has assumed the holding level for cash and cash equivalents as 90.57 days of revenue from operations for the Fiscal 2025. The cash and cash equivalent holdings are as on date of balance sheet and same have been maintained in line with projected sale for the Fiscal 2025.
5	Other Current Assets	Other Current Assets includes unbilled revenue, advance to suppliers, other receivables etc. The value of services performed in accordance with the contract terms but not billed is represented as unbilled revenue. The historical holding days of other current assets (calculated as other current assets divided by revenue from operations over 365 days) has been 95.58 days in Fiscal 2024, 23.74 days in Fiscal 2023 and 33.05 days in 2022. As per the current order book position of other current assets, they are anticipated at the level of 95.58 days for Fiscal 2025 and Fiscal 2026 which is in line with our previous year holding levels.



S. No	Particular	Justifications
6	Trade Payable	Past trend of trade payable holding days (calculated as trade payables divided by purchases over 365 days) has been 54.80 days in Fiscal 2024, 59.71 days in Fiscal 2023 and 27.01 days in Fiscal 2022. We intend to maintain trade payable in the range of 54.80 days for Fiscal 2025 and Fiscal 2026 based on our current credit terms with the suppliers.
7	Other Financial Liabilities, Other Current Liabilities and Provisions and Current Tax Liability	Other liabilities primarily include creditors other than suppliers, interest accrued but not due, employee related liabilities, other expenses payable, provision for expenses, current tax liabilities (net), advance received from customers, and statutory dues. We expect the growth in other liabilities to be in line with the expected growth in business.

#### Key justification for projected working capital requirements:

The working capital requirement of our Company is expected to increase by ₹ 579.50 million or by 48.34% from ₹ 1,198.80 million in Fiscal 2024 to ₹1,778.30 million in Fiscal 2025 and expected to increase by ₹ 692.10 million or by 38.92% from ₹ 1,778.30 million in Fiscal 2025 to ₹2,470.40 million in Fiscal 2026 on account of expected increase in revenue as per the current order book of our Company as well as new order book expected to be received during the Fiscal 2025 and Fiscal 2026.

The working capital requirements of our Company is estimated at ₹1,778.30 million for the Fiscal 2025 and ₹ 2,470.40 million for the Fiscal 2026, based on the following assumptions:

- **Current Order Book:** As on November 30, 2024, out of total contract value of ₹ 11,004.36 million, our Company has completed work amounting to ₹ 3,479.85 million and the outstanding order book is at ₹ 7,524.51 million as on November 30, 2024.
- **Margin money for performance guarantees:** As part of its business and as is customary, our Company is required to provide financial and performance bank guarantees in favour of its project clients under the respective contracts in relation to the projects. For projects, our Company typically issues bank guarantees to the relevant authority which enter into contractual arrangement with our Company.
- **Future Order Book:** Our Company is continuously working to increase its order book and it requires working capital to execute these projects subject to allotment of letter of intent. The availability of working capital also provides strength to our Company for bidding for new projects.
- **Receivables:** Our Company is engaged in government contractor business wherein realization of payment from the clients may take some time due to operational reasons of the respective government departments.”

## 2. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ 453.42 million towards general corporate purposes, subject to such amount not exceeding 25% of the gross proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilize Net Proceeds include, without limitation, in the ordinary course of business, any strategic initiatives, creation of collaterals, monetisation of assets, partnerships, tie-ups, joint ventures or acquisitions, and meeting capital requirements incurred in the ordinary course of business towards salaries and wages, rent, administration expenses, meeting exigencies and expenses and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act, 2013.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time. In addition to the above, our Company may utilise the Net Proceeds towards other purposes relating to our business which are considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act and in accordance with the stated objectives and our business.

## Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹ 251.58 million. The Issue related expenses primarily include listing fees, fees payable to the BRLM and Legal Counsel, underwriting commission, fees payable to the Auditor, brokerage and selling commission, commission payable to Registered Brokers, SCSBs' fees, Escrow Banks' and Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The following table sets forth details of the break-up for the estimated Issue expenses:

S. No.	Activity	Estimated Amt (₹ in million)	As a % of total estimated Issue Expenses*	As a % of Issue size
1	Payment to the BRLM (including brokerage, underwriting and selling commission)	88.20	35.06%	4.00%
2	Commission/processing fee for SCSBs, Sponsor Banks and Bankers to the Offer. Brokerage, underwriting commission and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs	92.65	36.83%	4.20%
4	Fees payable to the Registrar to the Issue	9.33	3.71%	0.42%
5	Others:			
	a) Listing fees, SEBI filing fees, book building software fees and other regulatory expenses;	20.10	7.99%	0.91%
	b) Printing and stationery expenses;	5.20	2.07%	0.24%
	c) Fees payable to Monitoring Agency;	5.09	2.02%	0.23%
	d) Fees payable to legal counsel;	8.50	3.38%	0.39%
	e) Advertising and marketing for the Issue; and	17.00	6.76%	0.77%
	f) Miscellaneous	5.51	2.19%	0.25%
	<b>Total Issue Expenses</b>	<b>251.58</b>	<b>100.00%</b>	<b>11.41%</b>

### 1. For Self-Certified Syndicate Banks

**Selling commission payable to the Self-Certified Syndicate Banks** on the portion for Retail Individual Investors and Non-Institutional Investors which are directly procured and uploaded by them would be as follows:

Portion for Retail Individual Investors	0.35% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Investors	0.20% of the Amount Allotted* (plus applicable taxes)

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

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

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

**Processing fees payable to the Self-Certified Syndicate Banks** for processing the ASBA Bid cum Application of Retail Individual Bidder and Non-Institutional Investors (excluding UPI bids) procured from the Syndicate /Sub-Syndicate Members/Registered Brokers /RTAs /CDPs and submitted to SCSBs for blocking would be as follows:

Portion for Retail Individual Investors	₹ 10/- per valid application (plus applicable taxes)
Portion for Non-Institutional Investors	

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 Qualified Institutional Buyers (“QIBs”) with bids above ₹0.50 million would be ₹10 plus applicable taxes, per valid application.

**2. For Syndicate (including their Sub-Syndicate Members), Registrar Transfer Agents (“RTAs”) and Collecting Depository Participant (“CDPs”)**

Brokerages and selling commission on the portion for Retail Individual Investors (using the UPI mechanism), portion for Non-Institutional Investors which are procured by members of 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 brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:

Portion for Retail Individual Investors	0.35% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Investors	0.20% of the Amount Allotted* (plus applicable taxes)

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

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined:

- i. For Retail Individual Investors and Non-Institutional Bidders (up to ₹0.50 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 Non-Institutional Bidders (Bids above ₹0.50 million) on the basis of the Syndicate ASBA Form bearing SM Code & 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.

The payment of Selling Commission payable to the sub-brokers / agents of Sub-Syndicate Members are to be handled directly by the respective Sub-Syndicate Member.

The Selling Commission payable to the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

**Uploading Charges/ Processing Charges of ₹ 10/-** valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, RTAs and CDPs:

- for applications made by Retail Individual Investors using 3-in-1 type accounts
  - for Non-Institutional Bids using Syndicate ASBA mechanism / using 3- in -1 type accounts,
3. The Bidding/uploading charges payable to the Syndicate / Sub-Syndicate Members, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

**3. For Registered Brokers**

Selling commission payable to the registered brokers on the portion Retail Individual Bidders & Non-Institutional Bidders which are directly procured by the Registered Brokers and submitted to SCSB for processing would be as follows:

Portion for Retail Individual Bidders & Non-Institutional Bidders	₹ 10/- per valid application* (plus applicable taxes)
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\*Based on valid applications.

**The bidding/ processing/ uploading charges payable to Syndicates/ sub-syndicates members, SCSBs, RTAs, CDPs, Registered Brokers as set out in point number 1, 2 and 3 shall be subject to total amount payable being maximum of ₹ 3.50 million plus applicable taxes. In case the total commission payable exceeds ₹ 3.50 million, the commission will be paid on proportionate basis.**

**4. The uploading charges/ processing fees for applications made using the UPI mechanism will be as under:**

Members of the Syndicate / RTAs /CDPs/ Registered Brokers	₹ 30/- per valid application (plus applicable taxes) Notwithstanding anything contained above, the total processing fees payable under this clause will not exceed ₹ 2.00 million (plus applicable taxes) and in case if the total processing fees exceeds ₹ 2.00 million (plus applicable taxes) then processing fees will be paid on pro-rata basis.
Axis Bank - (Sponsor Bank)	Upto 4,00,000 application forms: ₹ Nil per UPI successfully blocked applications (plus applicable taxes) Above 4,00,000 application forms: ₹ 6/- per UPI successfully blocked applications (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 the SEBI circulars, the Syndicate Agreement and other applicable laws.

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

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023.

#### **Appraisal and Bridge Loans**

The above fund requirements have not been appraised by any bank or financial institution. Our Company has not raised any bridge loans which are required to be repaid from the Net Proceeds.

#### **Means of Finance**

The entire fund requirements of each the objects detailed above are intended to be funded completely from the Net Proceeds and /or through our internal accruals or any combination thereof. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue or through existing identifiable internal accruals as required under Regulation 7(1)(e) of the SEBI ICDR Regulations.

#### **Interim Use of Net Proceeds**

Our Company, in accordance with the policies established by the Board from time to time and as per applicable laws, will have the flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company will temporarily deposit the Net Proceeds in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, for the duration as may be approved by our Board.

In accordance with Section 27 of the Companies Act, 2013, we confirm that we shall not use the Net Proceeds or any part thereof, for buying, trading or otherwise dealing in any shares of any listed company or for any investment in equity markets.

### **Monitoring of Utilization of Funds**

In terms of Regulation 41 of the SEBI ICDR Regulations, our Company has appointed CARE Ratings Limited as a Monitoring Agency for monitoring the utilisation of 100% of the Gross Proceeds. Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Gross Proceeds and the Monitoring Agency shall submit the report required under Regulation 41(2) of the SEBI ICDR Regulation, on a quarterly basis, until such time as the Gross Proceeds have been utilised in full. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay.

Our Company will disclose and continue to disclose, the utilization of the Gross Proceeds including interim use, under a separate head in the balance sheet, specifying the details, if any, in relation to all proceeds of the Issue that have been utilised. Our Company will also, in its balance sheet for the applicable Financial Years, provide details, if any, in relation to all such Gross Proceeds that have not been utilised, if any, of such currently unutilised Gross Proceeds. Further, our Company, on a quarterly basis, shall include the deployment of Gross Proceeds under various heads, as applicable, in the notes to our quarterly results. Our Company will also indicate investments, if any, of the unutilized proceeds of the Issue in our balance sheet for the relevant financial years subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32(3) and Part C of Schedule II, of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this 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. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the objects of the 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.

### **Other Confirmations**

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, Directors, Key Management Personnel, Senior Management and the members of our Promoter Group or Group Companies, except in the ordinary course of business. Our Company has not entered into nor has planned to enter into any arrangement/agreements with our Directors, our Key Management Personnel, our Senior Management, or our Group Companies in relation to the utilisation of the Net Proceeds of the Issue.

Further, pursuant to the Issue, the Net Proceeds received by our Company shall only be utilised for objects identified by our Company and for general corporate purposes.

### **Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, along with the corresponding rules issued thereunder, our Company shall not vary the objects of the Issue, unless authorised by our Shareholders in a general meeting by way of a special resolution and subject to compliance with applicable laws.

## BASIS FOR ISSUE PRICE

The Price Band, Floor Price and Issue Price was determined by our Company in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Issue Price is 27.90 times the Floor Price and 29.40 times the Cap Price of the Price Band. The financial information included herein is derived from our Restated Consolidated Financial Information. Investors should read the below mentioned information along with the sections titled “*Our Business*”, “*Risk Factors*”, “*Financial Information*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and “*Other Financial Information*” on pages 178, 33, 249, 315 and 311, respectively, to have an informed view before making an investment decision.

### Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Issue price are as follows:

1. *Established expertise in water management projects with special focus on ground water recharging:* We have established our credentials as a water management solutions provider, particularly, in the field of ground water recharge projects (“**GWR projects**”) and lift irrigation projects. Our Company has successfully completed projects involving the filling up of numerous tanks and check dams, showcasing our proficiency in managing water resources efficiently. As on November 30, 2024, we have procured direct contracts (as consortium partner) worth ₹ 7,740 million, direct contracts (independent) worth ₹ 469.97 million and sub-contracts worth of ₹ 4,657.19 million in GWR projects.
2. *Expertise in in-house designing and engineering of water management infrastructure projects:* We have a competent team with expertise in projects such as ground water recharging, lift irrigation etc. Our Company has an in-house design and engineering team which focusses on design capabilities for geographical complexities and critical aspects of the projects such as identification of potential ground water recharging sites, hydraulic flow calculations, drainage laying design, process flow diagram, hydraulic flow diagram, and water balance.
3. *Strong management team:* We are led by qualified and experienced Promoters, that we believe have the expertise and vision to manage and grow our business. Our Promoter, C Mruthyunjaya Swamy, has over 38 years of experience in the civil sector. He has held various positions in the Government and has been involved in planning, preparing project reports, and executing projects in the water sector, road sector, irrigation sector, and rural development sector.
4. *Strong order book:* As on November 30, 2024, out of total contract value of ₹ 11,004.36 million, we have completed work amounting to ₹ 3,479.85 million and our outstanding order book is of ₹ 7,524.51 million.
5. *Established track record for project execution:* As on November 30, 2024, the Company has completed 35 projects worth ₹ 2,376.23 million and there have been no instances of time or cost over-runs in respect of these projects.
6. *Efficient business model:* We have adopted an asset-light business model while purchasing equipment which are critical to construction activities of the projects undertaken by our Company. Our asset light business model allows us to keep our capital requirement low and in turn help us by reducing maintenance costs of equipment. We typically assign a part of the work to the sub-contractors who provide us with manpower along with the equipment support.

For further details, please see section titled “*Our Business – Our Competitive Strengths*” on page 183.

## Quantitative Factors

Certain information presented in this chapter is derived from the Restated Consolidated Financial Information. For further details, please see sections titled “*Restated Consolidated Financial Information*” and “*Other Financial Information*” on pages 249 and 311, respectively.

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

### 1. Basic and Diluted Earnings per Share:

As derived from Restated Consolidated Financial Information:

Particulars	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Financial Year 2022	19.97	19.97	1
Financial Year 2023	26.10	26.10	2
Financial Year 2024	31.11	31.11	3
<b>Weighted Average</b>	27.58	27.58	-
Six months period ended September 30, 2024	12.60	12.60	

Notes:

1. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights, i.e. (EPS x weight) for each year divided by the total of weights.*
2. *Basic and diluted EPS are based on the Restated Consolidated Financial Information.*
3. *The face value of each Equity Share is ₹10.*
4. *Earnings per Share (₹) = Profit after tax excluding exceptional items before other comprehensive income attributable to equity shareholders for the year/period divided by the weighted average no. of equity shares. The weighted average number of Equity Shares outstanding during the year is adjusted for bonus issue of Equity Shares.*
5. *Basic EPS and diluted EPS calculations are in accordance with Indian Accounting Standard 33 ‘Earnings per Share’.*
6. *The above statement should be read with significant accounting policies and the notes to the Restated Financial Information.*

### 2. Price/Earning (“P/E”) Ratio in relation to the Price Band of ₹ 279 to ₹ 294 per Equity Share:

Particulars	P/E at the lower end of the Price Band (number of times)	P/E at the higher end of the Price Band (number of times)
Based on basic EPS of ₹ 31.11 as per the Restated Consolidated Financial Information for the year ended March 31, 2024	8.97	9.45
Based on diluted EPS of ₹ 31.11 as per the Restated Consolidated Financial Information for the year ended March 31, 2024	8.97	9.45

### 3. Industry Peer Group P / E ratio

Particulars	Industry P/E (number of times)	Name of Peer Group	Peer Group P/E
Highest	31.80	VA Tech Wabag Limited	23.70
Lowest	23.70	EMS Limited	31.80
Industry Composite	27.75	-	-

Source: All the financial information for listed industry peers mentioned above is on a consolidated basis as available sourced from the annual reports of the peer company uploaded on the BSE / NSE website for the year ended March 31, 2024. For further details, see “– Comparison of accounting ratios with listed industry peers” on page 110

Notes: P/E Ratio has been computed based on the closing market price of equity shares on the BSE website on January 24, 2025, divided by the Diluted EPS.

#### 4. Average Return on Net Worth (“RoNW”)

As derived from the Restated Consolidated Financial Information:

Financial year ended	RoNW* (%)	Weight
March 31, 2022	70.43	1
March 31, 2023	47.93	2
March 31, 2024	36.36	3
<b>Weighted Average</b>	<b>45.90</b>	
Six months period ended September 30, 2024*	12.84	

\*Not annualised

Notes:

(i) Net worth means the aggregate of paid-up equity share capital and other equity (all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account) as per the Restated Financial Information.

(ii) Return on Net Worth (%) = Restated Profit for the year attributable to equity shareholders of our Company divided by Net Worth of our Company.

(iii) Weighted average = Aggregate of year-wise weighted Return on Net worth divided by the aggregate of weights i.e. (Return on Net worth x Weight) for each year / Total of weights.

#### 5. Net Asset Value per Equity Share (“NAV”)

NAV per Equity Share	₹
Six months period ended September 30, 2024	98.16
As on March 31, 2024	85.55
After the Issue	
- At Floor Price	3.26
- At Cap Price	3.44
Issue Price	294

Notes:

(i) Net Asset Value per Equity Share = Net worth based on the Restated Consolidated Financial Information / Number of equity shares outstanding as at the end of year/period.

(ii) ‘Net Worth’: Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on March 31, 2024 in accordance with regulation 2(1) (hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

#### 6. Comparison of accounting ratios with listed industry peers:

Company Name	Face Value per Equity Share	Closing Price on January 24, 2025	Revenue from Operations (₹ in Million)	Basic EPS for the year ended 2024	Diluted EPS for the year ended 2024	NAV per equity share for the year ended 2024	P/E	RoNW for the year ended 2024
Our Company	10	-	2,385.98	31.11	31.11	85.55	9.45	36.36%
VA Tech Wabag	2	1,332.05	28,564.00	39.49	39.49	292.43	31.80	13.77%
EMS Limited	10	789.15	5,381.61	29.38	29.38	143.73	23.70	19.13%



Source: All the financial information for listed industry peers mentioned above is on a consolidated basis as available sourced from the annual reports of the peer company uploaded on the BSE / NSE website for the year ended March 31, 2024.

Notes:

1. P/E Ratio has been computed based on the closing market price of equity shares on the NSE website on January 24, 2025 divided by the Diluted EPS.
2. Restated Profit for the year attributable to equity shareholders of our Company divided by Net Worth of our Company.
3. Net asset value per equity share is calculated as net worth as of the end of relevant year divided by the weighted average number of equities shares outstanding at the end of the year.
4. RoNW is calculated as profit after tax attributable to the equity shareholders of the Company divided by Net Worth attributable to the equity shareholders of the Company. Net Worth attributable to the owners of the Company 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 restated and audited statement of assets and liabilities, but does not include reserves created out of revaluation of assets, capital reserve, write-back of depreciation and amalgamation, in accordance with SEBI ICDR Regulations as of March 31, 2024.

#### 5. Key Performance Indicators (“KPIs”):

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals in comparison to our peers.

The KPIs disclosed below have been approved by a resolution of our Board of Directors dated January 16, 2025, and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this RHP. Further, the KPIs herein have been certified by Maheshwari & Co., Chartered Accountants, by their certificate dated January 16, 2025.

The KPIs of our Company have been disclosed in the sections titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators” on pages 178 and 316, respectively. We have described and defined the KPIs, as applicable, in the section titled “Definitions and Abbreviations” on page 3.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of Directors of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Issue as per the disclosure made in the section titled “Objects of the Issue” on page 98, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

Details of our KPIs as at and for the Financial Years ended six months period ended September 30, 2024 and Financial year ended March 31 2024, March 31, 2023 and March 31, 2022:

(₹ in Million except ratios)

KPIs	Six months period 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 <sup>(1)</sup>	977.80	2,385.98	1,743.24	1,195.72
Revenue Growth (%) <sup>(2)</sup>	NA	36.87%	45.79%	272.84%
Total Income <sup>(3)</sup>	985.10	2,418.37	1,757.47	1,196.35
Operating EBITDA <sup>(4)</sup>	327.65	791.37	669.60	518.11
Operating EBITDA Margin (%) <sup>(5)</sup>	33.51%	33.17%	38.41%	43.33%
Restated profit for the period / year after tax (“PAT”) <sup>(6)</sup>	241.99	597.25	501.12	383.37
PAT Margin (%) <sup>(7)</sup>	24.75%	25.03%	28.75%	32.06%
Operating Cash Flow	(467.59)	268.95	514.64	(78.03)
Net Worth <sup>(8)</sup>	1,884.63	1,642.56	1,045.47	544.31

Return on Equity (RoE) (%) <sup>(9)</sup>	12.84%	36.36%	47.93%	70.43%
Return on Capital Employed (RoCE) (%) <sup>(10)</sup>	18.96%	76.99%	95.98%	126.60%
EPS <sup>(11)</sup>	12.60	31.11	26.10	19.97
Unbilled Revenue <sup>(12)</sup>	449.25	422.63	77.42	12.27

Notes:

1. Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Information.
2. Revenue Growth (%) is calculated as Revenue from operations for the current year / period minus Revenue from operations for the previous year as a % of Revenue from operations for the previous year / period.
3. Total income includes revenue from operation and other income.
4. Operating EBITDA is calculated as profit before tax, plus finance costs and depreciation and amortisation expenses, less other income.
5. Operating EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations
6. Restated profit for the period / year after tax ("PAT") refers to profit after tax attributable to owners of the Company as appearing in the Restated Financial Information.
7. PAT Margin (%) is calculated as PAT divided by revenue from operations.
8. 'Net worth' means the aggregate value of the paid-up equity share capital and other equity, each on a restated basis.
9. RoE is calculated as PAT divided by total equity.
10. RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed. EBIT is calculated as EBITDA minus depreciations. Capital Employed is calculated as Total Equity plus borrowing (long term and short term) minus cash and bank balances.
11. EPS is calculated as Restated profit for the year attributable to equity shareholders / Weighted average number of equity shares.
12. Unbilled revenue is the revenue for which work completed but invoice not raised.

Metric	Explanation for the KPI
Revenue from Operations	Revenue from operation is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Total Income	Total income is used by the management to track revenue from operations and other income
EBITDA	EBITDA is earnings before Interest, Taxes, Depreciation and Amortization expense. EBITDA provides information regarding the operational efficiency of the business of the Company.
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
Profit after Tax	Profit after Tax provides information regarding the profitability of the business of our Company.
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
Operating Cash Flow	Operating cash flows activities provides how efficiently our company generates cash through its core business activities.
Net Worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.
Net Debt	Net Debt represents the borrowings (current and non-current) less cash and cash equivalents and other bank balances.
Debt to Equity Ratio	The debt-to-equity ratio compares an organization's liabilities to its shareholder's equity and is used to gauge how much debt or leverage the organization is using
Return on Capital Employed (RoCE%)	RoCE is calculated as Earnings before Interest and Taxes (EBIT) divided by Capital Employed by our Company for the period and is expressed as a percentage. RoCE is an indicator of our Company's efficiency as it

<b>Metric</b>	<b>Explanation for the KPI</b>
	measures our Company's profitability. RoCE is indicative of the profit generation by our Company against the capital employed.
Return on Equity (RoE%)	RoE refers to profit after tax, divided by the Average of Total Equity (Average refers to sum of opening and closing divided by two) during that year, and expressed as a percentage. RoE is an indicator of the Company's efficiency as it measures the Company's profitability. RoE is indicative of the profit generation against the equity contribution.
Unbilled Revenue	Unbilled revenue is the revenue for which work completed but invoice not raised.

Set forth are the details of comparison of key performance indicators with our listed industry peers:

(₹ in Million except ratios)

Particulars	Our Company			VA Tech Wabug			EMS Limited		
	FY 2023-24	FY 2022-23	FY 2021-22	FY 2023-24	FY 2022-23	FY 2021-22	FY 2023-24	FY 2022-23	FY 2021-22
Revenue From Operations <sup>(1)</sup>	2,385.98	1,743.24	1,195.72	28,564.00	29,604.8	29,793.00	7,933.10	5,381.62	4,772.37
Total Income <sup>(2)</sup>	2,418.37	1,757.47	1,196.35	28,998.00	30,140.8	30,116.90	8,090.68	5,432.77	4,814.16
Operating EBIDTA <sup>(3)</sup>	791.37	669.60	518.11	3,662.00	3,435.8	2,370.00	2,038.47	1,500.08	1,127.09
Operating EBIDTA Margin <sup>(4)</sup>	33.17%	38.41%	43.33%	12.82%	11.61%	7.95%	25.70%	27.87%	23.62%
Profit for the period / year after tax (“PAT”) <sup>(5)</sup>	597.25	501.12	383.37	2,504.00	109.3	1,320.60	1,526.63	1,088.51	790.29
PAT Margin <sup>(6)</sup>	25.03%	28.75%	32.06%	8.77%	0.36%	4.38%	19.24%	20.04%	16.42%
Operating Cash Flow	286.21	514.64	(78.03)	1,335.00	849.8	116.4	(1,160.16)	(122.76)	276.01
Net Worth <sup>(7)</sup>	1,642.56	1,045.47	544.31	18,186.00	15,746.30	15,258.60	7,981.30	4,907.22	3,828.88
Net Debt <sup>(8)</sup>	(620.97)	(351.67)	(135.75)	(1,593.00)	326.6	1,074.80	(16.78)	(362.79)	(573.40)
Debt Equity Ratio <sup>(9)</sup>	0.01	0.01	-	0.15	0.14	0.28	0.09	0.09	0.01
ROCE <sup>(10)</sup>	76.99%	95.98%	126.60%	21.56%	2.90%	13.40%	24.77%	19.00%	20.00%
ROE <sup>(11)</sup>	36.36%	47.93%	70.43%	14.76%	0.70%	9.00%	23.69%	25.00%	23.00%
Unbilled Revenue <sup>(12)</sup>	422.63	77.42	12.27	-	-	-	-	-	-

Note: Data has been extracted from respective Annual Reports

1. Revenue from operation means revenue from sales and other operating revenues.
2. Total Income represents the total turnover of our business i.e., Revenue from Operations and Other Income, if any.
3. Operating EBITDA means Profit before depreciation, finance cost, tax, and amortization & less other income.
4. 'Operating EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.
5. Restated profit for the period / year after tax (“PAT”) refers to profit after tax attributable to owners of the Company as appearing in the Restated Financial Information.
6. 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.
7. 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 restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve arising on consolidation, capital redemption reserve, write-back of depreciation and amalgamation.
8. Net debt = non-current borrowing + current borrowing – Cash and Cash Equivalent.
9. Debt equity ratio means ratio of total debt (long term plus short-term including current maturity of long-term debt) and Equity Share capital plus other equity.
10. Return on Capital Employed (ROCE) is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed. EBIT is calculated as EBITDA minus depreciations. Capital Employed is calculated as Total Equity plus borrowing (long term and short term) minus cash and bank balances.
11. Return on Equity is ratio of Profit after Tax and Average Shareholder Equity.
12. Unbilled revenue is the revenue for which work completed but invoice not raised.

## 6. Weighted average cost of acquisition

- i) The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities)

There has been no issuance of Equity Shares or convertible securities (“**Securities**”) (excluding Equity Shares issued under the ESOP Scheme or Equity Shares issued pursuant to a bonus issue) during the 18 months preceding the date of this RHP, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Issue capital before such transaction(s), in a single transaction or multiple transactions combined together over a span of 30 days.

- ii) The price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities)

There have been no secondary sale / acquisitions of Equity Shares or any convertible securities, where the promoters, members of the promoter group, or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Issue capital before such transaction/s), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

- iii) Since there are no such transactions to report to under (i) and (ii) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to the date of this certificate irrespective of the size of transactions, is as below:

**Primary transactions:**

Except as disclosed below, there have been no primary transactions in the last three years preceding the date of this RHP:

Date of allotment	No. of equity shares of face value ₹ 10 each allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ million)
August 21, 2023	14,400,000	10	N.A.	Bonus Issue in the ratio 3 Equity Shares of face value ₹ 10 each for every 1 Equity Share held	N.A.	N.A.
<b>Weighted average cost of acquisition (WACA)</b>						Nil

**Secondary transactions:**

Except as disclosed below, there have been no secondary transactions in the last three years preceding the date of this RHP:

Date of transfer	No. of equity shares transferred	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of transaction	Nature of consideration	Total Consideration (in ₹ million)
June 30, 2023	1,680,000	10	Nil	Gift	Transfer by the way of gift	Nil
June 30, 2023	1,200,000	10	Nil	Gift	Transfer by the way of gift	Nil
June 30, 2023	181,400	10	Nil	Gift	Transfer by the way of gift	Nil
June 30, 2023	4,800	10	Nil	Gift	Transfer by the way of gift	Nil
June 30, 2023	4,800	10	Nil	Gift	Transfer by the way of gift	Nil
<b>Weighted average cost of acquisition (WACA)</b>						Nil

- iv) Weighted average cost of acquisition, floor price and cap price:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor price (i.e. ₹ 279)	Cap price (i.e. ₹ 294)
Weighted average cost of acquisition of primary / new issue as per paragraph 6(i) above.	Nil	Nil	Nil
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 6(ii) above.	Nil	Nil	Nil
Since there were no primary or secondary transactions of equity shares of the Company reported under (i) and (ii) above, the information has been disclosed for price per share of the Company based on the last five primary or secondary transactions where Promoters, members of the Promoter Group or Shareholders having the right to nominate director(s) on our Board are a party to the transaction, not older than three years prior to the date of filing of this Prospectus, irrespective of the size of the transaction.			
- Based on primary transactions	Nil	Nil	Nil
- Based on secondary transactions	Nil	Nil	Nil

**Explanation for Issue Price / Cap Price being 29.40 times price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in iv above) along with our Company's key performance indicators and financial ratios for the Fiscals 2024, 2023 and 2022**

- 1) The company is established expertise in water management projects with special focus on ground water recharging.
- 2) Expertise in in-house designing and engineering of water management infrastructure projects.
- 3) Strong management team.
- 4) Outstanding order book is of ₹7,524.51 million as on November 30, 2024.
- 5) As on November 30, 2024, the Company has completed 35 projects worth ₹2,376.23 million and there have been no instances of time or cost over-runs in respect of these projects.
- 6) Company's asset light business model allows us to keep our capital requirement low and in turn help us by reducing maintenance costs of equipment.

**Explanation for Issue Price / Cap Price being 29.40 times price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in iv above) in view of the external factors which may have influenced the pricing of the Issue.**

- 1) With a meritorious track record in infrastructure project installations, including groundwater recharging through recycled water, Denta Water has been a contributor to addressing the rising demand for water-related solutions in the country.
- 2) High initial investment in infrastructure and technology.
- 3) The company's significant involvement in the "Jal Jeevan Mission" of the Government of India reflects its commitment to critical water management initiatives.
- 4) Denta Water played a substantial role in the first phase of the KC Valley project, contributing to Bengaluru's reputation as the second-largest city globally in terms of treated wastewater quantity.

The Issue Price is 29.40 times of the face value of the Equity Shares. The Issue Price of ₹ 294 has been determined by our Company in consultation with the BRLM, on the basis of the demand from investors for the Equity Shares through the Book Building Process. Our Company in consultation with the BRLM, is justified of the Issue Price in view of the above qualitative and quantitative parameters. The trading price of the Equity Shares could decline due to the factors mentioned in the section titled "Risk Factors" on page 33 or any other factors that may arise in the future and you may lose all or part of your investments. Investors should read the above-mentioned information along with "Risk Factors", "Our Business", Management Discussion and Analysis of Financial Position and Results of Operations" and "Financial Information" on pages 33, 178, 315 and 249, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "Risk Factors" on page 33 and you may lose all or part of your investments.

## STATEMENT OF SPECIAL TAX BENEFITS

To,

**The Board of Directors**

**Denta Water and Infra Solutions Limited**

#40, 3rd Floor, Sri Lakshminarayana Mansion,  
South End Road, Basavanagudi,  
Bangalore, South Bangalore,  
Karnataka 560 004, India

**SMC Capitals Limited**

A-401/402,  
Lotus Corporate Park  
Off Western Express Highway,  
Jai Coach Junction, Goregaon (East),  
Mumbai – 400063 Maharashtra, India

Dear Sirs,

**Re: Proposed initial public offering of equity shares of face value of ₹ 10 each (the “Equity Shares”) by Denta Water and Infra Solutions Limited (the “Company”, and such issuance, the “Issue”).**

We report that the enclosed statement in the **Annexure A**, states the possible special tax benefits under direct and indirect tax laws and Income tax Rules, 1962 including amendments made by the Finance Act, 2023 (hereinafter referred to as “**Income Tax Laws**”), the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, respective Union Territory Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations, circulars and notifications issued there under, Foreign Trade Policy presently in force in India, available to the Company and its shareholders and its associate. Several of these benefits are dependent on the Company, its shareholders as the case may be, fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company, 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 faces in the future, the Company, its shareholders and its associate may or may not choose to fulfill.

The benefits discussed in the enclosed Statement cover only special tax benefits available to the Company and to the shareholders of the Company and are not exhaustive and also do not cover any general tax benefits available to the Company. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

The benefits discussed in the enclosed **Annexure A** are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. Neither are we suggesting nor advising the investor to invest in the Issue based on this statement.

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

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

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

We also consent to the references to us as “experts” as defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the red herring prospectus and prospectus of the Company or in any other material used in connection with the Issue.

We hereby give consent to include this statement of special tax benefits in the red herring prospectus (“**RHP**”), prospectus (“**Prospectus**”) and in any other material used in connection with the Issue.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, ‘*Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements*,’ issued by the ICAI. We have conducted our examination in accordance with the ‘*Guidance Note on Reports or Certificates for Special Purposes*’ 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 and in accordance with ‘*Guidance Note on Reports in Company Prospectuses*’ (Revised 2019). We hereby confirm that while providing this certificate we have complied with the above guidance notes.

This certificate is issued for the purpose of the Issue, and can be used, in full or part, for inclusion in the RHP, Prospectus and any other material used in connection with the Issue. We hereby consent to the aforementioned details being included in the RHP and Prospectus and consent to the submission of this certificate as may be necessary, to the Securities and Exchange Board of India, any regulatory / statutory authority, stock exchanges where the Equity Shares are proposed to be listed, Registrar of Companies, Karnataka at Bangalore or any other authority as may be required and/or for the records to be maintained by the BRLM in connection with the Issue and in accordance with applicable law, and for the purpose of any defense the BRLM may wish to advance in any claim or proceeding in connection with the contents of the RHP and Prospectus, as the case may be.

This certificate can be relied on by the Company, BRLM and the Legal Counsel to the Issue and to assist the BRLM in conducting and documenting their investigation of the affairs of the Company in connection with the Issue. We hereby consent to this certificate being disclosed by the BRLM, if required (i) by reason of any law, regulation, order or request of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defense in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

We undertake to immediately update you, in writing, of any changes in the abovementioned information until the date the Equity Shares issued pursuant to the Issue commences trading on the Stock Exchanges. In the absence of any such communication, you may assume that there is no change in respect of the matters covered in this certificate until the date on which the Equity Shares commence trading on the Stock Exchanges.

All capitalized terms used but not defined herein shall have the meaning assigned to them in the RHP.

Yours faithfully,

**For and on behalf of**

**Maheshwari & Co.**

Chartered Accountants

Firm Registration Number: 105834W

Pawan Gattani

Partner

ICAI Membership Number: 144734

UDIN: 24144734BKBIWK3321

Date: December 30, 2024

Place: Mumbai



## ANNEXURE A

### STATEMENT OF SPECIAL TAX BENEFITS

To,

**The Board of Directors**

**Denta Water and Infra Solutions Limited**

#40, 3rd Floor, Sri Lakshminarayana Mansion,  
South End Road, Basavanagudi,  
Bangalore, South Bangalore,  
Karnataka 560 004, India

**Re: Proposed initial public offering of equity shares of face value of ₹ 10 each (the “Equity Shares”) by Denta Water and Infra Solutions Limited (the “Company”, and such issuance, the “Issue”).**

We hereby report that the enclosed Statement prepared by Denta Water and Infra Solutions Limited (the “Company”) states the possible special tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 and Income tax Rules, 1962 including amendments made by Finance Act 2023 (hereinafter referred to as “Income Tax Laws”), the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, respective Union Territory Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations there under, Foreign Trade Policy, presently in force in India, and also to its the associate of the Company under the respective tax laws of their country as on the signing date, for inclusion in the red herring prospectus (“Red Herring Prospectus” or “RHP”) and prospectus (“Prospectus”) for the proposed initial public offering of the Company through fresh issue of equity shares by the Company. These benefits are dependent on the Company or its associate or the shareholders of the Company fulfilling the conditions prescribed under the relevant provisions of the tax laws. Hence, the ability of the Company or its associate or the shareholders of the Company to derive the special tax benefits is dependent upon fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or its associate or the shareholders of the Company may or may not choose to fulfill.

With respect to the special tax benefits in the overseas jurisdictions in the case of associate listed below, we have relied upon the Management Representation and confirmation received from the Tax Advisors of the respective associate of the Company as the case may be as listed in **Annexure I**.

Following is the associate firm as identified by the Company:

- Denta Properties and Investment (Partnership Firm)

The benefits discussed in the enclosed Statement cover only special tax benefits available to the Company, or its associate and to the shareholders of the Company and are not exhaustive and also do not cover any general tax benefits available to the Company. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

Further, the preparation of the enclosed Statement and its contents was the responsibility of the management of the Company. We were informed that this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed Issue.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, ‘Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements,’ issued by the ICAI. We have conducted our examination in accordance with the ‘Guidance Note on Reports or Certificates for Special Purposes’ 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 and in accordance with ‘Guidance Note on Reports in Company Prospectuses’ (Revised 2019). We hereby confirm that while providing this certificate we have complied with the above guidance notes.

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

- the Company or its associate or the shareholders of the Company will continue to obtain these benefits

- in future; or
- the conditions prescribed for availing the benefits, where applicable, have been / would be met with.

The contents of the enclosed Statement are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and its material associate. Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

This statement is solely for your information and not intended for general circulation or publication and is not to be reproduced or used for any other purpose without our prior written consent, other than for inclusion of extracts of this statement in the Red Herring Prospectus, and the Prospectus and submission of this statement to the Securities and Exchange Board of India, the stock exchange where the Equity Shares of the Company are proposed to be listed, the relevant Registrar of Companies in India in connection with the proposed Issue, as the case may be.

All capitalized terms used but not defined herein shall have the meaning assigned to them in the RHP and Prospectus.

Yours faithfully,

**For and on behalf of  
Maheshwari & Co.**

Chartered Accountants

Firm Registration Number: 105834W

**Pawan Gattani**

**Partner**

ICAI Membership Number: 144734

Date: December 30, 2024

Place: Mumbai

**STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND TO ITS SHAREHOLDERS UNDER THE INCOME-TAX ACT, 1961 AND INCOME TAX RULES, 1962 INCLUDING AMENDMENTS MADE BY FINANCE ACT 2023 THE CENTRAL GOODS AND SERVICES TAX ACT, 2017, THE INTEGRATED GOODS AND SERVICES TAX ACT, 2017, RESPECTIVE STATE GOODS AND SERVICES TAX ACT, 2017, RESPECTIVE UNION TERRITORY GOODS AND SERVICES TAX ACT, 2017, CUSTOMS ACT, 1962, CUSTOMS TARIFF ACT, 1975 AS AMENDED, THE RULES AND REGULATIONS THERE UNDER, FOREIGN TRADE POLICY, PRESENTLY IN FORCE IN INDIA.**

<b>No.</b>	<b>Particulars</b>	<b>Direct Tax</b>	<b>Indirect Tax</b>
I.	Special tax benefits available to the Company	Nil	Nil
II.	Special tax benefits available to the Shareholders	Nil	Nil

## SECTION VI: ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

*Unless otherwise indicated, the industry and market data used in this section has been obtained or extracted from the report titled 'India Water and Wastewater Treatment Market -Forecast to 2033' released in December, 2024 ("Marketysers Global Report") prepared and issued by Marketysers Global Consulting LLP, and exclusively commissioned and paid for by us in connection with the Issue. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Marketysers Global Report and included herein with respect to any particular year, refers to such information for the relevant calendar year. Marketysers Global was appointed by our Company and is not connected to our Company, our Directors, our Promoters, our Key Managerial Personnel, Senior Management or BRLM. A copy of the Marketysers Global Report is available on the website of our Company at [www.denta.co.in](http://www.denta.co.in), further Marketysers Global Report, is already part of the Material Contract and Documents for Inspection on page 412 of this RHP under Section titled -Material Documents and Contracts for Inspection 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 33. 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.*

### GLOBAL MACROECONOMIC OVERVIEW

The global economy is projected to maintain a growth rate of 3.2 percent in both 2024 and 2025, consistent with 2023 levels. Advanced economies are expected to experience a slight increase in growth, from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025. Conversely, emerging market and developing economies are anticipated to see a modest deceleration, with growth slowing from 4.3 percent in 2023 to 4.2 percent in 2024 and 2025. The five-year forecast for global growth, at 3.1 percent, is the lowest in decades. Global inflation is predicted to steadily decrease, from 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025. Advanced economies are expected to reach their inflation targets sooner than the emerging market and developing economies, with core inflation generally declining at a more gradual pace.

#### Global GDP

The global real GDP growth is projected to decline to 2.6% in 2023 from 3.3% in 2022. Europe, Latin America, and the US are the regions experiencing the most weakness, while Asian economies are expected to be the primary drivers of global growth due to reopening dynamics and lower inflationary pressures. The global GDP growth is anticipated to slow down further to 2.4% in 2024, mainly influenced by stagnant growth in the US.

Areas of weakness in the global economy include housing, bank lending, and the industrial sector. However, the strength in other sectors, particularly service-sector activities and labor markets, compensates for these weaknesses. First-half data for 2023 have exceeded expectations, leading to upward revisions in the full-year forecast for many economies. Despite inflationary pressures only moderately decreasing, tight monetary policies persist, making interest rate cuts unlikely for many central banks. The expectation remains for a slowdown in growth in the latter half of 2023 and the first half of 2024. While country-specific deviations may occur, businesses should prepare for a deceleration in global economic growth moving forward. The global economy is projected to experience relatively slow growth of around 2.5% for 2023-2024, reflecting a shift to a slower growth environment for the next decade, estimated at an average annual pace of 2.6% compared to the pre-pandemic decade's average of 3.3%.

### INDIAN MACROECONOMIC OVERVIEW

The global economy was improving after the COVID-19 pandemic slowed down. However, the conflict between Russia and Ukraine in February 2022 caused problems. It disrupted supply chains, made finances tighter, and raised prices of important goods. This had effects like global economic indicators showing contraction, money moving

away from certain countries, currency values dropping, and trade imbalances increasing. The IMF lowered its predictions for global economic growth in 2022. While inflation is getting better, actions to control it are also slowing down economies, especially in developed countries. The IMF now expects global growth to drop from 3.4% in 2022 to 2.8% in 2023 before rising to 3% in 2024.

Despite these challenges, India's economy continued to grow in the fiscal year 2023. This was because of its strong economic basics and quick actions taken by the government and the Reserve Bank of India. India's economy grew by 7.2% in FY23, which was the highest among major economies. This growth was even better than what was expected earlier. The fourth quarter of the fiscal year had particularly good growth compared to other countries. Year-on-year growth in real GDP for Q4 of FY23 was estimated at 6.1%, higher than the 4% growth in Q4 of FY22 and the 4.5% growth in Q3 of FY23. Sequentially, growth in Q4 of FY23 was 8.4%, up from 3.7% in the previous quarter, showing that growth momentum was maintained.

## Trend in GDP and GVA

### Gross Domestic Product, Constant Prices, 2019-2024

Year	GDP (% Growth)
2019	3.87%
2020	-5.83%
2021	9.05%
2022	7.24%
2023	6.33%
2024	6.29%

Source: International Monetary Fund, World Economic Outlook Database, October 2023, Reports and Data

### Indian GDP, 2022-2026

Year	GDP (INR LAKHS)	GDP GROWTH
2022	188,509,313,200.00	8.63%
2023	209,467,238,000.00	8.39%
2024E	231,742,175,500.00	8.18%
2025F	256,049,744,900.00	8.09%
2026F	282,500,969,500.00	7.99%

Source: Central Water Commission (CWC), National Water Development Agency (NWDA), Water Resources Management Organisation, World Bank Company Annual Report, Primary Interviews, Reports and Data

## INFRASTRUCTURE SECTOR BUDGET ALLOCATION OVERVIEW (2023-2024)

The government's commitment to strengthening India's infrastructure continues to be evident in the Budget for the fiscal year 2023-24. With a steadfast focus on development, numerous initiatives and investments have been earmarked to transform and enhance the country's infrastructure landscape.

- **Capital Investment Boost:** In an ambitious move, the budget allocates a significant capital investment of Rs.10 lakh crore (USD 122 billion), marking a 33% increase. This surge in investment corresponds to 3.3% of the GDP and is nearly three times the amount allocated in the fiscal year 2019-20, reflecting the government's dedication to infrastructure development.
- **Railway Advancements:** A monumental leap is seen in the allocation for the Railways sector, with a capital outlay of Rs. 2.40 lakh crore (USD 29 billion) - the highest ever recorded. This substantial increase, approximately 9 times the 2013-14 allocation, underscores the government's commitment to modernizing and expanding the country's rail network.
- **Boosting Private Investment:** Recognizing the importance of private investment in infrastructure development, an Infrastructure Finance Secretariat is being established. This initiative aims to foster opportunities for private investment in various sectors, including railways, roads, urban infrastructure, and power.
- **Encouraging State Investment:** The government's commitment to encouraging state-level investments is evident through the extension of a 50-year interest-free loan to state governments. This move aims to incentivize investment in infrastructure and complementary policy actions, with a significantly enhanced outlay of Rs. 1.3 lakh crore (USD 16 billion).

- **Critical Transport Connectivity:** Identifying the importance of last and first-mile connectivity for vital sectors such as ports, coal, steel, fertilizer, and food grains, 100 critical transport infrastructure projects are set to be initiated with a **substantial** investment of Rs. 75,000 crores (USD 9 billion), including contributions from private sources.
- **Enhancing Air Connectivity:** The **government** aims to improve regional air connectivity by reviving 50 additional airports, heliports, water aerodromes, and advance landing grounds.
- **Urban Infrastructure Development Fund:** To support urban infrastructure development in Tier 2 and Tier 3 cities, the establishment of the **Urban** Infrastructure Development Fund (UIDF) is announced. Managed by the National Housing Bank, this fund will leverage resources from priority sector lending shortfall.
- **Technology and Education Focus:** To promote indigenous AI capabilities, three centers of excellence for AI will be established in prominent educational institutions. Additionally, a Digital Public Infrastructure for agriculture will be developed to provide farmer-centric solutions and foster growth in the agri-tech industry.
- **Healthcare and Education Expansion:** Significant steps are being taken to bolster the healthcare and education sectors. Plans include establishing 157 new nursing colleges in conjunction with existing medical colleges and setting up a National Digital Library for Children and Adolescents.
- **Infrastructure for North-Eastern Region:** Allocations for the development of the North-eastern region are emphasized, with funding provided for initiatives such as PM DevINE and NESIDS.
- **Leveraging Global Investment:** The infrastructure sector is drawing substantial Foreign Direct Investment (FDI), evident from investments in construction and development projects.

The infrastructure sector has become the biggest focus area for the Government of India. India plans to spend USD 1.4 trillion on infrastructure during 2019-23 to have a sustainable development of the country. The Government has suggested investment of Rs. 5,00,000 crores (USD 750 billion) for railways infrastructure from 2018-30. India's GDP is expected to grow by 8% over the next three fiscal years, one of the quickest rates among major, developing economies, according to S&P Global Ratings. India and Japan have joined hands for infrastructure development in India's Northeast states and are also setting up an India-Japan Coordination Forum for development of Northeast to undertake strategic infrastructure projects for the region. Further, to meet India's aim of reaching a USD 5 trillion economy by 2025, infrastructure development is the need of the hour. The government has launched the National Infrastructure Pipeline (NIP) combined with other initiatives such as 'Make in India' and the production-linked incentives (PLI) scheme to augment the growth of the infrastructure sector. Historically, more than 80% of the country's infrastructure spending has gone toward funding for transportation, electricity and water, and irrigation.

## INDUSTRIAL GROWTH AND TREND IN PRODUCTION

Industrial production refers to the output of industrial establishments and covers sectors such as mining, manufacturing, electricity, gas and steam and air-conditioning. This indicator is measured in an index based on a reference period that expresses a change in the volume of production output. The Denta Water and Infra Solutions Limited, would benefit from the GoI's 'Aatmanirbhar Bharat Abhiyaan', or Self - Reliant India, campaign, which provides a range of incentives to attract and localise manufacturing and production in the country.

The Production-Linked Incentive (PLI) Scheme is an initiative launched by the Government of India to boost domestic manufacturing across various sectors. The objective of the PLI scheme is to encourage local production and reduce import dependence. Under the scheme, the government offers financial incentives to eligible companies based on their production levels and performance. In the context of the blow molding industry, the PLI scheme can have a positive impact by incentivizing companies to expand their manufacturing capabilities and increase production of blow-molded products in India. This, in turn, can help reduce the country's reliance on imports of such products and create more job opportunities. The scheme offers financial incentives to eligible companies that meet certain performance criteria, such as minimum investment, production, and quality standards.

## INDIAN ECONOMY OUTLOOK & ECONOMIC IMPACT

Despite uncertainties arising from adverse geopolitical developments and the expansionary fiscal measures taken during the COVID-19 pandemic, the Indian economy has shown remarkable resilience and maintained healthy macroeconomic fundamentals. According to the First Advance Estimates of National Income for FY 2023-24, India's Real GDP is projected to grow at an impressive 7.3%, reflecting strong domestic demand for consumption and investment, alongside the government's continued emphasis on capital expenditure. The industry and services sectors have been the primary growth drivers in the first half of FY 2023-24, positioning India as the fastest-

growing major advanced and emerging market economy during this period. The International Monetary Fund (IMF) projects India to become the third-largest economy by 2027 at market exchange rates and estimates that India's contribution to global growth will rise by 200 basis points over the next five years.

A significant factor driving this robust growth has been the tripling of capital expenditure outlay over the past four years, which has had a substantial multiplier effect on economic growth and employment creation. Union Minister for Finance and Corporate Affairs, Smt. Nirmala Sitharaman, announced an 11.1% increase in capital expenditure outlay for the next year, amounting to Rs. 11,11,111 crores, representing 3.4% of GDP. This strategic allocation underscores the government's commitment to strengthening growth momentum. To further support this initiative, the government has allocated Rs. 1.3 lakh crore in the Budget Estimates (BE) for 2023-24 towards fifty-year interest-free loans to states to boost their capital expenditures, a scheme set to continue in the coming year. Foreign Direct Investment (FDI) has also played a crucial role in sustaining economic growth. Smt. Sitharaman highlighted that the period from 2014 to 2023, termed the golden era for FDI inflows, saw a total inflow of USD 596 billion, which is double the figure recorded during 2005-14. To encourage sustained foreign investment, India is negotiating bilateral investment treaties with foreign partners under the 'First Develop India' initiative.

Macroeconomic stability and improvements in India's external position have been pivotal in maintaining economic resilience. The significant moderation in the current account deficit and the revival of capital flows, supported by a robust foreign exchange reserves buffer, have contributed to the stability of the Indian rupee during FY 2023-24. Additionally, proactive supply-side initiatives by the government have effectively moderated inflationary pressures.

The strategic priorities for FY 2024-25 focus on creating a more inclusive, sustainable, and resilient domestic economy capable of absorbing unanticipated shocks. This includes directing increased resources towards capital spending to sustain infrastructure development momentum, supporting states' capital spending through fiscal federalism, and emphasizing integrated and coordinated planning and implementation of infrastructure projects under the PM Gati Shakti principles. The government also prioritizes expenditure towards key developmental sectors such as drinking water, housing, sanitation, green energy, health, education, agriculture, and rural development to ensure long-term sustainable and inclusive betterment of its citizens. Additionally, enhancing the effectiveness of cash management through systems like SNA/TSA is crucial for the just-in-time release of resources.

## **CURRENT GEOPOLITICAL SENARIO**

The year 2024 is shaping up to be a pivotal year for global geopolitics, marked by a significant transformation across domestic and international fronts. The world is experiencing the highest number of military conflicts since the Cold War, with major hotspots influencing international relations across continents. Two prominent conflicts are at the forefront: the ongoing war in Ukraine, initiated by Russia, and the Israel-Hamas clash in the Middle East.

### **Major Conflict Zones and Diplomatic Efforts**

In Ukraine, Russia's persistent ambition for complete subjugation poses a continuous threat to European stability. The reduction in Western military and financial support for Kyiv could potentially lead to further territorial expansions by Moscow in the upcoming year. On the other hand, the Israel-Hamas conflict has ignited a significant humanitarian crisis in the Gaza Strip. Although there are emerging signs of potential diplomatic negotiations and ceasefire talks, the road to a two-state solution remains challenging, with the Palestinians facing the enormous task of rebuilding.

The year 2023 witnessed a grim episode of ethnic cleansing in Nagorno-Karabakh, where nearly 120,000 Armenians were displaced due to Azerbaijan's military actions. However, there is a glimmer of hope with the potential normalization of Armenia-Azerbaijan relations in 2024, which could benefit global trade routes, especially the International North-South Transport Corridor (INSTC) via Iran and Central Asia to Russia. This development is particularly significant given the suspension of the India-Middle East-Europe Corridor (IMEC) project due to military tensions in the Gulf region following the Israel-Hamas conflict.

### **Geopolitical Shifts in the Indo-Pacific and Beyond**

The Indo-Pacific region is another critical area of geopolitical tension. The possibility of China and Russia opening a third front to challenge American influence is high, particularly before the US presidential election. Russia's

collaboration with North Korea, providing rocket and satellite technology in exchange for ammunition, adds another layer of complexity. Meanwhile, China's increased military activities in the South and East China Seas further complicate the situation. This evolving scenario suggests a Cold War 2.0 involving the US, China, and Russia, with a low likelihood of direct military confrontation but significant geopolitical ramifications.

Amid these global tensions, India emerges as a potential major beneficiary. Strategically positioned between the conflicting interests of the US, China, and Russia, India's focus on domestic and regional stability is likely to intensify following the 2024 elections. The disruption of global supply chains and the US-China mutual decoupling position India as a prime destination for redirected global capital, new technological investments, and enhanced global and regional partnerships. India's predictable political leadership and increased engagement with the West, as well as within frameworks like BRICS and G20, will solidify its position, though risks from terrorism and climate-related events remain.

### **Europe's Geopolitical Challenges**

Europe faces significant geopolitical challenges, being one of the primary casualties in the current transformation of international relations. The continent is experiencing the most tumultuous period in recent history, exacerbated by demographic, structural, and systemic challenges. The 2024 election cycle is expected to heighten political polarization, leading to surges in both right- and left-wing populism and significant reshuffles within European institutions. This period signals the end of the dominance of traditional and centrist parties, which have historically represented a large segment of the middle class. Additionally, Europe's economic situation is deteriorating due to the security challenges and complicated relations with China, further emphasized by the emergence of a new 'Iron Curtain' stretching from Scandinavia through the Baltics, Central and Eastern Europe, to the Black Sea and Turkey.

### **The Rise of Middle Powers and Geopolitical Realignment**

In this shifting landscape, 'middle powers' or 'swing states' are gaining increased geopolitical relevance. Countries like Mexico, Indonesia, Brazil, and Türkiye are poised to elevate their presence on the global stage, buoyed by their strategic locations, technological prowess, or access to critical raw materials and rare earths. These countries' fluid alignments between America and China will continue to erode the coherence of global organizations and networks.

The relationships between major Asian powers, particularly China and India, are becoming more significant. While some tensions may arise in 2024, both nations are expected to manage their relationship to ensure regional stability. Additionally, the strategic coordination between China and Russia, known as the 'DragonBear' modus vivendi, juxtaposed against the US's strategic pivot towards the Indo-Pacific, further diminishes Europe's geopolitical importance.

In 2024, India's geopolitical landscape will be significantly influenced by global tensions and transformations. Positioned strategically between the US, China, and Russia, India stands to benefit amid these rivalries. As global supply chains face disruptions and US-China decoupling intensifies, India is set to attract redirected global capital, new technological investments, and enhanced partnerships. This influx will bolster India's economic growth and technological advancement, positioning it as a key player in global trade. India's political stability post-2024 elections will further enhance its appeal as a reliable partner. Increased engagement with Western countries, alongside its involvement in BRICS and G20, will solidify India's geopolitical standing. However, India must navigate risks such as terrorism and climate-related events, which could impact its progress. The Indo-Pacific region's heightened tensions, with potential Chinese and Russian challenges to US influence, will require India to maintain a delicate balance in its foreign relations. Strengthening military and strategic partnerships, especially with the US and other Quad members, will be crucial for safeguarding its interests. India's role as a mediator in regional conflicts, such as the normalization of Armenia-Azerbaijan relations, could further enhance its diplomatic influence. Additionally, India's involvement in major global trade routes, like the International North-South Transport Corridor (INSTC), will boost its strategic importance.

## **GLOBAL WATER AND WASTEWATER TREATMENT MARKET**

The difference between the world's water supply and demand is predicted to increase to 40% by 2030. Demand already outpaces supply in many areas, and in other areas, water shortage is impeding economic progress. It is noted that demand has been outpaced in recent years for world water demand and supply due to rapid growth in population, expansion in industrial activities and climate change impact. We derived this information from reliable



sources that specialize in water resource management and global water challenges. Specifically, the “**WATER RESOURCES MANAGEMENT**” report published by The World Bank on October 22 and the article titled "Global freshwater demand will exceed supply 40% by 2030, experts warn" published by the World Economic Forum on March 23 serve as key references supporting the projected increase in the water supply-demand gap. While economic development and more unpredictable weather patterns enhance competition for access to water, affecting citizens, farms, industries, and governments, water insecurity raises the possibility of a global food crisis. This indicates that various stakeholders from all spheres of society must be involved in any solutions to the global water dilemma. Improved water supply and sanitation, and better water resource management boost global economic growth and contributes significantly to poverty eradication. Furthermore, investing in water and wastewater treatment solutions is a good business, as new and more advanced solutions, equipment, and enhanced water management solutions can be developed, and deployed, and enhance or increase efficiency of treatment and production and productivity within economic sectors.

The importance of sustainability and the need to mitigate climate change, issues related to water, rapid urbanization along with increasing global population have been gaining significant prominence in recent years. According to the 2015 United Nations World Water Development Report, the world is expected to register a 40% decline in water supply by 2030 unless the management of this resource is dramatically improved. The complexities associated with water treatment including technological, logistical, and regulatory make bundled design, construction and operation service packages highly profitable. In addition, water infrastructure, industrial needs, and uses together with environmental norms and regulations make the global water quality monitoring equipment for highly sensitive and competitive applications. There are numerous measurement methods for identifying the amount of organic and inorganic substances in water and wastewater, including DO, BOD, COD, and TOC to name a few.

A large amount of wastewater treated by municipal and industrial wastewater treatment plants makes the regulation of treated wastewater an effort crucial to the health and safety of humans and the environment. Because there can be striking variations in flow rate and organic content of water coming to a treatment plant which results from surge in rainfall or changes in the chemical usage in industrial plants, it is crucial to have access to reliable, real-time water quality data.

Wastewater treatment refers to the treatment of wastewater done in wastewater treatment plants operated by public departments or by private companies regulated by public authorities. ‘Population connected to wastewater treatment’ is the share of population with their wastewater being treated at wastewater treatment plants.

Freshwater is considered a finite resource, which is crucial for agriculture, industry, and human existence. If freshwater is unavailable in adequate quantity and appropriate quality, the goals for sustainable development cannot be attained. Water pollution coupled with wasteful use of freshwater threatens the future of development projects globally.

While the degradation of water quality is almost invariably the result of human activities, certain natural phenomena have also resulted in the reduction of water quality below the standard required for different purposes. Natural calamities such as torrential rainfall and hurricanes also lead to excessive erosion, mudflows, and landslides, which increase the content of suspended materials in rivers and lakes. In addition, naturally occurring areas of trace metals, high nutrients, trace metals, salts, and other constituents also limit the use of water. Common examples include salinization of surface waters through evaporation in semi-arid and arid regions. Another example can be the high salt content of some aquifers under some geological conditions. For instance, some aquifers have a high content of carbonates, and thus treatment before use for industrial applications is a necessity.

Almost all human activities can and do have an adverse impact on water quality. Water quality is influenced by Non-Point Source Pollution (NSP) through farming activities as well as Point-Source Pollution (PSP) mainly coming from sewage treatment and industrial discharge. Agricultural pollutants include excessive nutrients such as nitrates and phosphates, pesticides and fertilizers, sediments, and fecal microbes. Release of toxic chemicals and wastewater from factories and industries, over-flows from aquifers, long-range atmospheric transport of pollutants are among some major causes of water quality degradation currently.

### **Opportunities for Contractors or Technology/Equipment Providers**

Demand for water for municipal and industrial use has increased in parallel with expanding urbanization and industrialization in countries across the globe. This offers major growth potential for players operating in the water and wastewater treatment market as well as governments to focus on innovation and more advanced solutions, particularly in the areas of infrastructure, technologies, and services. Major replacement or upgrade is required

for many current water and wastewater treatment plants to be able to cater to the more demanding standards. At both, the federal and state government levels, environmental clearances from pollution control bodies are a required. In addition, there has been a large investment gap in this market, which can be bridged by the private sector by choosing the right technologies, ratcheting up funding sources, and putting plans into action. Municipal wastewater collection, treatment and reuse presents the opportunity for both environmental restoration and for addressing rising water needs of various economic sectors.

For many economies, like India for instance, moving toward a circular economy is essential for guaranteeing social and economic stability. To do this, a framework that makes use of clever legislation, market-based tools, research and innovation, incentives, and information sharing for voluntary initiatives can be created. Also, rather than relying on solutions at the end of the product life, technology or equipment providers should be able to focus on building ways through the value chain. This can be accomplished by lowering the amount of energy used in production, reducing the volume of water needed to deliver services, thereby developing a market for secondary raw materials, encouraging and supporting waste reduction and high-quality waste separation by consumers, and facilitating clustering of activities so as to prevent by-products from becoming waste. In addition, freshwater allotment for drinking in urban and rural areas must be rationalized to account for the specific industry. Adopting micro irrigation techniques should similarly promote efficient water use in agriculture applications. For wastewater to be recycled and reused, each of these uses should be dependent on the others.

India mostly imports water treatment equipment from the U.S., China, and other economies. However, businesses with offices in India of all sizes and specialties will discover exciting market potential in the country, especially if these businesses provide goods and services for gathering, transporting, treating, monitoring, and analysis of water and wastewater for a variety of end-uses and consumers. There are currently well-established water treatment companies in India that offer cutting-edge technologies, but some face difficulties that must be overcome and solutions explored, which in future could open up and present major revenue potential and expansion opportunities for market players.

Companies can focus on specializing in the following infrastructure solutions, technologies, and services, which will be well-positioned to cater to needs in the market and can provide great opportunities. Some include:

- Integrated solutions such as performing feasibility studies, designing, technical consulting and providing operation and online maintenance services; and successfully offer such solutions
- Companies should consider entering into JV or other types of partnerships or mergers with strategic depth
- Systems and equipment for water supply, sewerage treatment, as well as efficient use and reuse of water such offerings should be addressed primarily to industrial sectors which account for a high degree of pollution
- Develop advanced technical designs and equipment for wastewater systems (collection, conveyance, monitoring, and analysis)
- Innovate with equipment for wastewater treatment, including treatment technologies, biogas regeneration through anaerobic treatment of municipal and industrial wastewater
- Technical designs, equipment and maintenance of equipment for disinfecting water by electrolysis
- Explore more solutions for the efficient use of water.
- Instruments to analyse water (including water-saving devices for private households)
- Water purification systems for municipal, community, and household use
- Technical designs and equipment for rainwater harvesting systems
- Equipment for water saving and water recycling
- Systems for rehabilitation of sewage (including septic system rehabilitation)
- Packaged and transportable sewerage and wastewater treatment systems

These requirements can be transformed into growth opportunities by key players such as contractors and technology, or equipment providers in the future.

## **INDIA CURRENT KEY PRACTICES IN WATER AND WASTEWATER MANAGEMENT**

India accounts for 2.45% of land area and 4% of water resources of the world but represents 16% of the world population. With the present population growth-rate (1.9% per year), the population is expected to cross the 1.5 billion mark by 2050. The Planning Commission, Government of India has estimated the water demand increase from 710 BCM in 2010 to almost 1180 BCM in 2050 with domestic and industrial water consumption expected to increase almost 2.5 times. The trend of urbanization in India is exerting stress on civic authorities to provide

basic requirement such as safe drinking water, sanitation and infrastructure. The rapid growth of population has exerted the portable water demand, which requires exploration of raw water sources, developing treatment and distribution systems.

With a geographical territory of nearly 3.287 million square kilometers, the vast land of India relies on rivers, oceans and lakes for its reserves. For instance, rivers like the Ganga, Yamuna and Brahmaputra among the other major 19 rivers provide water to the northern region. Whereas the rivers, Cauvery, Krishna and Godavari constitute the prominent water resources of south India. Dam projects like the Tehri Dam of Uttarakhand and the Bhakra Nangal project in Himachal Pradesh are providing a boost to the optimum utilization of this resource for energy generation within the country. Although the country accumulates nearly 4000 BCM annually, as per the CWC of India, nearly 80-95% of water is accumulated during the monsoon season, ranging from June to September. Hence, being rain dependent is seen to increase the pressure on the limited supply of water. Furthermore, the growing population of the country, increase in urbanization, agricultural demand as well as industrial progress has resulted in a 20% fall in per capita water availability from 2000 to 2020. Additionally, although water consumption per person is nearly 2 liters for survival, with a population of 1.4 billion, the country is facing an acute water crisis. It has also been reported by the NCIWRD in 2020, that the proportion of water used for agriculture has been reducing since the past two decades, and is seen to be diverted for industrial uses. For instance, almost 83.30% of total water storage was being availed by agriculture, whereas the NCIWRD states that 72.48% would be used by this primary sector till 2025. Hence, there has been a shift of directing water resources towards industrial and chemical developments such as infrastructural projects and fossil fuel extraction. Similarly, the Central Pollution Control Board of India suggests that 500 BCM capacity of water is utilized by various processing and manufacturing industries out of the 4000 BCM acquired per year. Chemical residues, effluents being released in lakes and rivers along with a deterioration of water quality are the negative impacts of this precious resource being heavily used in production sector and being disposed of incorrectly in India.

Such waste water consists of solid waste, toxic waste as well as chemical waste generated by factories and warehouses. Chemicals and reagents like phenols, arsenic, cadmium and lead among other materials are being detected in India's such waste waters regions. These materials, also known as persistent bio accumulative toxins, are hazardous for aquatic flora, fauna, and for humans. As a result, up to 70% of surface water in the country is contaminated with 40 million liters of such polluted water entering other water bodies, as per the Asian Development Research Institute. Although such contamination might be restricted to industrial areas, their harmful reverberations affect the overall ecosystem, ranging from saline and toxic groundwater and soil for agriculture, up to the excess load on water purification systems in cities. This has also led to the rise in water borne diseases, owing to poor sanitation and water hygiene in rural regions. For example, 37.7 million people are being affected by waterborne diseases like cholera and typhoid in the country, according to a UNICEF report in 2019. There is a pressing need for waste water management in urbanized industrial zones such as the Gurgaon-Delhi-Meerut zone and Mumbai-Pune region. Many governmental programs, incentives and private players are encouraging the growth of the water and wastewater treatment industry in India.

As a result, with the advent of newer technology in purification processes, great involvement of the Indian government in curbing water waste generation and control of industrial effluents through different programs is supporting this sector. Additionally, the growing participation from private companies to produce mechanical parts for treatment plants and a rising awareness about environmental issues is propelling the water and wastewater treatment industry forward. Furthermore, the global influence of sustainable development and funds for research and development in the sector are also some of the important influencing factors for the growth of this sector in the country.

### **Reuse and Recycling**

Water reuse and recycling have become increasingly important strategies in India due to the growing water scarcity and pollution challenges faced by the country. Several initiatives and practices have been implemented to address these issues and promote sustainable water management. Industries are encouraged to implement water recycling and reuse practices to minimize their impact on freshwater sources. Many industries, such as textile, paper, and chemical, have adopted technologies to treat and reuse their wastewater for production processes. Many cities in India have established wastewater treatment plants to treat and recycle domestic and industrial wastewater. These plants use various treatment processes to remove pollutants and pathogens from wastewater before releasing it into water bodies or reusing it for non-potable purposes such as irrigation and industrial processes.

An exponential increase in urban population, would be a challenge for water management in the country. Furthermore, insufficient and restricted wastewater treatment facilities endanger water quality and public health. In India, the total installed capacity to treat wastewater (domestic sewage) from urban areas is 44%, or 31,841 MLD, compared to an estimated daily sewage output of 72,368 MLD. The actual treatment rate is only 28%, or 20,236 MLD. Even in class I (populations over 100,000) and class II (populations 50,000-100,000) towns, which account for 72% of the urban population, only 30% of the wastewater gets treated, i.e., 11,787 MLD vs the 38,254 MLD created. An demand would place a large extra pressure on already restricted freshwater supplies. The remaining untreated wastewater is released into natural water bodies such as rivers and lakes, causing contamination and affecting water quality, particularly in downstream settlements. Nonetheless, India has made significant headway in boosting its operational treatment capacity, increasing from 18,883 MLD in 2014 to 26,869 MLD in 2020, a 40% increase. However, much more has to be done to manage wastewater and meet the issues created by lack of water.

### **Wastewater Scenario in India**

With 1.38 billion inhabitants, India is the world's most populous country. According to the United Nations (2021), 67% of the population lives in rural areas, while 33% is connected to metropolitan centers. The country's urban cities are expanding rapidly as a result of economic development and reforms. This increase in urban population is unsustainable without effective city planning and the supply of utility services, particularly clean and inexpensive water. Water is often allocated in cities from a shared pool with multiple sectoral needs. It is projected that by 2050, around 1450 km<sup>3</sup> of water would be required, with approximately 75% being utilized in agriculture, 7% for drinking water, 4% in industry, and 9% for energy generation. However, due to increasing urbanization, the need for drinking water will trump rural water requirements. Many towns are located on river banks, where fresh water is used by the people and waste water is disposed of back into the river, contaminating the water supply and irrigation water. This has created significant difficulties for urban wastewater management, planning, and treatment. According to the CPCB, the predicted wastewater generation in rural areas was over 39,600 MLD, while in urban areas it was 72,368 MLD for the year 2020-21. The projected volume in big centres is about double that of rural areas due to the availability of more water for sanitation, which has raised the level of living.

As the country's population grows, so does the need for water and its management. Water scarcity is expected to become a serious issue in the future. Furthermore, pollution's impact on water supplies is a cause of worry. Some of the major causes of water pollution are the release of industrial waste, the discharge of untreated or partially treated municipal wastewater through drains, the discharge of industrial effluent, improper solid waste management, illegal ground water abstraction, encroachments in flood plains/riverbanks, deforestation, improper water shade management, and the non-maintenance of e-flows and agricultural runoff, among others. The Government of India has devised a number of initiatives that focus on water conservation and restoration.

As a consequence, the number of contaminated river lengths has decreased from 351 in 2018 to 311 in 2022, and water quality has improved in 180 of the 351 contaminated river lengths during 2018. According to research from the Ministry of Jal Shakti, a review of water quality over time reveals that in 2015, 70% of rivers examined were designated as contaminated, however in 2022, just 46% of rivers studied are identified as polluting. The need for water is only expected to rise in the coming years. The government's major priority is to provide safe drinking water. Drinking water quality has been a serious problem in rural regions over the years. The CWC examines the country's total water resources on a regular basis, and it has designated water supply for drinking purposes as the main priority in water distribution.

In India, the urban sewage generation was 72,368 MLD in 2020-21, whereas the existing sewage treatment capacity was 31,841 MLD. The operating capacity is 26,869 MLD, which is much less than the load generation. Only 28% of total sewage generation, or 20,236 MLD, was processed, implying that 72% of waste water is left untreated and is disposed of in various water bodies such as rivers, lakes, or subterranean water. There has been some capacity expansion, such as 4,827 MLD sewage treatment, but there is still a 35,700 MLD gap, or 49%, between waste water generation and treatment. According to a 2018 NITI Aayog assessment, India is one of the world's most water-stressed areas, with 600 million Indians under high water stress. According to the analysis, by 2030, water demand may be twice as high as supply, resulting in acute water scarcity for millions of people and a 6% drop in the country's GDP. As a result, knowing and managing our water demands and resources efficiently is becoming increasingly important. Reusing and recycling our water resources is critical for a sustainable future. According to the UN Waste Water Assessment Program assessment, high-income nations treat around 70% of the wastewater generated. In upper-middle-income nations, the percentage falls to 38%, 28% in lower-middle-income countries, and 8% in low-income countries. This amounts to around 20% of worldwide wastewater treatment. According to a recent CPCB report (March 2021), India's present water treatment capacity is 27.3% and its sewage

treatment capacity is 18.6% (with an additional 5.2% capacity being built). Though India's waste and sewage treatment capacity is greater than the global average of roughly 20%, given the magnitude of the problem, it is far from adequate, and without immediate action, major difficulties might arise.

#### **REGION-WISE SEWAGE GENERATION AND TREATMENT CAPACITY OF URBAN CENTERS-INDIA, 2020 (MLD)**

<b>East India</b>	12,226	1,345	1,553	440
<b>West India</b>	19,212	13,356	3,161	11,332
<b>South India</b>	20,851	6,114	23	4,869
<b>North India</b>	16,894	11,026	90	10,228
<b>TOTAL</b>	<b>72,368</b>	<b>31,841</b>	<b>4,827</b>	<b>26,869</b>

*Source: Central Pollution Control Board, National Inventory of Sewage Treatment Plants, Ministry of Jal Shakti*

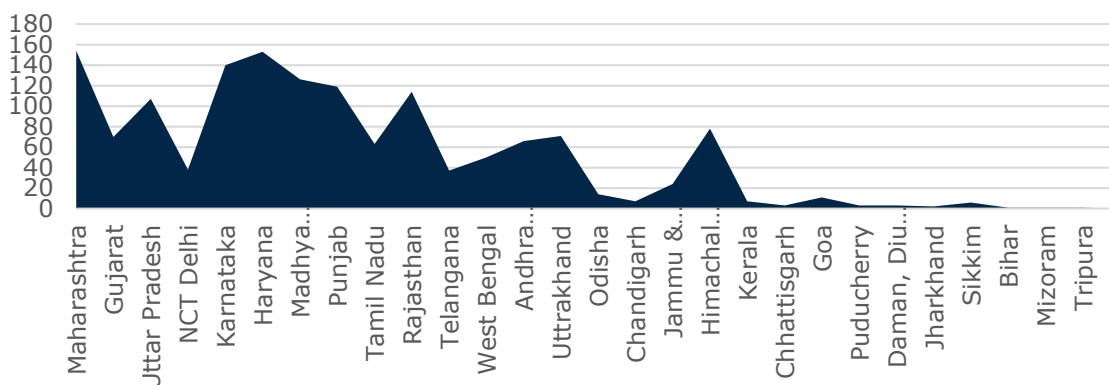
Currently, there is no centrally mandated policy requirement for wastewater management in India. Water resources are mismanaged as a result of policy gaps and the lack of a defined regulatory framework. Untreated sewage waste is a major source of surface and groundwater contamination in India. The Water (Prevention and Control of Pollution) Act of 1974 was the country's first legislative legislation addressing the subject of water pollution and conservation. This Act addresses wastewater discharge as a pollution issue. This Act establishes Central and State Pollution Control Boards to be in charge of water pollution prevention and control. It punishes the act of interfering with water flow by discharging noxious chemicals into streams, wells, sewers, or land. SPCBs' operations on the ground are more thorough and direct, since it inspects sewage and trade effluents, wastewater treatment plants, and examines and establishes standards for the same. SPCBs' operations on the ground are more thorough and direct, since it inspects sewage and trade effluents, wastewater treatment plants, and examines and establishes standards for the same. According to a 2019 study report of Niti Ayog, most of the STPs created under the Ganga Action Plan and Yamuna Action Plan are not operational, and only 7000 MLD of waste is collected and processed out of the 33000 MLD generated. According to the report, the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) adopted the National Policy on FSSM in 2017 because "only 64% of India's 846 municipal sewage treatment plants were operational, resulting in a net capacity to process only 37% of the total human waste generated every day in urban India." According to official figures, 62.5% of metropolitan India's wastewater remains untreated or inadequately treated. Water pollution, conservation, recycling, reuse, and recharging are all exacerbated by the country's limited wastewater treatment infrastructure and inadequate operational maintenance.

The issue of river pollution in India is a matter of great concern and responsibility, governed by the constitutional provisions and environmental regulations of the country. The Constitution of India, under the seventh schedule (Article 246), designates 'Water' as a State subject. Consequently, it is the responsibility of the individual States and UTs to ensure the cleanliness and development of rivers within their respective jurisdictions. This distribution of authority underscores the federal nature of India's governance, where States play a pivotal role in managing their water resources.

Cleaning rivers is an ongoing and multifaceted process, necessitating collaborative efforts between the Central Government and State/UT Governments. The Government of India, recognizing the gravity of the situation, supplements the endeavors of the State/UT Governments in addressing the challenges posed by river pollution. This support takes the form of financial and technical assistance. Financial assistance is extended to the State/UT Governments for pollution abatement in identified stretches of various rivers. This initiative falls under the Centrally Sponsored Scheme of the National River Conservation Plan (NRCP). The financing is based on a cost-sharing arrangement between the Central and State/UT Governments.

The issue of river pollution in India is a multifaceted challenge that requires concerted efforts from various stakeholders. The constitutional provisions assign the responsibility of managing rivers to State and UT governments, with the central government offering crucial financial and technical support. The NRCP and Namami Gange program have made substantial progress in cleaning and conserving rivers, with a significant increase in sewage treatment capacity. Additionally, other urban development programs contribute to sewerage infrastructure development. Stringent environmental regulations, backed by punitive actions, ensure compliance with pollution control norms by industrial units and local bodies. Encouraging sustainable practices, such as wastewater reuse and Zero Liquid Discharge, are pivotal in reducing the environmental footprint.

## STATE-WISE INSTALLED STP'S



Source: Central Pollution Control Board, National Inventory of Sewage Treatment Plants

The expected sewage generation is 72,368 MLD, whereas the existing treatment capacity is 31,841 MLD (43.9%). The operationalized capacity is 26,869 MLD (84% of the total installed capacity of 31,841 MLD). Similarly, actual used capacity is 20,235 MLD (75%) of operating capacity is 26,869 MLD. This is due to a lack of conveyance infrastructure (household connection, sewer lines, and sewage pumping stations). States deploy STPs based on various treatment technologies ranging from conventional to sophisticated technology. STPs based on SBR treatment technology have been erected and dominant in the majority of states and territories. This is followed by STPs based on ASP technology. In all, 490 STPs are planned to use SBR technology, with 321 STPs using the ASP. UASB technique is used in 76 STPs. STPs based on natural treatment systems are being constructed around the country in addition to conventional treatment technologies. 67 STPs are based on the Waste Stabilization Pond technology, whereas 61 STPs are Oxidation Ponds. The top five states with substantial sewage treatment facilities are Maharashtra, Gujarat, Uttar Pradesh, NCT of Delhi, and Karnataka. These five states provide a total of 19,250 MLD, or 60.5% of the country's total installed treatment capacity. In addition to the one mentioned above, the states of Haryana, Madhya Pradesh, Punjab, Tamil Nadu, and Rajasthan, totalling 86% (approx.) of total installed treatment capacity.

There are no STPs in Arunachal Pradesh, Andaman and Nicobar Islands, Lakshadweep, Manipur, Meghalaya, or Nagaland. The compliance status of eight states and UTs (Gujarat, Himachal Pradesh, Kerala, Pondicherry, Sikkim, Chandigarh, Chhattisgarh, and Madhya Pradesh) has not been disclosed. Treatment capacity developed per capita is higher in Chandigarh (240 LPCD), Haryana (184 LPCD), NCT of Delhi (151 LPCD), Punjab (141 LPCD), and Maharashtra (115 LPCD). 29 states and territories have treatment capacities of less than 100 LPCD.

The state of Maharashtra has the most installed as well as compliant treatment capacity. However, the per capita installation capacity is highest in the UT of Chandigarh (240 LPCD), whereas Maharashtra has a per capita treatment capacity of 115 LPCD. The state of Haryana has the highest compliant per capita treatment capacity (142 lpcd), whereas Maharashtra has the lowest (58 LPCD). The NCT of Delhi has the fourth greatest treatment capacity of 2896 MLD and the third highest per capita treatment capacity of 151 LPCD, although the complying treatment capacity is only 4 LPCD.

## STATE-WISE DETAILS OF SEWERAGE GENERATION AND STP CAPACITY AS PER NGT ORDER, DECEMBER 2023

S. No.	State / UT	Sewage Generation (in MLD)	Existing STP capacity (in MLD)	Capacity Utilization as shown in data (In MLD)	Gap in Treatment at present (in MLD)
1.	Andhra Pradesh	1,503.2	535.45	382.81	1120.39
2.	Arunachal Pradesh	236.48	Nil	Nil	236.48 (NGT accounted gap for 100 MLD)
3.	Assam	435.35	-	-	435.35
4.	Bihar	2371	178.73	-	2193

S. No.	State / UT	Sewage Generation (in MLD)	Existing STP capacity (in MLD)	Capacity Utilization as shown in data (In MLD)	Gap in Treatment at present (in MLD)
		(110 ULBs)			
5.	Chandigarh	220	242.63	216.75	3.25
6.	Chhattisgarh	600	360.5	178.6	421.4
7.	Delhi	3482	2865	2403	1079
		(768 MGD)	(632 MGD)		
8.	Goa	52.09	80.35	-	4.72
9.	Gujarat	4414	4754	3409	1005
10.	Haryana	Urban: 1508	1835	1465	43
		Rural: 104.5	56.37	56.37	48.13
11.	Himachal Pradesh	91.95	114.8	Not given	22.15
12.	J&K	523	242.4	242.4	144.82
13.	Karnataka	3356.5	1929.1	1929.1	1427.4
14.	Kerala	1192 Sewage	-	-	42.3
		2783 Sullage			(1000 MLD)
15.	Lakshadweep	2.83	2.83	2.83	0
16.	Madhya Pradesh	Urban: 2183.7	1311.99	696.03	1487.73
17.	Maharashtra	9758.53	4338.2	4338.2	5420.33
18.	Meghalaya	51	0.115	0.115	51
19.	Nagaland	91.2	-	-	91.2
20.	Odisha	642.373	128	128	514
21.	Puducherry	92.1	56	56	36.1
22.	Rajasthan	1551	1085	700	1250
23.	Sikkim	Urban: 18.79	18.79	18.79	0
		Rural: 28.89			
		Total: 47.68	22.5	22.5	25.18
24.	Tamil Nadu	4001.02	3139.04	2519.54	1031.77
				3139.04	
25.	Telangana	2750	925.58	925.58	1824.42
26.	Tripura	Urban: 82.4	8.72	-	73.68
		Rural: 145.03	25.83	-	119.2
27.	Uttar Pradesh	5500	3860	Not given	1640
					-2500
					59.78
28.	Uttarakhand	484.78	425	Not given	(in terms to treatment capacity)
29.	West Bengal	2758	1505.85	1268	1490
30.	Punjab	2128	1786	1429	700
		(166 ULBs)			
31.	Andaman & Nicobar	19.20 (PBMC)	2.303	2.303	16.897
		2.55 (GP) 21.75			
32.	Manipur	-	Urban: 85	21	64
			Rural: 30	Nil	30
33.	Mizoram	51.8	27.84	27.84	23.96
34.	Ladakh	18.08	3	3	15.8
35.	Dadra & Nagar Haveli & Daman & Diu	Urban: 21.63	34.21	4.39	17.24
		Rural: 71.08	(septic tank/soak pit)	-	-
		Total: 92.71			
36.	Jharkhand	452	Not given	123.74	328.26
<b>Total</b>		52,644.00	31,885.14	22,491.02	25,995.26

### **Opportunities in sewage treatment**

- **Rising Urbanization and Infrastructure Needs:** Given the rapid urbanization and corresponding increase in sewage generation, there is an urgent need to address the existing sewage treatment gap. Additionally, future treatment capacity requirements must be anticipated and planned for.
  - **Utilization of Existing Infrastructure:** Current infrastructure is only being utilized at 75% of its operationalized treatment capacity. Strengthening the sewerage conveyance system, which includes the laying of sewer lines and individual household sewer connections, is crucial to meet current and future demand.
  - **Compliance and Operational Standards:** Only 23% of treatment capacity currently meets the agreed-upon standards for State Pollution Control Boards (SPCBs) and Pollution Control Committees (PCCs). There is a need to focus on the operation and maintenance of treatment facilities to ensure that Sewage Treatment Plants (STPs) achieve the desired quality of treatment.
  - **Use of Treated Sewage:** Urban Local Bodies (ULBs) should concentrate on using treated sewage for non-potable applications such as horticulture, irrigation, firefighting, industrial cooling, toilet flushing, non-contact impoundments, and washing (floors, roads, buses, trains, etc.).
  - **Industrial Use of Treated Sewage:** Treated sewage should be supplied to industrial clusters or zones for further treatment and utilization as required by the industrial zone.
  - **Innovative Approaches and Technology Integration**
  - **Decentralized Treatment Systems:** Implementing decentralized treatment systems, such as community-level STPs, can reduce the burden on central treatment plants and ensure more localized and efficient treatment.
  - **Smart Water Management Solutions:** Integrating IoT and AI-based smart water management solutions can optimize sewage treatment processes, improve efficiency, and reduce operational costs.
  - **Public-Private Partnerships (PPPs):** Encouraging PPPs can bring in private sector expertise, investment, and innovative technologies to enhance sewage treatment infrastructure and services.
  - **Resource Recovery and Reuse:** Focusing on resource recovery from sewage, such as biogas production, nutrient recovery (phosphorus and nitrogen), and water reuse, can provide additional revenue streams and promote sustainability.
- Awareness and Capacity Building: Conducting awareness campaigns and capacity-building programs for stakeholders, including government officials, industry players, and the public, can drive better compliance and adoption of best practices in sewage treatment.

### **MARKET DRIVERS' ANALYSIS**

#### **Increasing demand for chemically treated water in various end-use segments**

The increasing demand for chemically treated water across various end-use segments reflects a fundamental shift in industrial and consumer preferences towards sustainable and safe water solutions. This trend is driven by several key factors, including growing awareness of water quality issues, stricter regulatory standards, and the need for efficient water management practices.

One of the primary drivers of this demand is the rising concern over water pollution and contamination. Industries such as manufacturing, agriculture, and mining are increasingly aware of the detrimental effects of untreated water on the environment and public health. As a result, there is a growing emphasis on implementing water treatment solutions that can effectively remove pollutants and harmful chemicals from water sources. Furthermore, the adoption of chemically treated water is also driven by regulatory requirements aimed at safeguarding water resources. Government agencies and environmental authorities are imposing stricter standards on water quality, mandating industries to treat their wastewater before discharge. This regulatory pressure is compelling businesses to invest in advanced water treatment technologies and services to ensure compliance and mitigate environmental risks.

In addition to regulatory compliance, the demand for chemically treated water is fueled by the need for sustainable water management practices. With water scarcity becoming a global concern, industries are seeking innovative solutions to reduce water consumption, recycle wastewater, and minimize their environmental footprint. Chemically treated water offers a viable option for recycling and reusing water resources, promoting water conservation and sustainability across various sectors. The agriculture sector is a significant contributor to the increasing demand for chemically treated water. With growing population and food demand, farmers are facing challenges related to water availability and quality. Adopting water treatment solutions enables farmers to improve



crop yields, reduce water usage, and mitigate soil contamination, ensuring sustainable agricultural practices for long-term productivity.

Moreover, the industrial sector, including manufacturing, energy production, and processing industries, relies heavily on chemically treated water for various processes. Water treatment plays a crucial role in ensuring the quality and safety of industrial processes, protecting equipment from corrosion and scaling, and meeting stringent quality standards for products. The commercial and residential segments also contribute to the demand for chemically treated water, driven by concerns over drinking water quality and health. Water treatment systems installed in homes, offices, and public facilities help remove contaminants such as bacteria, viruses, heavy metals, and chemicals, providing clean and safe drinking water for consumption.

### **Stringent regulatory and sustainability mandates concerning the environment**

The increasing demand for water and wastewater treatment solutions is driven by a confluence of factors, chief among them being stringent regulatory and sustainability mandates concerning the environment. In recent years, there has been a notable shift in global attitudes towards environmental stewardship, with governments, industries, and communities placing greater emphasis on responsible water management practices. This shift has been spurred by concerns over water scarcity, pollution, and the need to safeguard precious freshwater resources for future generations.

One of the primary drivers behind the surge in demand for water and wastewater treatment solutions is the tightening of regulatory frameworks worldwide. Governments and regulatory bodies are enacting more stringent standards and guidelines aimed at ensuring the quality and safety of water supplies. This includes mandates for wastewater treatment plants to meet higher effluent quality standards, reduce pollutant discharge levels, and implement advanced treatment technologies to address emerging contaminants.

Furthermore, sustainability has emerged as a key focal point for businesses across industries, including the water and wastewater treatment sector. Companies are increasingly recognizing the importance of adopting sustainable practices that minimize their environmental footprint and contribute to a more circular economy. This shift towards sustainability is driven by factors such as resource conservation, energy efficiency, and the adoption of eco-friendly technologies.

The nexus between regulatory compliance and sustainability has further accelerated the demand for innovative water and wastewater treatment solutions. Manufacturers and service providers in this sector are responding by developing cutting-edge technologies and systems that not only meet regulatory requirements but also deliver measurable environmental benefits. These include advanced filtration and purification technologies, energy-efficient treatment processes, and integrated water management systems that optimize resource utilization. Another significant driver of demand is the growing awareness among consumers and businesses about the importance of clean water and environmental sustainability. This heightened awareness has led to increased investment in water infrastructure projects, including the upgrading of existing treatment facilities and the development of new, more efficient systems. Additionally, industries such as agriculture, manufacturing, and healthcare are ramping up their efforts to minimize water usage, recycle wastewater, and implement sustainable water management practices.

The impact of climate change is also driving the need for enhanced water and wastewater treatment solutions. Changing weather patterns, prolonged droughts, and increased frequency of extreme weather events are putting additional strain on water resources. As a result, there is a growing imperative to develop resilient water infrastructure and deploy adaptive technologies that can cope with fluctuating water availability and quality.

### **Increase in industrial water consumption and discharge**

The increasing demand for water and wastewater treatment is primarily driven by the escalating levels of industrial water consumption and discharge. As industries expand and modernize, their reliance on water grows exponentially, leading to heightened concerns about water scarcity and pollution. This trend is particularly evident in sectors such as manufacturing, chemicals, and energy production, where large volumes of water are essential for various processes but also result in significant wastewater generation.

One of the key factors contributing to this surge in demand is the global economic growth, which has spurred industrial activities across diverse sectors. As industries scale up their operations to meet market demands, their water requirements amplify proportionally. This is further compounded by the increasing emphasis on sustainability and environmental regulations, which necessitate more stringent water management practices,

including efficient water usage and thorough wastewater treatment. Moreover, rapid urbanization and population growth have intensified the strain on water resources, prompting industries to adopt advanced water treatment technologies to ensure compliance with regulatory standards and mitigate environmental impact. This includes the implementation of sophisticated filtration systems, membrane technologies, and chemical treatments to treat wastewater before discharge into water bodies or reuse within the industrial processes.

The rise in industrial water consumption is closely linked to the expansion of sectors such as manufacturing, mining, and food processing, where water plays a crucial role in production processes and cooling systems. As these industries expand their capacities, their water demand rises accordingly, necessitating investments in water treatment infrastructure and technologies to manage the resulting wastewater effectively. Furthermore, increasing awareness among industries about the importance of water conservation and sustainable practices has led to a shift towards adopting eco-friendly water treatment solutions. This includes the adoption of technologies like reverse osmosis, ultraviolet disinfection, and advanced oxidation processes to achieve higher levels of water purity and minimize environmental impact.

Additionally, regulatory bodies worldwide are imposing stricter guidelines and standards regarding wastewater discharge and pollution control. Non-compliance with these regulations can result in hefty fines and reputational damage for industries, compelling them to invest in robust water treatment systems to meet regulatory requirements and maintain operational continuity. The growing demand for water and wastewater treatment solutions has also created opportunities for innovative approaches, such as water recycling and resource recovery from wastewater streams. These initiatives not only contribute to water conservation but also offer economic benefits through the recovery of valuable resources like energy and nutrients from wastewater.

## **MARKET RESTRAINTS ANALYSIS**

### **Lack of water and infrastructure management**

Lack of water and infrastructure management poses significant restraints on the growth of the water and wastewater treatment market. This challenge is particularly acute in regions where water scarcity is a pressing issue, exacerbated by factors such as climate change and rapid urbanization. One of the primary issues is the inefficient use and distribution of water resources, leading to increased pressure on existing treatment facilities and water supply networks. Inadequate infrastructure investment further compounds these problems, as outdated or poorly maintained water treatment plants struggle to meet the escalating demands for clean water.

A key consequence of this lack of management is the strain it places on water treatment systems. Aging infrastructure often leads to leaks, pipe bursts, and water losses, reducing the overall efficiency of water supply networks. This not only results in wasted water but also compromises the quality of water reaching consumers. As a result, there is a growing need for investment in modernizing and upgrading water treatment facilities to ensure reliable and safe water supply.

Moreover, the lack of efficient water management practices contributes to pollution and environmental degradation. Untreated or inadequately treated wastewater is often discharged into water bodies, leading to contamination of freshwater sources and ecosystems. This not only poses risks to human health but also threatens biodiversity and ecosystem services. In regions where industries play a significant role, industrial wastewater discharge without proper treatment further exacerbates water pollution issues. Inadequate water and infrastructure management also hinders the adoption of advanced water treatment technologies and innovations. Without proper planning and investment, it becomes challenging to implement solutions such as membrane filtration, advanced oxidation processes, and decentralized water treatment systems. These technologies are crucial for addressing emerging contaminants, improving water quality, and enhancing the overall efficiency of water treatment processes.

The lack of effective management also impacts water reuse and recycling initiatives. In regions facing water scarcity, recycling and reusing treated wastewater for non-potable purposes such as irrigation, industrial processes, and environmental restoration are essential strategies. However, without proper infrastructure and management practices in place, realizing the full potential of water reuse becomes a formidable challenge. Furthermore, the financial constraints associated with inadequate water and infrastructure management limit the ability of governments and utilities to invest in sustainable water management practices. The high costs of upgrading and maintaining water treatment plants, expanding distribution networks, and implementing water conservation measures often exceed available budgets. This results in a cycle where the lack of investment leads to deteriorating infrastructure, increased operational costs, and ultimately, higher water tariffs for consumers.

## **High installation, equipment and operations costs**

High installation, equipment, and operations costs significantly restrain the growth of the water and wastewater treatment market. The water and wastewater treatment industry plays a critical role in ensuring environmental sustainability and public health by treating water for various purposes, including drinking, industrial processes, and agricultural use. However, the barriers posed by high costs hinder the widespread adoption and expansion of these essential services.

One of the primary challenges faced by stakeholders in the water and wastewater treatment sector is the substantial investment required for infrastructure development and installation of treatment facilities. Building and upgrading treatment plants, installing advanced equipment, and implementing cutting-edge technologies demand significant capital expenditure. This financial burden can deter both public and private entities from investing in new projects or expanding existing facilities, especially in regions with limited financial resources or competing priorities for infrastructure development.

Moreover, the complexity of water treatment processes adds to the overall cost of operations. Treating water to meet regulatory standards involves multiple stages, such as pre-treatment, filtration, disinfection, and sludge management, each requiring specialized equipment and skilled personnel. The operational costs include energy consumption for pumping and treatment processes, chemicals for disinfection and purification, maintenance of equipment, and labor costs for skilled technicians and operators. These ongoing expenses can escalate rapidly, especially for large-scale treatment facilities or systems serving densely populated areas.

In addition to the direct costs of installation and operations, regulatory compliance adds another layer of financial challenge for water and wastewater treatment providers. Stringent environmental regulations, quality standards, and monitoring requirements necessitate continuous investments in technology upgrades, process optimization, and regulatory compliance measures. Meeting these regulatory obligations often requires substantial investments in equipment upgrades, monitoring systems, and staff training to ensure adherence to evolving standards and guidelines.

## **MARKET OPPORTUNITIES ANALYSIS**

### **Adopting more sustainable approaches through reduce-recycle-reuse**

The adoption of more sustainable approaches through reduce-recycle-reuse presents a significant opportunity for the growth of the water and wastewater treatment market. As global concerns about environmental sustainability and resource conservation intensify, industries and communities are increasingly turning to innovative solutions to address water management challenges. This shift towards sustainable practices not only aligns with regulatory requirements but also offers economic and environmental benefits, driving the demand for advanced water and wastewater treatment technologies and services.

One of the key drivers behind the growing demand for sustainable water treatment solutions is the recognition of water as a finite and valuable resource. With the rise in industrial activities and urbanization, there has been a substantial increase in water consumption and wastewater generation. This has led to heightened concerns about water scarcity, pollution, and the impact on ecosystems. By adopting a reduce-recycle-reuse approach, industries and municipalities can minimize water wastage, reduce pollution, and optimize resource utilization, thereby contributing to water conservation efforts.

The reduce component of sustainable water management involves implementing measures to minimize water usage and waste generation. Industries are increasingly investing in water-efficient technologies, such as closed-loop systems, water recycling, and process optimization, to reduce their water footprint. This not only helps in conserving water resources but also leads to cost savings through reduced water consumption and lower wastewater treatment expenses.

Recycling water is another crucial aspect of sustainable water management. Advanced water treatment technologies, such as membrane filtration, reverse osmosis, and advanced oxidation processes, enable the purification and reuse of wastewater for non-potable applications such as irrigation, cooling water, and industrial processes. By recycling wastewater, industries can reduce their reliance on freshwater sources, alleviate pressure on water supplies, and mitigate environmental pollution from untreated discharges.

Furthermore, the reuse of treated wastewater presents opportunities for creating a circular economy in water management. Treated wastewater can be utilized for various beneficial purposes, including agricultural irrigation, groundwater recharge, and non-potable urban uses. This not only conserves freshwater resources but also reduces the need for costly infrastructure development for water supply. The adoption of sustainable water management practices is also driven by regulatory frameworks and sustainability mandates. Governments and regulatory bodies worldwide are imposing stricter regulations on water quality, discharge standards, and resource management. This regulatory environment incentivizes industries to invest in sustainable water treatment solutions to comply with standards and avoid penalties, thereby fueling market growth.

Moreover, the growing awareness among consumers, investors, and stakeholders about environmental stewardship and corporate responsibility is pushing businesses to prioritize sustainability in their operations. Companies that demonstrate a commitment to sustainable practices, including water conservation and pollution prevention, often enjoy reputational benefits, market differentiation, and access to green financing opportunities.

### **New initiatives supporting market growth**

In recent years, India has been witnessing a significant emergence of new initiatives aimed at bolstering the growth of the water and wastewater treatment market. With increasing urbanization, industrialization, and population growth, the demand for clean and accessible water has become a pressing concern. Consequently, both governmental and non-governmental entities have stepped up their efforts to address these challenges, leading to a surge in innovative initiatives that are reshaping the water and wastewater treatment landscape. One of the primary drivers of this transformation is the government's commitment to promoting sustainable water management practices. The Swachh Bharat Abhiyan (Clean India Mission) and the Namami Gange project are two noteworthy examples. The Namami Gange project, launched in 2014, focuses on cleaning and conserving the Ganges River, a lifeline for millions. The government's allocation of substantial funds towards these initiatives has not only enhanced wastewater treatment infrastructure but has also spurred investments in research and development of advanced technologies.

Moreover, the private sector has actively engaged in this domain, fostering innovation and competition. Startups and established companies alike are developing cutting-edge solutions for water and wastewater treatment. These range from decentralized and modular treatment systems to IoT-driven monitoring and management platforms. These initiatives are not only catering to the needs of urban areas but are also making inroads into rural communities that often lack access to clean water. Such diversification has broadened the market's scope and accelerated its growth.

The role of technology in transforming the water and wastewater treatment sector cannot be overstated. Advanced treatment methods such as membrane filtration, reverse osmosis, and ultraviolet disinfection are gaining prominence. These technologies are contributing to improved efficiency, reduced operational costs, and enhanced water quality. Partnerships and collaborations are also playing a pivotal role in this sector's evolution. Government bodies are partnering with international organizations and experts to leverage global best practices. Multilateral initiatives like the India-EU Water Partnership and joint ventures with international companies are fostering knowledge exchange and cross-border investments. These collaborations are instrumental in addressing complex challenges and facilitating the transfer of innovative solutions.

Furthermore, the growing awareness of water scarcity and pollution issues has mobilized civil society and non-governmental organizations to take proactive steps. Community-driven initiatives are empowering local communities to actively participate in water management, conservation, and treatment efforts. These initiatives have not only improved water quality but have also generated employment opportunities and enhanced socio-economic conditions in many regions.

### **Collaborations between public and private sectors**

PPPs are increasingly being used to finance and implement water and wastewater treatment projects in India. This is because PPPs can help to bring in the expertise and resources of the private sector to address the country's water challenges. Private sector involvement brings in much-needed investment for developing and upgrading water and wastewater treatment facilities. The public sector often faces budget constraints, and private companies can contribute capital to build and maintain treatment plants, distribution systems, and infrastructure. Private companies often possess advanced technological know-how and expertise in water and wastewater treatment processes. Collaborations allow the public sector to leverage these advancements, leading to more efficient and effective treatment methods. Private sector collaboration fosters innovation through research and development

initiatives. This can lead to the discovery of new treatment methods, improved equipment, and more sustainable solutions, enhancing the overall efficiency of water management. Private sector companies bring operational efficiency to water treatment processes. Their experience in project management, procurement, and operations can lead to streamlined processes, reduced costs, and optimized resource utilization.

Developing nations, confronted with the constraints of sustainability and financial viability as a result of the unavoidable reality of poor water supply and sanitation services and tight budgets, are exploring PPPs as a viable alternative to improve performance or create new sources. Water PPPs are increasingly being used by public utilities in a more focused manner, to manage a specific subset of activities or challenges, such as increasing energy efficiency and water availability through non-revenue water management, or development of a new water source, using lessons learned in the past and a better understanding of what PPPs in water can and cannot bring. The emphasis is on performance-based contracting, with payments made depending on outcomes.

Furthermore, the supply-demand imbalance for water and sanitation services is likely to grow in the near future: India's urban population is expected to exceed 600 million by 2031, more than double that of 2001 (HPEC, 2011). In light of lofty national goals, public and media pressure is increasing. The Indian Ministry of Urban Development has set a national service benchmark objective of continuous, around-the-clock water delivery services for all cities in India by 2031, demanding 100% coverage and a daily supply of 135 litres per capita for all households (Ministry of Urban Development 2008).

All cities will be equipped with underground sewerage systems, and 100% of wastewater will be collected and treated. Massive expenditures will be needed over the next 20 years to meet these lofty targets. Between 2012 and 2031, the total investment required in water supply and sewerage is anticipated to be over INR 563,598 crores (USD 90 billion) (HPEC, 2011). Expecting the public sector to fund such development wholly is patently unfeasible, and private-sector engagement will be one of the few viable alternatives open to Indian municipalities if service-level requirements are to be met. However, the growth of PPPs for water and sanitation has been restricted and much slower than in other sectors such as transportation and energy. According to the World Bank's PPI Database, between 1990 and 2012, India has just 13 PPP projects in the water and sanitation sector, accounting for less than 2% of all PPP projects (PPI Database, 2014). Water and sanitation received even less investment, accounting for 0.2% of overall PPP investments in India. However, the government has been launching various initiative such as AMRUT, National Mission for Clean Ganga (Namami Gange) and among others are projected to improve the PPP investment in India in water and wastewater treatment market.

## **MARKET CHALLENGES ANALYSIS**

### **Groundwater depletion and untreated water discharge**

One of the primary challenges posed by groundwater depletion is the increased concentration of contaminants in remaining groundwater sources. As water levels decline, contaminants like heavy metals, pesticides, and nitrates become more concentrated, rendering untreated water unsuitable for consumption or use in industrial processes. This heightened contamination underscores the urgent need for robust water treatment solutions capable of effectively removing these pollutants to meet quality standards and ensure public health and safety.

Moreover, groundwater depletion contributes to land subsidence, where the land surface sinks as aquifers are depleted. This phenomenon not only damages infrastructure such as buildings, roads, and pipelines but also alters the natural flow of water, leading to disruptions in ecosystems and water availability. These consequences further underscore the critical importance of sustainable water management practices and advanced wastewater treatment technologies to mitigate environmental impacts and ensure long-term water security.

In parallel, untreated water discharge poses significant challenges to water quality and ecosystem health. Industrial, agricultural, and domestic activities generate vast quantities of wastewater containing pollutants such as chemicals, pathogens, nutrients, and organic matter. Without proper treatment, this untreated wastewater is often discharged directly into water bodies, leading to pollution, eutrophication, and degradation of aquatic ecosystems. The discharge of untreated water not only harms aquatic life but also poses risks to human health and limits the usability of water resources for recreational and agricultural purposes. Additionally, the accumulation of pollutants in water bodies can have far-reaching consequences, including the spread of waterborne diseases, loss of biodiversity, and compromised water quality for downstream users.

### **Limited funds may pose challenges in certain regions**

India is a country with 28 states and 8 UTs and as India is developing nation some of the states in the country are still underdeveloped. Even by developing-country standards, India's regional growth has been notably unequal. Since the 1960s, India's regional growth has been polarized, with a high-income club and a low-income club. Gujarat, Maharashtra, Punjab, and Haryana are among the wealthy states, with Tamil Nadu, Uttar Pradesh and Karnataka joining recently. Orissa, Bihar, Rajasthan, Jharkhand, Assam, Arunachal Pradesh and Madhya Pradesh are among the states in the low-income club. Worryingly, the makeup of these clubs has essentially stayed consistent over the previous four decades. The central government allocates limited funds to low-income club states. There are a number of reasons for allocation of limited funds in these states which include geographical location, geopolitical scenario, availability of natural resources and among others. Therefore, the rate of industrial development in these states is very low. In addition, the abovementioned low-income states have low population compared to high income states therefore, while allocating funds to these states the central government consider the population of each state.

Water and wastewater treatment facilities require substantial investment for the construction, operation, and maintenance of treatment plants, pipelines, and distribution networks. Limited funds can hamper the development of new infrastructure and upgrades to existing facilities, leading to inadequate treatment capacity and inefficient operations. Advanced water and wastewater treatment technologies often come with higher costs. Limited funds can hinder the adoption of innovative technologies that could improve treatment efficiency and reduce environmental impacts. Without access to cutting-edge solutions, regions may struggle to address water quality and scarcity issues effectively. These states use allocate funds to fulfill basic needs of people and to provide adequate infrastructure. Therefore, the water and wastewater treatment market face significant challenge in the low income states. Due to lack funds pose a significant challenge for water and wastewater treatment market as the initial investment for the water and wastewater treatment is very high.

### **Lack of required techno-commercial awareness**

Firstly, the complexity of water treatment technologies and processes demands a deep understanding of both technical aspects and commercial viability. Many stakeholders, including policymakers, investors, and even some industry professionals, may lack the necessary expertise to evaluate the efficiency, cost-effectiveness, and sustainability of different treatment solutions. This lack of awareness often leads to suboptimal investment decisions, where short-term cost considerations overshadow long-term benefits and environmental impacts.

Moreover, the rapid evolution of water treatment technologies and the emergence of innovative solutions further exacerbate the challenge. Keeping pace with these advancements requires continuous learning and adaptation, which can be daunting for stakeholders without a strong techno-commercial background. As a result, they may overlook or underestimate the potential of newer, more efficient treatment methods, thereby impeding the industry's overall progress. Another critical aspect linked to techno-commercial awareness is regulatory compliance. The water and wastewater treatment sector operates within a highly regulated environment, with stringent standards and guidelines governing water quality, discharge limits, and environmental impact assessments. Failure to grasp the nuances of these regulations can lead to non-compliance issues, legal complications, and reputational damage for companies operating in this space. Additionally, navigating complex permitting processes and securing approvals often requires a deep understanding of both technical specifications and financial implications, highlighting the interconnectedness of technical and commercial knowledge in this industry.

Furthermore, the lack of techno-commercial awareness can hinder innovation and market competitiveness. In a rapidly evolving landscape where sustainability, efficiency, and cost-effectiveness are paramount, companies that embrace technological advancements and align them with market demands are better positioned for growth. However, without a thorough understanding of market trends, consumer preferences, and competitive dynamics, businesses may struggle to develop and market innovative solutions that resonate with stakeholders and drive market adoption.

### **Increasing R&D by companies in India**

India's water and sewage industries have seen significant development from private players due to available funds and grants for new entrepreneurship. The Startup India program, initiated by the Government in 2016, offers mentors and grants to over 74,750 organizations. Multinational water treatment companies like Evoqua Water Technologies have expanded their presence in India. Evoqua's Indian headquarters in Chennai, established in 2019, includes a Global Engineering and Technology Centre focused on pollution treatment. Major companies

like Denta Water & Infrastructure Ltd, Thermax Ltd., Voltas Ltd., GE Water and Process Technologies, and VA Tech WABAG Ltd. offer commercial water filtration solutions. VA Tech WABAG Ltd. partners with the Namami Gange Program to provide clean water solutions. Thermax Ltd. develops resin filtration technologies including products like Tulsion ADS 540 and Tulsion CH 92 for removing radioactive elements and contaminants in sewage and ETPs.

Nanotechnology research is gaining traction, utilizing nanoparticles to attract pure water and repel impurities. Companies like Voltas Ltd. provide nanofiltration cartridges. Evoqua Water Technologies also offers nanofiltration membranes, useful in desalination projects. Bhabha Atomic Research Center developed an energy-efficient filtration system for water purification in the Punjab region. IIT Madras incubates companies like InnoNano Research Pvt. Ltd., Innodi Water Technologies Pvt. Ltd., Aqueasy Innovations Pvt. Ltd., and VayuJal Technologies Pvt. Ltd. These startups focus on water technology research. InnoNano Research Pvt. Ltd. developed a nanotechnology-based treatment system for anion and metal removal, implemented in multiple Indian villages. Hydromaterials Pvt. Ltd. uses IoT to monitor nanotechnology-enabled arsenic and iron removal. EyeNetAqua Solutions Pvt. Ltd., incubated by the International Centre for Clean Water, employs IoT for smart water sensors that monitor pH levels, nitrate, chlorine, and fluoride. These sensors optimize filtration resources based on water quality. The product aligns with the Jal Jeevan Mission's norms, promoting commercial viability.

Private companies contribute significantly to water treatment technology development in India, partnering with educational institutions and government programs. Also, Indian startup Peore utilizes nanofiltration technology for water purification. It uses an intelligent semi-permeable membrane with a pore size of 0.001 microns, slightly larger than the pore size of reverse osmosis. This allows the membrane to differentiate between contaminants and essential minerals, ensuring mineral-rich water. Peore's nanofiltration membranes are configurable based on the type of water supply to produce natural spring-like drinking water. Besides, the startup's Tru-UV technology features a high reflectivity chamber in which water passes through quartz glass to maximize UV exposure. This deactivates bacteria, viruses, and other microorganisms. This drives advancements in solutions for industries, factories, and municipalities. The expanding role of private enterprises is expected to fuel further progress in the field.

### **Adoption of intelligent water solutions**

In India, this global initiative has gained significant importance due to the country's growing water-related challenges. Moreover, the rapid advancements in AI and IoT technologies are finding applications in various sectors, including manufacturing and production. These technologies, along with the concepts of Industry 3.0 and Industry 4.0, are playing a crucial role in the evolution of the Indian water and wastewater treatment sector. As the demand for efficient water management solutions rises, there is a notable shift towards the adoption of intelligent water systems. These systems prioritize sustainability, energy efficiency, and reduced carbon footprint. For instance, global companies like Hitachi Ltd. have introduced intelligent water systems that integrate smart monitoring controls and data management with water treatment processes. In India, Hitachi has collaborated with the government to implement smart water systems in villages, such as those in the Bhilwara district of Rajasthan, using IoT and OT devices.

India faces a pressing need for innovative solutions due to its significant water contamination issues, with around 70% of surface water being contaminated. To address this, companies like Xylem Water Solutions India have developed wastewater management equipment that optimizes energy usage and treatment processes, leading to substantial energy savings. International collaborations are also shaping the Indian water management landscape. Germany's Fraunhofer-Institut für Grenzflächen- und Bioverfahrenstechnik IGB has been working with Indian cities to implement actionable wastewater management plans driven by intelligent integrated networks. In Coimbatore, Tamil Nadu, a smart city project has led to sustainable monitoring and visualization of wastewater management results.

AI-driven solutions are gaining ground in India's water sector. Companies like Greenenvironment Innovation & Marketing India are developing AI-based water treatment systems. IoT sensor-based water quality detection is being encouraged, and startups like EyeNetAqua Solutions have emerged, focusing on advanced water quality monitoring. India's abundant sunlight is being harnessed for innovative water purification methods, such as photocatalysis. Gujarat's municipalities are adopting photocatalytic technologies to treat wastewater, with significant budget allocations. Additionally, advanced techniques like AVF are being embraced by companies like Eureka Forbes Ltd. and Oxive Environment Management Pvt. Ltd., especially for small-scale wastewater management in residential and commercial areas. The Indian water sector is also witnessing the application of

biotechnology. Bio-augmentation methods, which involve the introduction of specific microorganisms to chemically transform pollutants, are being employed. Unitech Water Technologies Pvt. Ltd. has developed a product called the Microbial Accelerator, which uses dried microorganisms to treat wastewater. This eco-friendly solution balances oxygen and pH levels and has received support from the India Water Portal, a project by Arghyam.

### **Innovation in advanced wastewater treatment**

37.7 million people are being affected by waterborne diseases such as cholera and typhoid each year in the country, according to a UNICEF report in 2019. The need for more advanced and effective water treatment techniques and approaches are becoming extremely necessary, in order to prevent outbreaks of diseases epidemics, and to secure public health. Advanced wastewater treatment can be defined as processes to reduce impurities in water, either through traditional procedures or via biological methods. These methods are focused more on enhancing the efficiency of conventional procedures. Moreover, the effluents of water and wastewater treatment plants can be further recycled to conserve water. India's escalating challenges in wastewater management, driven by rapid urbanization, industrialization, and population growth, have necessitated a fundamental shift towards innovation in advanced wastewater treatment. Traditional methods have proven insufficient in tackling the escalating pollution crisis, resulting in dire environmental consequences and health hazards. Acknowledging this urgency, there is a growing momentum towards embracing advanced treatment solutions, signifying a pivotal trend in the country's approach to wastewater management.

Government statistics from the Ministry of Jal Shakti paint a stark reality—over 70% of India's surface water resources are currently contaminated to varying degrees. This alarming scenario has galvanized the Indian government to take proactive measures, prominently represented by flagship initiatives like the "Namami Gange" (Clean Ganga) program and the "Swachh Bharat Mission." These endeavors underscore the pressing need to prioritize wastewater management and pave the way for innovative approaches. The emergence of innovation in advanced wastewater treatment holds immense promise for India. A series of discernible trends has emerged, each poised to address specific challenges in the sector. Firstly, decentralized treatment systems have garnered attention for their ability to effectively manage wastewater at the source. Technologies such as constructed wetlands, biofiltration, and DEWATS offer cost-effective solutions that mitigate pollution before it reaches vulnerable water bodies, thus easing the burden on centralized facilities.

AOPs constitute another influential trend. These processes deploy chemical reactions to degrade organic and inorganic pollutants that often defy conventional treatment methods. Technologies like ozone treatment, ultraviolet (UV) irradiation, and photochemical oxidation are being harnessed to break down persistent pollutants, showcasing their potential to significantly enhance treatment efficacy. Membrane filtration technologies have taken center stage in achieving high-quality wastewater treatment. Employing methods like ultrafiltration, nanofiltration, and reverse osmosis, these approaches excel in eliminating suspended solids, pathogens, and dissolved contaminants. The outcome is treated water that meets stringent quality benchmarks, and in some instances, is even suitable for non-potable reuse, thereby conserving precious water resources.

Biological nutrient removal represents yet another pioneering innovation. By utilizing processes such as sequencing batch reactors (SBRs) and MBRs, this trend simultaneously addresses organic matter and nutrient removal from wastewater. This is particularly crucial in preventing nutrient pollution, which can contribute to harmful algal blooms and oxygen depletion in water bodies.

### **Advanced wastewater reuse technologies**

As per the UNEP, reusing water is economically as well as ecologically very important, since it is beneficial in relieving water scarcity and enabling waste water management. In addition, India has a limited supply of this resource, with a total of 4,000 BCM of water being acquired per year, of which, up to 500 BCM capacity is used in manufacturing industries and factories. Despite supply being limited, demand for this critical resource continues to rise exponentially, and reusing water is an appropriate solution for industries, sectors, farmers, residents, and citizens. The Jal Jeevan Mission by the government of India has also reported to set a target of 20% of total available water coming from its reused version, as of 2021.

Moreover, the state government of Gujarat had launched the Policy for Reuse of Treated Waste Water in 2018, which aims to complete a full reuse of treated water till the year 2030. According to the Government of India, the country possesses 5% of the world's fresh water sources; however, it hosts 16% of the global population, putting major pressure on limited water available. Thus, advanced waste water reuse technologies are being developed and innovation is being supported due to the aim of water conservation. The technique known as AOP is being implemented in the country to clean the water of Ganga River. Developed by the Energy and Resources Institute



(New Delhi, India), this product has been supported by the Government of India Department of Science and Technology. The product has been reported to achieve a zero liquid discharge, which works on ultraviolet light technology. Compared to tertiary purification systems of Reverse Osmosis (RO) as well as multi effect evaporators, the advanced oxidation technique, also called as TERI Advanced Oxidation Technology (TADOX) has proved to leave a lesser carbon footprint. This technology is viable to be installed in decentralized wastewater treatment systems in large infrastructure and construction projects which require purified water for longer periods of time. In addition, this system has been ready for commercial use since April 2021.

Furthermore, IPR process involves the usage of a buffer medium such as the soil or a lake before the recycling treatment of waste water, whereas, DPR is characterized by not involving any environmental buffer. The inclusion of these two methods before recycling of used water is crucial in the reuse process. IPR is also being applied in Bangalore, Karnataka, India, and its pilot was conducted in 2006, after which systems have been working to prepare industrial and agricultural grade purified water in the city, as per the Ministry of Urban Development. The second procedure after these two methods is the activated sludge system, which is a biological treatment method to purify water. Protozoa, bacteria, and algae are removed from waste water through oxidation with the help of microorganisms in the presence of an oxygen environment. A newer modification of this process is the Nereda technology, wherein the sludge is given a granular texture with the help of slow growth of glycogen collecting micro-organisms. Such activated sludge systems have been extensively applied at the Titagarh STP in the vicinity of Kolkata city.

## **GROWING FOCUS ON CIRCULAR ECONOMY**

The circular economy model lays emphasis on production and consumption cycles which is more sustainable, including recycling, reusing, refurbishing, as well as optimizing available resources. The UNEP regards circular economy as the economic system which aims to minimize pollution, resource wastage as well as to create sustainable jobs and preserve the overall environment. Similarly, the Indian Government has also been promoting this philosophy pertaining to the energy, infrastructure and production sector. For instance, the NITI Aayog has taken multiple initiatives such as the international conference on Sustainable Growth through National Recycling as well as the formation of 11 committees to prepare action plans regarding the country's transition to a circular economy. Construction and Demolition Management rules, Metals recycling policy, as well as plastic waste management rules are the examples of other initiatives taken up by the government. Furthermore, the Ellen McArthur Foundation suggests that circular economy is to bring a benefit of up to USD 624 billion to the Indian economy. Closely linked with the United Nations Sustainable Development Goals, this concept has started to be applied at the local governance level in India. As per the Ministry of Housing and Urban Affairs, recycling of plastic waste along with treatment of waste water for reuse has been at the forefront of this field. Hence, intermediate targets have been set for the recycling of waste water which aim to achieve 25% reuse of by 2026, 35% and 50% by 2050. Moreover, the country has the ability to recycle a total of 20,000 MLD, in which most water treatment plants are observed to not run at full capacity. Hence, since 60% of India's industries are being affected by the lack of water reuse efficiency, circular economy has been gaining importance in the context of water and waste water recycling. According to a research paper published by the American Chemical Society in 2021, carbon and nitrogen removal from waste water are some of the major issues pertaining to the water industry, which need to be addressed. The waste water reuse system adopted by the Surat Municipal Corporation was presented at the United Nations Conference of Parties (COP26) in 2021, which is a conference working towards environment protection through the mandate of Paris Agreement, which legally binds UN member nations to adhere to environment protection laws. The Surat Municipal corporation highlighted their reuse model of wastewater, in which the city has been generating USD 6.25 crore by selling 115 MLD recycled water. Being applauded for this circular economy progress, such Indian cities are proving to create an ideal for India in terms of advancing the wastewater treatment sector, in order to spread the idea of circular economies. Indian industries located in water scarce regions tend to lose revenue due to hindrances in production due to the lack of pure water. Hence, the focus on financing wastewater treatment projects has been the core aim of governmental agencies and ministries. Decentralization of such programs, accurate management strategies along with massive community participation is required in order to make these plans successful in the long term. A study by the Council of Energy, Environment and Water of India regarded large scale interventions, technology access and good public perception about water treatment plants as some of the prominent reasons to drive the circular economic growth of the country pertaining to the water sector. India's trajectory towards circular and sustainable water industry highly revolves around water recycling technologies such as reverse osmosis purification, bio-augmentation, multiple effect desalination, multi stage flash distillation and vapor compression. Additionally, given the rapid urbanization of India, the 6 R rule beneficial to urban water conservation is the rule consisting of reduce, reuse, recycle, reclaim, recovery and restore water. Indian rivers are receiving half treated wastewater, which is leading to complex issues in water treatment efficiency and loss of purification time. For instance, the Musi River has been getting partially

treated wastewater from the city of Hyderabad. Hence, although having the presence of a process of trying to shift to a circular economy, efficacy and management of such procedures needs to be enhanced. As a result, owing to the growing global awareness pertaining to the hazardous effects of a linear economy, government funding for circular economy is increasing. Additionally, many Indian cities are commencing with water recycling plants in order to propel water circular economy and make India sustainable in terms of its water resources. Prevalence of water technology companies in the country such as Thermax Ltd. (India), Evoqua Water Technologies (The U.S.), Voltas Ltd. (India) and GE Water and Process Technologies (The U.S.) are enhancing the working of this industry and aiding in the growth of this sector.

## **GOVERNMENT POLICIES AND REGULATORY FRAMWORK IN INDIA**

According to Provisions of Environment (Protection) Act, 1986 and Water (Prevention & Control of Pollution), Act 1974, the industries must implement ETPs and should treat respective effluents as per environmental standards before releasing it into rivers and water bodies. Thus, State Pollution Control Boards/Pollution Control Committees usually inspects the industries with respect to effluent discharge standards and also takes action for non-compliance under provisions of these Acts.

The IS 10500: 2012 DRINKING WATER — SPECIFICATION by Bureau of Indian Standards, aims to prescribes the requirements and the methods of sampling and test for drinking water.

The guidelines by WHO for drinking water specifications is prepared through a vast global consultative process involving WHO member states (India is the member state), national authorities and international agencies, in consultation with the WHO Expert Advisory Panel.

Primary Water Quality Criteria for Bathing Waters by the MoEF: In a water body or its part, water has several types of uses. Relying on the water applications and activities, thus the water quality criteria have been specified to determine its suitability for a particular purpose. Among the various types of uses there is one use that demands highest level of water quality or purity and that is termed as "Designated Best Use" in that stretch of water body. Based on this, water quality requirements have been specified for different uses in terms of primary water quality criteria.

According to CPCB of India the standard such as, Water Quality Standards for Coastal Waters Marine Outfalls, in a coastal segment marine water is subjected to several types of uses. Depending on the types of uses and activities, water quality criteria have been specified to determine its suitability for a particular purpose. Among the various types of uses there is one use that demands highest level of water quality/purity and that is termed a "designed best use" in that stretch of the coastal segment. Based on this, primary water quality criteria have been specified into five designated best uses.

As per CPCB of India the standard Designated Best Use Water Quality Criteria includes certain criteria for drinking water source without conventional treatment but after disinfection, outdoor bathing (organized), drinking water source after conventional treatment and disinfection, propagation of wild life and fisheries and irrigation, industrial cooling, controlled waste disposal.

## **MINISTRY OF JAL SHAKTI**

### **Historical Overview**

*The Ministry of Jal Shakti was established in May 2019 under the Government of India. Two ministries namely the Ministry of Water Resources, River Development & Ganga Rejuvenation, as well as the Ministry of Drinking Water and Sanitation, were merged together to form the Ministry of Jal Shakti.*

### **The organizational history of the Department of Water Resources, River Development, and Ganga Rejuvenation:**

- The origin of "Irrigation & Power" dates back to 1855, when it was given to the Department of Public Works, which had just been established at the time.
- In 1923, the Public Works Department and the Department of Industry amalgamated, becoming the Department of Industries and Labor, which was responsible for irrigation and power. In 1927, a Central Board of Irrigation was also established.

- In 1937, the Department of Industry and Labour was bifurcated into the Department of Communication and Department of Labour.
- The Ministry of Works, Mines, and Power relinquished control of the topic of "Irrigation and Power" to the newly established Ministry of National Resources and Scientific Research in 1951.
- To handle the issue of irrigation, a separate Ministry of Irrigation and Power was established in 1952. A Flood Control Board was established during severe floods to evaluate flood control initiatives at the highest level.
- In 1969, an Irrigation Commission was set up to go into the matter of future irrigation development programs in the country in a comprehensive manner.
- In January 1980, the new Ministry of Energy and Irrigation included the Department of Irrigation. In order to have a coordinated and complete perspective of the whole irrigation sector, the then Ministry of Energy and Irrigation was split into two on June 9, 1980, and the former Department of Irrigation was elevated to the rank of Ministry. In addition to major and medium irrigation, the Ministry of Irrigation was given control over the large irrigation sector, including both surface and ground irrigation as well as Command Area Development Programme.
- The following items of work were transferred from the Ministry of Agriculture (Department of Agriculture & Cooperation) to the Ministry of Irrigation with effect from in July 1980: -
  - a. Irrigation for agricultural purposes
  - b. Minor and emergency irrigation; and
  - c. Ground water exploration
- In January 1985, the Ministry of Irrigation was once again combined under the Ministry of Irrigation and Power. However, in the re-organization of the Ministries of the Central Government in September 1985, the then Ministry of Irrigation and Power was bifurcated, and the Department of Irrigation was re-constituted as the Ministry of Water Resources.
- Considering this new viewpoint, which mandated comprehensive planning and coordination of all areas of the country's water resource development, it was deemed necessary to create a National Water Policy, outlining, among other things, priority for different uses of water.
- Under the leadership of the Honorable Prime Minister, the NWRC was established to investigate this issue. The NWRC adopted the National Water Policy in September 1987. The National Water Board was established in September 1990 with the Secretary of the Ministry of Water Resources as its Chairman, the Chief Secretaries of all the States and UTs, the Secretaries of the relevant Union Ministries, and the Chairman of the CWC serving as its members. Its duties include reviewing the status of the National Water Policy's implementation for the purpose of reporting to the NWRC and launching effective initiatives for the systematic development of the nation's water resources.
- Accelerated Irrigation Benefits Programme: The AIBP was established by the Central Government in 1996–1997 to provide Central Assistance to major/medium irrigation projects across the nation with the goal of accelerating the implementation of those projects that were either beyond the States' capacity for resources or at an advanced stage of completion. Priority was given to initiatives that were launched during the Pre-Fifth and Fifth Plans, as well as those that benefited tribal groups and areas vulnerable to drought. The program provided benefits for the twenty-five States. 99 projects with a combined potential of 76.03 lakh hectares have been prioritized under PMKSY (AIBP) for completion by December 2019. The entire amount of money needed to finish these 99 projects, including CAD&WM work, is expected to be INR. 77,595 Crore. For AIBP works estimated cost is INR. 48,546 Crore with Central Assistance (CA) of INR. 16,818 Crore.
- The NWRC adopted the revised '**National Water Policy 2002**' and passed a resolution to this effect in its 5th meeting held on 1st April 2002 at New Delhi under the Chairmanship of Hon'ble Prime Minister. Thereafter, the National Water Board considered the further revised Draft National Water Policy 2012.

- **The Centrally Sponsored Scheme - RMIS** was launched in 1987-88 and is being implemented by Minor Irrigation (Stat.) Wing of the Department through State Governments. It is now renamed as "Irrigation Census" which is a Centrally Sponsored Scheme with 100% Central funding. The major activities under the Scheme are: (i) conduct of 6th Minor Irrigation Census with reference year 2017-18 and (ii) conduct of a Census of Water Bodies which is taken up for the first time.
- For comprehensive improvement of water bodies, two schemes - **RRR of Water Bodies**, one with external assistance and the other with domestic support for implementation during XI Plan Period was approved by the Government. The scheme of RRR of water bodies includes the catchment area treatment, command area development, capacity building of stakeholders and increased availability of drinking water.
- The R & D activities undertaken in the **R&D Programme in Water Sector** Scheme are essential for the management and development of water resources of the country. The activities taken up under this Scheme are:
  - a. R&D activities through Apex Research Organizations at National level: CWPRS, Pune; CSMRS; National Institute of Hydrology (NIH), Roorkee; and CWC, New Delhi.
  - b. Sponsoring and Coordinating Research in water sector through Educational Institutions, Indian Research Institutes, NGOs and Indian Private Institutes in collaboration with Government Institutes.
  - c. Dissemination of research findings and technology transfer and International Collaborations
  - d. Evaluation of R&D Activities and Consultancies
- i. **NAPCC:** The Government of India launched NAPCC on 30th June 2008, Ministry of Water Resources has set up National Water Mission with the main objective of “conservation of water, minimizing wastage and ensuring its more equitable distribution both across and within States through integrated water resources development and management” Comprehensive Mission Document” of the NWM on 6.4.2011 with following five goals: -
  - a. Comprehensive Water Data Base in Public Domain and Assessment of Impact of Climate Change on Water Resources.
  - b. Promotion of Citizen and State Action for Water Conservation, Augmentation and Preservation.
  - c. Focused Attention on Vulnerable Areas including Over-Exploited Areas.
  - d. Increasing Water Use Efficiency by 20%.
  - e. Promotion of Basin Level and Integrated Water Resources Management
- **Flood Management and Border Areas Programme (FMBAP):** The Flood Management Programme (FMP) and River Management Activities and Works related to Border Areas (RMBA) under operation during XII Five Year Plan by Department of Water Resources, RD & GR merged as Flood Management and Border Areas Programme (FMBAP) for the period 2017-18 to 2019-20 and later extended up to March, 2021. The outlay of FMBAP is INR 3342 Crore comprising of FM component of INR 2642 Crore and RMBA component of INR 700 Crore for the period 2017-18 to 2019-20 under the Scheme. There were 83 ongoing Schemes under FMBAP out of which 39 Schemes have been physically completed / foreclosed by the State Governments.
- **DRIP:** to address comprehensively various dam safety challenges in India, the Ministry of Jal Shakti initiated the World Bank assisted DRIP, in 2012, The initial project cost was INR 2,100 Cr. (Loan share: USD 279.3 M), which was revised to INR 3,466 Cr (Loan Share: USD 416 M) in 2018. Now revised budget outlay is INR 2,642 Cr after surrendering of loan amounting to USD101 during COVID19. In the year 2018, the Project was also extended by Govt of India and World Bank from June 2018 to June 2020. This timeline was further extended by nine months i.e., up to 31 March 2021, to compensate the loss of time due to COVID pandemic and also facilitate the partner agencies to complete the balanced rehabilitation activities. The cumulative expenditure as on 31 March 2021, is INR 2,525 Cr. The loan disbursed by World Bank (up to December 2020) is USD 293.42 M (93%) out of USD 315.3 Million.
- **Under Dam Safety Institutional Strengthening, achievements include the following:**
  - a. Preparation of Tier-I Inundation mapping and Dam Break Analysis (197 dams).
  - b. Preparation of two dam-specific important protocols viz O&M Manuals (194 dams) as well as Emergency Action Plan (182 dams).
  - c. Stakeholder Consultation program (101 Nos).
  - d. Publication of 14 Guidelines and Manuals in various areas of dam safety.
  - e. 186 nos. customized training benefitting 5442 officials, along with capacity building of 8 Academic Institution and 2 Central Agencies.

- f. Implementation of Dam Health and Rehabilitation Monitoring Application (DHARMA)-a web-based asset management tool in 18 States with 1100 users containing preliminary information of about 5,000 dams wherein health data in respect of about 1,500 dams have been entered: and
  - g. Organization of three (3) National and two (2) International Dam Safety Conferences with 2469 participants and 471 technical papers.
- **DRIP Phase II and Phase III** Based on the success of DRIP, the Ministry of Jal Shakti initiated another externally funded Scheme DRIP Phase II and Phase III. This new Scheme has nineteen (19) States, and three Central Agencies on board. The budget outlay is INR 10,211 Cr (Phase II: INR 5,107 Cr; Phase III: INR 5,104 Cr) with rehabilitation provision of 736 dams. The Scheme is of 10 years' duration, proposed to be implemented in two Phases, each of six years' duration with two years overlapping. Each Phase has external assistance of USD 500 M. The Union Cabinet has approved the Scheme on October 29, 2020.
  - In July 2014, the Ministry was renamed as "Ministry of Water Resources, River Development and Ganga Rejuvenation". The following additional items of work have been assigned to the Ministry: -
    - a. National Ganga River Basin Authority including the Mission Directorate, National Mission for Clean Ganga, and other related matters of Ganga Rejuvenation.
    - b. Conservation, development, management, and abatement of pollution in river Ganga and its tributaries.

## OBJECTIVE

This ministry has been formed with the primary objective of tackling India's persistent battle against mounting water challenges and water resource-related issues that the country has been facing over the past few decades. Initially, the ministry was created with the intention of cleaning up the Ganges River. It is now operating to include any regional or national conflicts between inter-state water sources and rivers that India and other neighboring countries share with each other. A special project called "Namami Gange" was initiated to clean up Ganga and its tributaries to provide safe drinking water for the region's citizens. The ministry has also initiated unique social media programs to raise awareness of water conservation among the citizens of the country. WAPCOS is an Indian multinational government undertaking and consultancy firm wholly owned by the Ministry of Jal Shakti, Government of India.

## BUDGETARY ALLOCATION FOR MINISTRY OF JAL SHAKTI

<b>MINISTRY OF JAL SHAKTI</b>	
Established in	May, 2019
Revised Budget allocated for 2023-2024	INR 96,550 crore
Estimated Budget allocated for 2024-2025	INR 98,419 crore

Sources: Ministry of Jal Shakti, Jal Jeevan Mission (JJM), National Mission for Clean Ganga, Press Information Bureau (PIB), Union Budget of India

### Key government plans

## BUDGETARY ALLOCATION FOR KEY GOVERNMENT PLANS

SR.NO	SCHEME	LAUNCHED IN	BUDGET ALLOCATION
1	AMRUT 2.0	October, 2021	INR 2,99,000 crore (Budget allocation for five years)
2	JJM- Har Ghar Jal	August, 2019	INR 3.60 lakh crore (Allocation over five years (2019-24))
3	Namami Gange Programme	June, 2014	INR 4,000 crore (Estimated Budget allocated in 2023-2024)
	Namami Gange Programme		INR 22,500 crore till 2026
4	Swajal	February, 2018	INR 700 crore

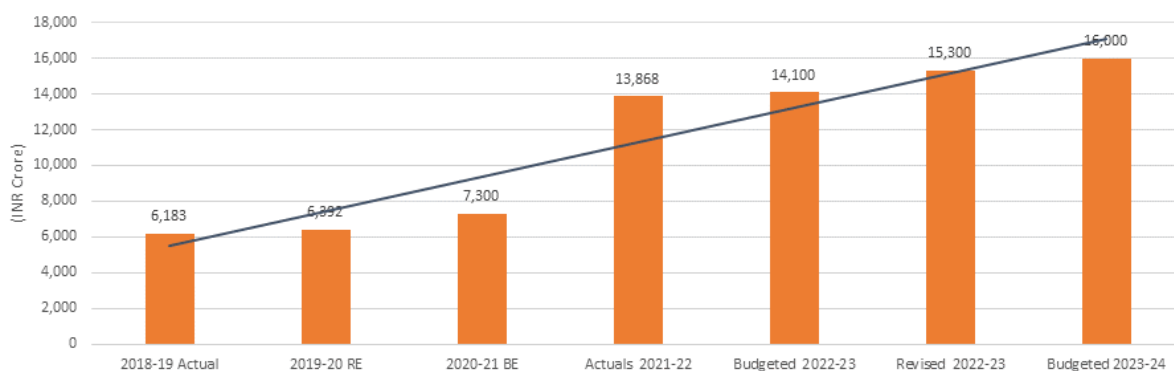
Sources: Ministry of Housing and Urban Affairs (MoHUA), Atal Mission for Rejuvenation and Urban Transformation (AMRUT, Ministry of Jal Shakti, Jal Jeevan Mission (JJM), National Mission for Clean Ganga, Press Information Bureau (PIB), Union Budget of India

### Budgetary allocation for Amrut Programme: FY 2018 to 2024

AMRUT (INR Cr.)							
2018-19 Actual	2019-20 RE	2020-21 BE	Actuals 2021-22	Budgeted 2022-23	Revised 2022-23	Budgeted 2023-24	% change (2022-23 RE to 2023-24 BE)
6,183	6,392	7,300	13,868	14,100	15,300	16,000	4.6%

Source: Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Press Information Bureau (PIB), Union Budget of India.

### Budgetary allocation for Amrut Programme: FY 2018 to 2024 (Chart representation)



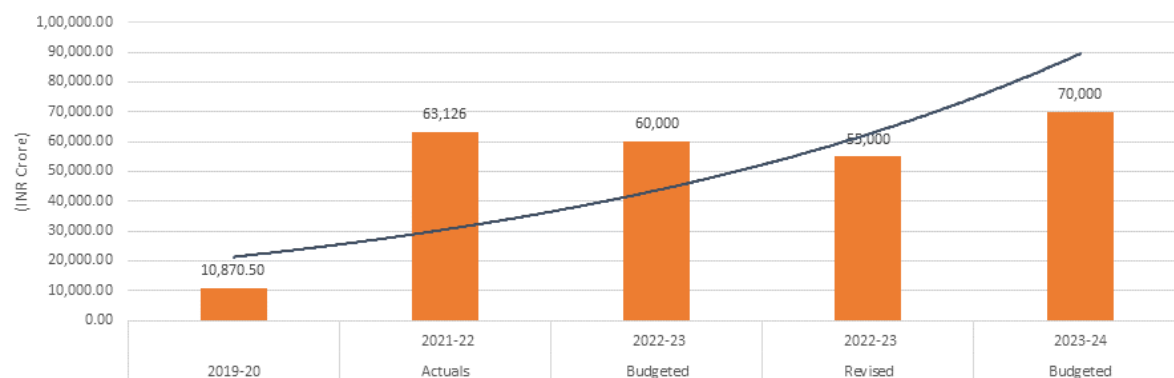
Source: Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Press Information Bureau (PIB), Union Budget of India

### Budgetary allocation for Jal Jiwan Mission Har Ghar Jal FY 2019-2024

Jal Jeevan Mission/National Rural Drinking Water Mission (INR Cr.)					
2019-20	Actuals 2021-22	Budgeted 2022-23	Revised 2022-23	Budgeted 2023-24	% change (2022-23 RE to 2023-24 BE)
10,870.50	63,126	60,000	55,000	70,000	27.3%

Source: Ministry Of Housing And Urban Affairs Lok Sabha, Ministry of Jal Shakti, Jal Jeevan Mission (JJM), National Mission for Clean Ganga, Press Information Bureau (PIB), Union Budget of India

### Budgetary allocation for Jal Jiwan Mission Har Ghar Jal FY 2019-2024 (Chart representation)



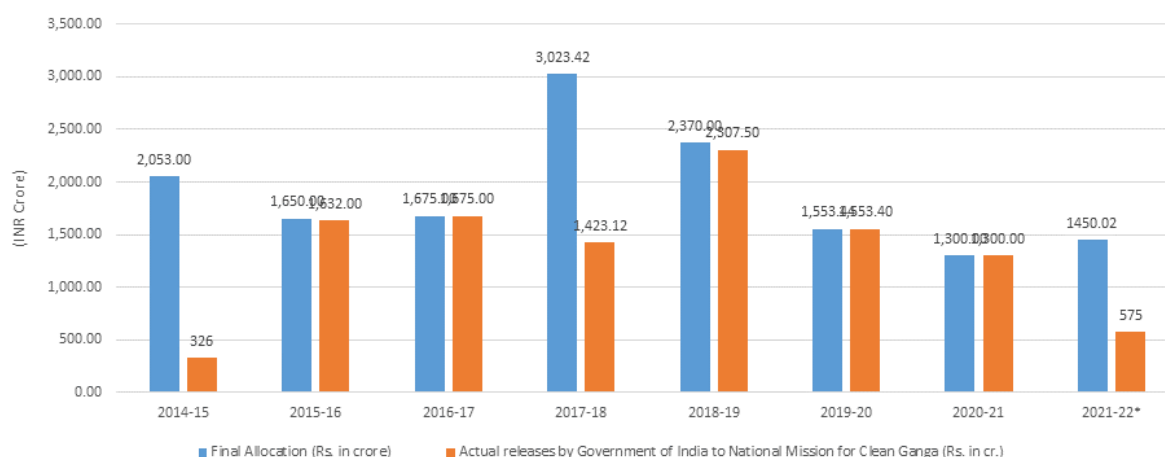
Source: Ministry Of Housing And Urban Affairs Lok Sabha, Ministry of Jal Shakti, Jal Jeevan Mission (JJM), National Mission for Clean Ganga, Press Information Bureau (PIB), Union Budget of India

### Budgetary allocation for National Mission for Clean Ganga FY 2019-2024

Financial Year	Final Allocation (Rs. in crore)	Actual releases by Government of India to National Mission for Clean Ganga (Rs. in cr.)
2014-15	2,053.00	326.00
2015-16	1,650.00	1,632.00
2016-17	1,675.00	1,675.00
2017-18	3,023.42	1,423.12
2018-19	2,370.00	2,307.50
2019-20	1,553.44	1,553.40
2020-21	1,300.00	1,300.00
2021-22*	1450.02**	575.00
<b>Total</b>	<b>15,074.88</b>	<b>10,792.02</b>

Source: National Mission for Clean Ganga, Ministry of Jal Shakti, Press Information Bureau (PIB), Union Budget of India

#### Budgetary allocation for National Mission for Clean Ganga FY 2019-2024 (Chart representation)



Source: National Mission for Clean Ganga, Ministry of Jal Shakti, Press Information Bureau (PIB), Union Budget of India.

Following are the initiatives taken by the State of Karnataka:

- Jaladhare Project:** One of the flagship initiatives is the "Jaladhare" project, a comprehensive water conservation and management program. This project focuses on watershed development, rainwater harvesting, and rejuvenation of traditional water bodies. By leveraging technology and community participation, the state aims to recharge groundwater levels and ensure a sustainable supply of water for agricultural and domestic use.
- Recycle and Reuse Policies:** The state of Karnataka has implemented robust policies to promote the reuse and recycling of wastewater. The state government has incentivized industries and municipalities to adopt advanced wastewater treatment technologies, reducing the burden on freshwater sources. By encouraging the use of treated wastewater for non-potable purposes such as industrial processes and irrigation, Karnataka aims to minimize water wastage and promote a circular water economy.
- Smart Water Metering:** In a bid to enhance water efficiency and curb unauthorized water usage, state of Karnataka has introduced smart water metering systems. These meters enable real-time monitoring of water consumption, allowing for accurate billing and early detection of leaks. The deployment of smart meters not only ensures fair distribution of water resources but also encourages consumers to adopt water-saving practices.
- Public Private Partnerships (PPPs):** The state of Karnataka has actively engaged in fostering collaborations between the public and private sectors to augment the water and wastewater infrastructure. Through PPPs, Karnataka seeks to harness the expertise and resources of the private sector to develop and maintain state-of-the-art water treatment plants, distribution networks, and sewage treatment facilities. This approach facilitates the efficient delivery of water services while leveraging private investments.

- **Capacity building and Awareness Programs:** Recognizing the importance of community involvement, State of Karnataka has initiated extensive capacity-building programs and awareness campaigns. These efforts aim to educate citizens about the importance of water conservation, proper wastewater disposal, and sustainable water management practices. By fostering a sense of responsibility among the populace, the state aims to create a culture of water consciousness and stewardship

## **THE ATAL MISSION FOR REJUVENATION AND URBAN TRANSFORMATION 2.0**

On October 1, 2021, the Government of India launched the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) 2.0, as a continuation of the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) launched in 2015 by the Ministry of Housing and Urban Affairs, with additional incorporation of the circular economy of water, through influencing water source conservation, rejuvenation of bodies of water and wells, recycling and reuse of treated used water, and rainwater harvesting, to make cities water secure and self-sustainable. It has introduced Pey Jal Survekshan as a challenge process under AMRUT 2.0 to assess the compliance of service level benchmarks with respect to the quality, quantity, and coverage of water supply in a city, with the first phase covering 500 cities. This will also evaluate the steps taken to reduce non-revenue water through water clusters, water body rejuvenation, and skill development. The extension of the project will include a robust technology-based portal that will be used to monitor the mission through geo-tags which have been installed at the project sites. Moreover, through the technology sub-mission, it will also bring in the world's leading technologies in the water sector since entrepreneurs and new businesses will be encouraged to participate and bring in reforms in the water ecosystem. The mission involves cities to monitor their assessment of water sources, consumption, future needs, and water losses using a CWBP. A public information, education, and communication (IEC) campaign will also be launched to raise public awareness about the importance of water and the need for conservation. The results of the projects would be translated into effective CWAP which will be compiled into the State Water Action Plan and approved by the Ministry of Housing and Urban Affairs.

The mission puts key emphasis on water demand management, water quality testing, and water infrastructure operations which will be handled by women SHGs to ensure recruitment of women and youth into the program to obtain crucial feedback on the progress. These women would be trained through a programme led by the PHED or water and sewerage boards, with oversight from the State's urban development department, to test water quality and develop detailed CWBPs and CWAPs based on the prevailing situation. It proposes some key function outcomes which would be put special focus on during implementation. Providing universal piped water supply with household water tap connection is one component which is being worked on by ensuring freshwater treatment, proper water distribution systems in uncovered areas, augmentation of existing water distribution system, sustainability of quality and quantity of water supply, and reuse of treated used water, amongst other measures. Another crucial objective is providing universal sewerage and septage management coverage in the cities and promoting the circular economy of water which requires construction of necessary I&D infrastructure and STPs, management of faecal sludge and septage, sewerage system provision and rehabilitation with end-to-end treatment and reuse, and identification of the bulk users of recycled used water to facilitating the sale of used water to potential users. Furthermore, rejuvenation of water bodies for supplementing water and increasing amenity value along with the development of green spaces is another fundamental intent the mission aims to achieve through desilting, embankment strengthening, and stone packing for revitalization of wetlands and water bodies, diversion of polluting drains to treatment plants, strengthening of aquifers and community wells, and creation and better facilitation of storm water drains around water bodies.

The operation also includes an UAMP which prioritizes the preservation of positive groundwater balance in urban aquifer systems. The development of this roadmap will ensure that cities strategize groundwater recharge augmentation for improving rainwater harvesting within city limits. Moreover, it encourages cities to map aquifers to identify recharge and discharge zones and integrate aquifer management into urban planning to further create an annual groundwater balance report to determine current and future groundwater availability. UAMP also aligns with the aim to make every city achieve universal coverage and become water secure. Another crucial objective is reduction of non-revenue water, which is the water lost before reaching the end user, to less than 20%. This can be accomplished by regularizing illegal connections and reducing pipe damage leakage in the distribution system through timely detection and resolution of complaints. Furthermore, measuring stations at the source, storage, and distribution have evaluation criteria which must be adhered to for every metered connection. A proactive approach is being undertaken to train plumbers and infrastructure managers to ensure minimal disruptions and a functional and easy to use mobile application for pipe reporting is being developed. These proceedings will boost the operation of supply projects oriented towards 24x7 supply in the regions. The project puts emphasis on recycling of used treated water to meet at least 20% of total city water demand by following institutionalization mechanisms for checking the quality, treatment capacity of STP, treated recycled water used, and sector specific percentage of recycled water usage. These steps propose a remarkable reduction in sewage and septage. It also targets water



availability 24x7, with sufficient improvement in the quality to provide the option of drinking from the tap in designated wards. The continual supply will further be evaluated specifically for quality, accessibility, and availability of water to the citizens. The incentive-based reforms implemented for achieving the desired targets of restoration of urban water bodies, reduction of non-revenue water, installation of rainwater harvesting systems in all institutional buildings, and reuse of treated wastewater are expected to bolster the program's progress by making the alternatives look more lucrative, encouraging wide adoption.

Governance reforms are an elementary part of the whole proceeding. They work towards easing the procedure of obtaining water and sewer connections simple for households by reducing the documents required and dropping the incurred costs. The Pey Jal Survekshan initiative will incentivise cities to keep improving and updating the existing system by fostering healthy competition between cities on the parameters of water supply management, innovative practices, compliance of water supply service level benchmarks, reduction in non-revenue water, operational efficiency of sewage and water treatment plants, rejuvenation of water bodies and wells, and evaluation of collection, treatment, and reuse of treated used water. Frequent feedback collection from citizens and municipal officials, and laboratory testing of water samples will ensure effectiveness of the initiative. Furthermore, it supports developing synergies between the rural and urban regions for better project facilitation. The co-treatment of sewage from villages close to each other in excess capacity would be investigated for installation of STPs to improve water security in rural regions and speed up the reutilization of treated water. It further extends to establish urban-urban synergies to make the procedure viable for the ULBs which have populations of less than 10,000 people. Water supply projects for such ULBs are made techno economically sustainable by forming clusters of adjacent ULBs, which share a common intake line from a distant water source, which makes accomplishing the sustained water supply initiative more feasible and financially practical. A capacity building convergence between urban and rural areas is also widely encouraged in the mission.

AMRUT 2.0 recognises the importance of wells and aquifers, owing to the heavy reliance of the urban population on these systems. It intends to prioritize urban aquifer system management in its pursuit of water-secure cities by developing sound groundwater resource management strategies, with a particular emphasis on groundwater dependence, key characteristics of the city's aquifer systems and the availability of recharge potential within city limits. Moreover, it promotes and encourages citizen participation in groundwater management in cities. The ULBs would be required to enhance their technical capacities to facilitate a scientific approach to groundwater aquifer system management and would be responsible for monitoring groundwater usage, identifying aquifer potential, and identifying recharge opportunities. The mission essentially plans to develop protocols for running a scientific routine around data collection on groundwater resources to aid in the development and refinement of an aquifer management plan. It intends to start a BCC through information dissipation, education, and persuasion of people to raise awareness about water conservation practises, municipal services such as the new water connection, optimal water usage and waste reduction, and established markets for treated used water in rural and peri-urban areas. Additionally, it will instil a sense of ownership of water supply infrastructure in citizens to encourage proper conduction of the proposed measures. It is an effective approach applied to improve water quality, ensure a constant water supply, provide sewerage facilities and septage management, install effective drainage systems to reduce flooding, and enhancing city amenity value by creating and upgrading green spaces to enhance the living conditions and extend basic requirements to households in the AMRUT cities which will show progress in terms of water security and improve the quality of life for all urban dwellers, especially the poor and the disadvantaged.

## **BUDGETARY ALLOCATION FOR AMRUT 2.0**

The Ministry of Housing and Urban Affairs is engaged in policy developments, manages the operations of numerous organisations at the state and municipal level, and oversees programmes for urban development. Additionally, it offers financial support to states and ULBs through severally centrally backed programmes. The total expenditure of Ministry of Housing and Urban Affairs' projected budget for 2024–2025 is estimated to be INR 77,523.58 crore. Various centrally sponsored schemes, and a few central sector schemes are being carried out by the Ministry. Some of these include PMAY, National Livelihood Mission – Ajeevika, AMRUT, Smart Cities Mission, SBM – Urban, MRTS, and Metro Projects and General Pool Accommodation, and others.

Under the AMRUT the approved plan size for UT of Puducherry is of INR 64.91 crore that is entirely funded by the Central share through the entire mission period. Through the AMRUT scheme a total three cities of UT of Puducherry are being covered. Thus, for the project implementation INR 44.09 crore have been releases over which Utilization Certificates (UCs) being received is of INR 32.68 crore. For the UT of Puducherry 24 project of worth INR 60.52 crore have been assigned through the AMRUT initiative in which 15 projects of INR 19.41 crore had been completed, 6 projects are under implementation of INR 25.03 crore and 3 projects are being under

tendering that worth of INR 16.08 crore. Hereby, the work of INR 36.65 crore is physically completed for this UT of Puducherry.

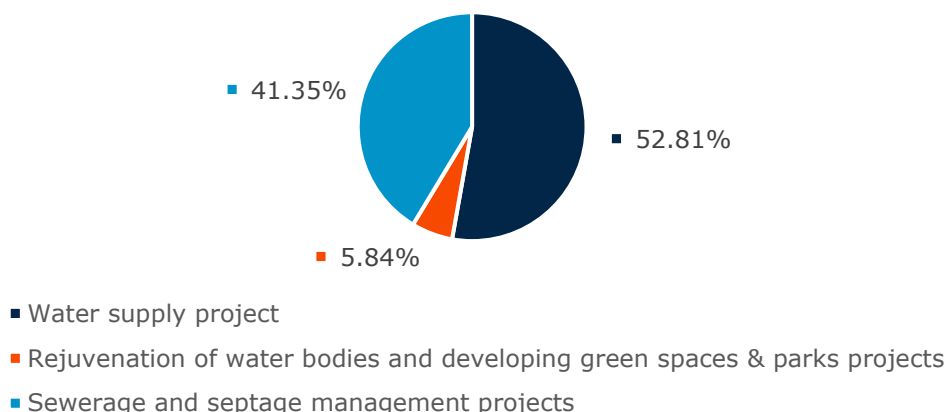
**STATE-WISE CENTRAL FUND ALLOCATION UNDER AMRUT - 2.0 (INR CRORE)**

STATE/UT	CENTRAL FUND ALLOCATION FOR PROJECTS	CENTRAL FUND ALLOCATION FOR A&OE (ADMINISTRATIVE & OTHER EXPENSES)
Andaman and Nicobar Islands	35	1.14
Andhra Pradesh	3,158	102.62
Arunachal Pradesh	225	7.31
Assam	770	25.02
Bihar	2,620	85.14
Chandigarh	170	5.52
Chhattisgarh	1,294	42.05
Dadra - Nagar Haveli & Daman – Diu	30	0.97
Delhi	2,880	93.58
Goa	85	2.76
Gujarat	4,500	146.22
Haryana	1,494	48.55
Himachal Pradesh	252	8.19
Jammu and Kashmir	856	27.82
Jharkhand	1,178	38.28
Karnataka	4,615	149.96
Kerala	1,372	44.58
Ladakh	124	4.03
Lakshadweep	2	0.06
Madhya Pradesh	4,045	131.44
Maharashtra	9,285	301.71
Manipur	169	5.49
Meghalaya	110	3.57
Mizoram	142	4.61
Nagaland	175	5.69
Odisha	1,363	44.29
Puducherry	150	4.87
Punjab	1,833	59.56
Rajasthan	3,530	114.71
Sikkim	40	1.30
Tamil Nadu	4,935	160.36
Telangana	2,780	90.33
Tripura	156	5.07
Uttar Pradesh	8,145	264.67
Uttarakhand	582	18.91
West Bengal	3,650	118.6
<b>Grand Total</b>	<b>66,750</b>	<b>2,169.00</b>

Sources: Ministry of Housing and Urban Affairs (MoHUA), Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Press Information Bureau (PIB), Union Budget of India

The Centre, States/ UTs and ULBs will share the funding for the projects.

## TENTATIVE DISTRIBUTION OF CENTRAL FUND ALLOCATION AMONG PROJECT COMPONENTS OF MISSION



Sources: Ministry of Housing and Urban Affairs (MoHUA), Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Press Information Bureau (PIB), Union Budget of India

## TENTATIVE DISTRIBUTION OF CENTRAL FUND ALLOCATION AMONG PROJECT COMPONENTS OF MISSION

SR.NO	DESCRIPTION	CENTRAL SHARE (INR CRORE)	SHARE IN %
1	Water supply projects	35,250	52.81%
2	Rejuvenation of water bodies and developing green spaces & parks projects	3,900	5.84%
3	Sewerage and septage management projects	27,600	41.35%

Sources: Ministry of Housing and Urban Affairs (MoHUA), Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Press Information Bureau (PIB), Union Budget of India

If universal water supply is attained at the city level, then other components that are acceptable can be utilized to accomplish mission goals. As top priority, the State Mission Directorate needs to ensure that all cities have access to universal water supply and sewage/sewage treatment.

### ➤ Release of Funds

## JAL JEEVAN MISSION- HAR GHAR JAL

The Jal Jeevan Mission was initiated on August 15, 2019, by the Government of India with the intention to provide Functional Household Tap Connections, which have access to safe and adequate drinking water, to every rural household in the country by 2024. The programme also includes mandatory source sustainability measures such as recharge and reuse through gray water management, water conservation, and rainwater harvesting to incorporate a community-based approach to water, accounting for expansive knowledge, education, and communication as vital components. JJM hopes to establish water as a priority for everyone. The vision of the program is bringing in improvement in rural communities' living standards by assuring every rural household to receive adequate quantities of drinking water of prescribed quality on a daily basis for an extended time period at affordable service delivery charges. It is focused on assisting, empowering, and facilitating states and UTs to develop a participatory rural water supply strategy to ensure long-term potable drinking water security for every rural household and public institution, such as gram panchayat buildings, government schools in villages, Anganwadi centers, health centers, wellness centers, and other government establishments. Moreover, it will assist in the construction of the necessary water supply infrastructure required for development of functional tap connections for sufficient water supply to households on a regular basis to fulfil the plan's objectives. The gram panchayats and the local rural communities will be responsible for planning, implementing, managing, owning, operating, and maintaining the in-village water supply systems for their corresponding villages. It also empowers states and UTs to plan for drinking water security for a sustained usage for a longer time and promotes for the development of strong institutions focused on service delivery and financial sustainability in the sector.

Furthermore, it plans on building stakeholder capacity and raising community awareness about the importance of water in improving quality of life to ensure a smooth operation.

The mission has put forth broad objectives as the foundation to ensure implementation of tap water connections, and a regular and long-term access to adequate and good quality drinking water. Its implementation was followed after the National Rural Drinking Water Programme reported, on March 31, 2019, only 18.33% households having tap water connections, signalling the dire need of an initiative to expand provisioning of tap water connections. It follows a holistic and integrative approach of involving the gram panchayat and its sub-committees along with the local community and stakeholders in the critical steps of planning, implementation, management, operation, and maintenance of water supply within villages by effectively recognising the lack of reach of the state government department to the bottommost level for management of water supply to every household, making it more inclusive of the community with better recognition of problems are potential solutions existing on ground. Moreover, it allows for the formation of a separate technical cadre for planning and implementation to ensure necessary involvement of the local community and the gram panchayat in operations and maintenance (O&M), cost recovery, and good governance to see the desired results. It plans on a community-led collaboration with states to be an effective strategy for achieving JJM objectives as communities can take up the onus of ensuring every rural household has FHTC delivering water at least 55 LPCD, which has been set as the adequate minimum quantity required. Local action and inclusion of the state government as true facilitators will make the approach viable in the long-term.

Rural women and adolescent girls spend a significant amount of time and energy in obtaining water for daily use which results in their lesser participation in income-generating activities, gender discriminated school enrolment ratios, and poor health. The plan identifies these issues and targets to have a multitude of impacts which will play an important role in bringing ease of living to the rural community, particularly women. It promotes women to lead with the initiative in their villages to better incorporate their problems and ensure equitable benefits are obtained. It has designed FHTC to be provided in every household with three delivery points through taps, including kitchen, washing and bathing area, and toilet, with only one tap funded, to keep water clean and prevent misuse. It has structured the rural water supply infrastructure built over the years to be dovetailed, retrofitted, and renovated to provide functional FHTCs. It has provisioned for the same local water source to be used in villages with sufficient groundwater availability of prescribed quality within the village boundary owing to the availability of technologies for providing safe water from contaminated groundwater sources with the government department. In villages with functional hand pumps, it allows for a depth deepening to meet the service delivery level and safeguard the basic water needs. Because of the development and increased application of new technologies, the mission stimulates exploration and prioritization of gravity and solar power-based water supply schemes with low O&M expenditure in tribal regions, and hilly and forested areas. Moreover, spring water is another reliable source of drinking water widely present in hills and mountains which will be optimally utilized with technological advancement for requirement fulfilment. The utilization of solar energy for water procurement in hot regions and deserts will also be surveyed with a possibility of technology intervention.

The plan also emphasizes on the specifics pertaining to each region, increasing outreach to more rural areas. It proposes the use of in-situ suitable treatment technology in villages with sufficient groundwater availability but quality issues. In villages which have water quality issues and a lack of suitable surface water sources in the nearby area, it recommends conjunctive use of multiple sources of water. Similarly, for villages in drought-prone areas, a combined implementation of multiple sources of water such as ponds, lakes, rivers, groundwater, supply from a long distance, rainwater harvesting, and artificial recharge will be considered. In water-scarce states with insufficient rainfall, it is developing regional water supply schemes covering both urban and rural areas by sourcing water from a single perennial source. Furthermore, it is working on planning a new water supply scheme in peri-urban sectors and large villages in water-scarce areas with a dual-piped water supply system, covering fresh water in one and treated wastewater in the other pipe in order to save precious fresh water. The wastewater pipe would contain treated water which will be suitable for non-potable needs, such as gardening, and use for toilet flushing and cleaning. The households will be prompted to use faucet aerators to save significant amounts of water within their homes, lessening the burden. It also mentions provisioning of potable water, on priority, in water quality-affected habitations, specifically with arsenic and fluoride contaminants to avoid poisoning. It accounts to the gradual and time-taking procedure of planning and implementation of a piped water supply scheme based on a safe water source and recommends establishing CWPPs as an interim measure to provide 8-10 LPCD potable water to meet the drinking and cooking needs of every household residing in such villages and habitations, keeping in mind the safety of the residents.

For source recharging it intends to adopt dedicated bore well recharge structures, and rainwater recharging systems, while focusing on rejuvenation of existing water bodies using watershed and springshed principles, in

collaboration with other schemes such as MGNREGS, IWMP, Finance Commission grants, State schemes, MPLAD, and MLALAD, amongst others. In order to enhance recharging of aquifers, especially in arid and semi-arid areas, the state government will be required to strengthen and further extend existing canal networks to transfer surplus flood waters from dams and reservoirs to ponds, lakes, rivers and other water bodies which will refill groundwater and also prevent waterlogging during the monsoon season. Program arrangements will be made at all levels, with links and convergence with other organizations, such as the SWSM, and the DWSM for superior outcomes. The collaborative approach will be included in the SAP and DAP to target long-term water security. These policies include an appropriate incentive and disincentive mechanism to discourage water waste while also meeting recurring expenditures on bulk water transfer, treatment, distribution network, and household level supply. Furthermore, the state government and UT Administration will assist the village level committee in making decisions on user charges for providing household connection as well as water supply by contemplating to achieve the lowest possible cost of water supply systems. The department monitors water quality through laboratory tests, while the community monitors water quality through Field Test Kits (FTKs) and sanitary inspection, ensuring proper sanitation guidelines are being followed. Provisioning of 24 X 7 water supply is the preference, but the mission provides states the ability to consult with Gram Panchayats for any requirement of individual household storage tanks. All efforts are anticipated to increase community ownership and trust and raise awareness about responsible use. The vision and impetus to this mission is assured availability of potable water, establishment of a FHTC, increased participation by local communities especially women, in water ownership and resource management, improved water transfer and treatment, enhanced water distribution systems and a bottom-up approach to accomplish the desired objectives.

### **BUDGETARY ALLOCATION FOR JJM-HAR GHAR JAL**

The Department of Drinking Water and Sanitation was allocated **INR 77,391 crore** in the 2024-2025 estimated budget. This department mainly consists of JJM / National Rural Drinking Water Mission and Swachh Bharat Mission (Gramin).

Since August 2019, the Indian government is engaged with States to implement JJM. The mission that aims to offer regular and long-term access to potable water to every rural household through a tap water connection at a service level of 55 liters per capita per day (lpcd), of the required quality (BIS:10500), by 2024. The anticipated outlay of the mission is of **INR 3.60 lakh crore** in which **INR 2.08 lakh crore** is of Central share.

More than **INR 61,459 crore** in grants have been given to States/ UTs for fiscal year 2023-2024 depending upon performance for offering of household tap water connections and using the available Central grant with a corresponding State share. The Central government has increased the budget for JJM to **INR 60,000 crore** for the fiscal year 2022-2023, highlighting the significance of the Har Ghar Jal' programme.

On the basis of balance households to be offered FHTC as per 'per household cost' for various scheme types, the fund requirement for capital expenditure for JJM would be determined. The balance households to be offered with FHTCs were chosen as per data provided by States on Integrated Management Information System (IMIS). For each household the average number of persons is considered as five. This was done solely to arrive at total outlay for the JJM and would not be utilized to approve schemes.

Through this mission, difficult terrains such as those covered by the DDP and the DPAP are provided with 30 % of weightage, while population living in SC/ST dominated areas are offered with 10 % of weightage, aiding on prioritize coverage in these areas. Additionally, villages in drought-prone and desert areas, villages with a SC/ST majority, villages in Aspirational and JE-AES impacted districts, and Sansad Aadarsh Gram Yojana (SAGY) villages have been prioritized for tap water supply connections.

Furthermore, provisions have been made under JJM for pursuing the augmentation and strengthening of local & ancient drinking water sources in convergence with other village-level schemes including, MGNREGS, 15th Finance Commission tied grants to Rural Local Bodies (RLBs), District Mineral Development Fund, community contribution, IWMP and CSR funds, among others.

### **BUDGET ALLOCATIONS FOR WATER AND WASTEWATER INDUSTRY (2023-2024)**

In the union budget for 2023-2024, roughly 1,12,478 crore INR is projected for the water domain, which is distributed between the Ministries of Jal Shakti, Agriculture and Farmers' Welfare, Rural Development, and Housing and Urban Affairs<sup>2</sup>. This allocation is over 15% greater than the projected budget for the previous fiscal year. The 70,000-crore allocation to Jal Jeevan Mission for installing functional household tap connections

(FHTC) in rural India deserves the majority of the credit. The goal for fiscal year 2023-24 is to obtain an extra 4 crore FHTCs.

#### BUDGET ALLOCATIONS (2024-2025)

Department / Budget Head	Budget Estimated: 24-25	Revised Estimated: 23-24	Budget Estimated: 23-24	Revised Estimated: 22-23	Budget Estimated: 22-23	Actual: 21-22
<b>Ministry of Jal Shakti</b>						
Total – MoJS	98,419.00	96,550.00	97,278.00	74,029.00	86,189.00	83,467.00
<b>Department of Water Resources, River Development and Ganga Rejuvenation</b>						
Total - DoWR, RD, GR	98,418.79	96,549.57	20,054.67	14,000.00	18,967.88	17,215.16
Namami Gange	3,500.00	2,400.00	4,000.00	2,500.00	2,800.00	1,394.00
Pradhan Mantri Krishi Sinchai Yojna	8,890.07	7,031.10	8,587.00	7,084.00	10,954.00	8,541.00
Servicing of loans from NABARD under PMKSY	3,749.80	3,774.41	3,875.00	3,875.00	4,585.00	3,736.00
Har Khet Ko Pani	600.00	600.00	300.00	550.00	785.00	1,264.00
Command Area Development and Water Management	1400.00	236.69	400.00	140.00	1,044.00	108.00
Atal Bhujal Yojana	1,778.00	1,778.00	1,000.00	700.00	700.00	327.00
Water Resources Management	2,946.26	2,705.00	2,042.00	1,703.00	2,112.00	753.00
<b>Department of Drinking Water and Sanitation (DDWS)</b>						
Total – DDWS	77,223.00	77,032.65	77,223.00	60,029.00	67,221.00	66,252.00
Jal Jeevan Mission	70,162.90	70,000.00	70,000.00	55,000.00	60,000.00	63,125.00
Swachh Bharat Mission (Gramin)	7,192.00	7,000.00	7,192.00	5,000.00	7,192.00	3,099.00
<b>Department of Land Resources, Ministry of Rural Development</b>						
Integrated Watershed Development Program	-	-	2,200.00	1,100.00	2,000.00	941.00
<b>Ministry of Housing and Urban Affairs</b>						
Swachh Bharat MissionS Urban	5,000.00	2,550.00	5,000.00	2,000.00	2,300.00	1,952.00
Atal Mission for Rejuvenation and Urban Transformation	8,000.00	5,200.00	8,000.00	6,500.00	7,300.00	7,280.00

Source: Ministry of Finance, Government of India

The Ministry of Jal Shakti, which includes the Departments of Drinking Water and Sanitation as well as Water Resources, River Development, and Ganga Rejuvenation, has been allocated a planned budget of 86,189 cr INR, which is 12% more than the previous fiscal year's budget. The JJM program receives nearly all of the new funding. The budget of the PMKSY at the Department of Water Resources, River Development, and Ganga Rejuvenation has been reduced by about 20% compared to previous year's 10,954 Cr. Within PMKSY, both the budget heads for command area development, i.e. 'Har Khet Ko Pani,' as well as the budget head for 'Command Area Development and Water Management,' have suffered a fall in allocation. Continuing the pattern, nearly 50% of the allocation under PMKSY this year is going to service NABARD loans under PMKSY, which includes payment of interest to NABARD. The budget for the Namami Gange and Atal Bhujal Yojana component has been significantly increased. The Namami Gange budget has been boosted to 4,000 crores, up from 2,800 crores last year. The Atal Bhujal Yojana has also seen almost 40% growth from the previous year's 700 cr.

The entire allocation for the Department of Drinking Water and Sanitation is 77,223 cr INR, up from 67,221 cr INR the previous year. The JJM hopes to have the FHTC in place by 2024. The yearly allocation of JJM has been enhanced as the deadline approaches and a big objective of additional 8 cr FHTCs remains. The budget has been boosted from 60,000 cr to 70,000 cr this year, up from 60,000 cr last year.

The Department of Land Resources has allocated a total of 2,200 crores for the WDC PMKSY 2.0. The PMKSY's Integrated Watershed Development Program oversaw a large chunk of the watershed until March 31, 2022. The MGNREGA funding supports a significant amount of watershed and water conservation activities. The MGNREGA budget in the Department of Rural Development has reduced by over 20% this year compared to previous year's 73,000 crores. The Per Drop More Crop (Micro Irrigation) component has been combined with the RKVY from the previous fiscal year budget. The paper makes no mention of a separate financial allocation. However, the entire RKVY budget has fallen by about 25% as compared to last year's allocation of 10,433 cr INR. The allocation for the SBM Urban has been enhanced to 5,000 cr INR, up from 2,300 cr INR previous year. In addition, the AMRUT would get 8,000 crore INR. The major activities in this budget, according to the Output Outcome Framework, include functional water tap connections to urban homes, sewage treatment, and water body rejuvenation, among others.

## **GROUNDWATER RECHARGING**

### **National scenario of groundwater and availability**

India is one of the largest users of groundwater in the world. Groundwater is the only source of water for most of the population in India and the groundwater is being used for farming and domestic purpose. While groundwater fueled the Green Revolution of India, which transformed India into a food-secure nation, extensive exploitation has resulted in its worrisome depletion. Groundwater will become ever more important as climate change makes rainfall patterns more erratic. Already, declining groundwater levels endanger nearly two-thirds of India's districts (63%). This water is frequently becoming polluted. Worryingly, poverty rates are 9-10% higher in places where groundwater levels have dropped below 8 meters, putting small farmers at risk. If current trends continue, at least 25% of India's agriculture would be threatened. Dynamic groundwater is the amount of groundwater accessible in the zone of water level fluctuation that is renewed yearly. Groundwater has increasingly emerged as the foundation of India's agricultural and drinking water security. Groundwater contributes almost 62% of irrigation, 85% of rural water supply, and 45% of urban water supply. It helps to keep rivers and wetlands flowing and promotes terrestrial vegetation. It is sometimes the only source of water in arid and semi-arid regions. As a result, groundwater is critical to the country's socioeconomic growth. However, groundwater supplies in India are under jeopardy. Pumping that is both intensive and uncontrolled has resulted in a quick and widespread drop in groundwater levels. Between 1950 and 2010, the number of tube wells dug surged from 1 million to approximately 30 million, indicating extraordinary growth. This explosive use of groundwater has resulted in decreasing level of water table (level of groundwater).

Ground water in the fluctuating water level zone is replenished annually, with rainfall being the primary contributor. As a result, sustainable ground water resource exploitation necessitates a realistic quantitative evaluation of ground water availability in this zone based on generally reliable scientific concepts. The National Water Policy of 2012 emphasized the scientific evaluation of ground water resources on a regular basis. Water availability changes affected by a variety of reasons, including climate change, must also be examined and accounted for during water resource planning. It supports direct use of rainwater, desalination, and prevention of accidental evapotranspiration to supplement utilizable water supplies to fulfill the rising demand for water. According to the National Water Policy 2012, safe drinking water and sanitation should be prioritized over other domestic needs (including animal needs), achieving food security, supporting sustenance agriculture, and meeting minimum eco-system needs. After addressing the demands, available water should be allocated in a way that promotes conservation and efficient usage.

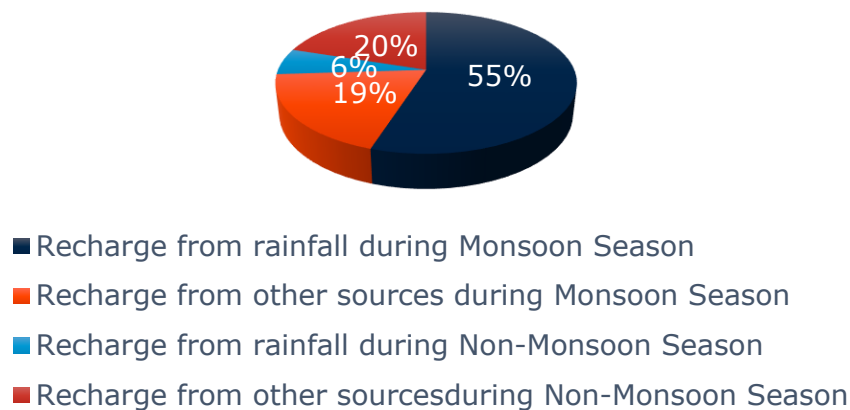
## **OVERVIEW OF GROUNDWATER RECHARGING**

The 2023 assessment of India's dynamic ground water resources, conducted jointly by the Central Ground Water Board (CGWB) and State Ground Water Departments, indicates that the Total Annual Ground Water Recharge is 449.08 billion cubic meters (bcm), with natural discharges amounting to 41.89 bcm. Consequently, the Annual Extractable Ground Water Resources are 407.21 bcm. The primary source of this recharge is rainfall, contributing

270.78 bcm or 60% of the total recharge, with 54% occurring during the monsoon and 6% during the non-monsoon seasons. The remaining 40%, equivalent to 178.31 bcm, comes from secondary sources like canal seepage, irrigation return flow, and water conservation structures. Certain states and Union Territories, including Assam, Goa, Gujarat, Jharkhand, Kerala, Madhya Pradesh, and others, see more than 70% of their groundwater recharge from monsoon rainfall. In contrast, areas like the Indus-Ganga-Brahmaputra belt experience significantly high recharge rates due to favorable climatic and geological conditions. The coastal alluvial belt also shows high recharge rates, whereas arid regions like Rajasthan and parts of Gujarat, as well as the hard rock terrains of southern India, exhibit lower recharge rates. Overall, the 2023 assessment reveals an increase of 11.48 bcm in annual ground water recharge and 9.13 bcm in extractable resources compared to previous assessments, with a rise of 2.18 bcm in groundwater extraction for various uses.

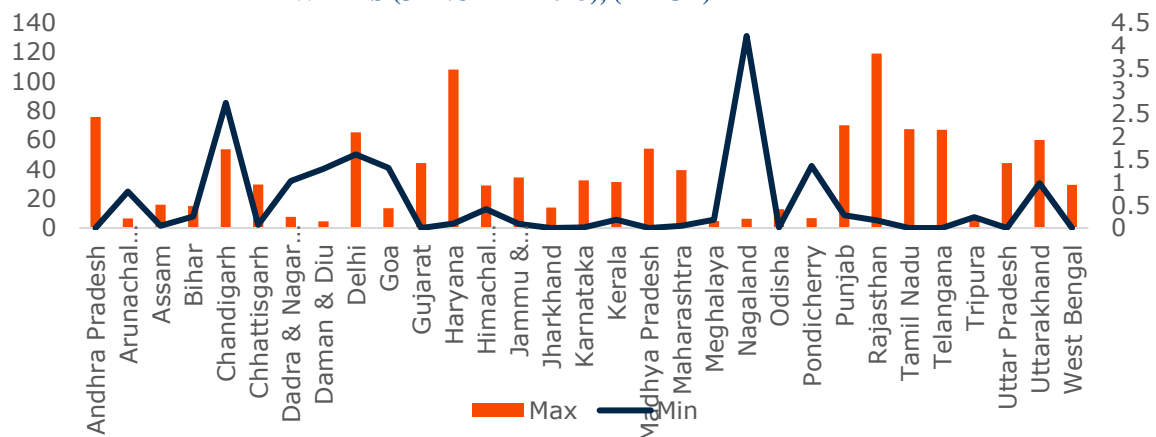
JSA is being implemented in India by the government. The first JSA was launched in 2019 in water stressed blocks of 256 districts, with the primary goal of effectively harvesting monsoon rainfall through the creation of artificial recharge structures, watershed management, recharge and reuse structures, intensive afforestation, and awareness generation, among other things. In addition, The World Bank is assisting the government's national groundwater program, the Atal Bhujal Yojana, in its efforts to enhance groundwater management. This is the world's biggest community-led groundwater management initiative, with 8,220-gram panchayats spread across seven Indian states. Because groundwater conservation is in the hands of hundreds of millions of people and communities, the initiative assists villagers in understanding their water availability and consumption trends so that they may manage their water use properly.

### GWR SCENARIO IN INDIA, 2023



Source: Central Ground Water Board (CGWB)

### STATE-WISE DEPTH TO WATER LEVEL, DISTRIBUTION OF PERCENTAGE OR OBSERVATION WELLS (JANUARY 2023), (MBGL)



Source: Ministry of Jal Shakti (GOI)



## OVERVIEW OF GROUNDWATER RECHARGING IN KARNATAKA

Over-exploitation and insufficient replenishment of groundwater have created an urgent need to preserve freshwater and reuse treated wastewater in Karnataka. To address this issue, the government has initiated a large-scale plan to recycle 440 million liters per day, aimed at indirectly recharging groundwater in the drought-prone Kolar district. This recycling effort employs Soil Aquifer Treatment (SAT) technology, which involves filling surface run-off tanks with treated sewage water (STW) that infiltrates and recharges aquifers. The facility treats wastewater up to the secondary level before pumping it into 137 designated tanks. Primary treatment removes floating particles like plastics and paper, secondary treatment uses microorganisms to remove dissolved organic matter, and tertiary treatment makes the water drinkable. Once in the tanks, the wastewater undergoes further natural filtration through sandy and loamy soil and soil microbes in Kolar. Results show that water in the revitalized tanks meets India's stringent discharge regulations, with groundwater levels in monitored boreholes increasing by 58-73% and quality improving significantly, converting hard water to soft. Land use studies indicated increases in water bodies, trees, and cultivated land, leading to a boost in agricultural output by 11-42%, milk productivity by 33%, and fish productivity by 341%. The KC Valley project demonstrates a viable solution for recharging groundwater using treated wastewater, significantly alleviating water scarcity in drought-prone areas. Inspired by this success, Karnataka has launched additional projects, including Phase II of the KC Valley and the Hebbal-Nagawara Valley Project, aiming to reuse around 865 million liters of treated wastewater per day for groundwater replenishment.

In parallel, the Karnataka government is actively formulating a new policy to enhance groundwater recharge statewide in response to the alarming decline in levels caused by rapid urbanization and deforestation. During a recent national conference on sustainable groundwater management, Minister N S Boseraju emphasized the urgent need for rainwater harvesting and other recharge methods. In Bengaluru, the 'Million Wells for Bengaluru' campaign, led by engineer S Vishwanath, has resulted in the construction of over 250,000 recharge wells, significantly reducing residents' reliance on municipal water and providing sustainable livelihoods for the well-digging community. This initiative highlights the critical importance of sustainable groundwater management in addressing the state's water scarcity issues.

### WATER SOURCES IN KARNATAKA (% SHARE)

Sources	Percentage
Canals	36%
Tanks	6%
Wells	12%
Tube	34%
Lift Irrigation	4%

Source: Water Resource Department, GOK

### TECHNOLOGY USED

Groundwater recharging in India involves the implementation of various technologies and methods to replenish and enhance the groundwater levels. Some of the commonly used technologies and techniques for groundwater recharging in India include direct surface techniques, and direct sub-surface techniques.

### SURFACE SPREADING TECHNIQUES

These are intended to increase the contact area and residence duration of surface water over the soil in order to improve infiltration and increase ground water storage in phreatic aquifers. A variety of variables influence water travel downhill, including soil vertical permeability, the presence of grass or entrapped air in the soil zone, and the presence or absence of limiting layers of low vertical permeability at depth. Changes caused by physical, chemical, and bacterial impacts during the infiltration process are also essential in this respect. Important considerations in the selection of sites for artificial recharge through surface spreading techniques include:

- The area should have gently sloping land without gullies or ridges.
- The aquifer being recharged should be unconfined, permeable and sufficiently thick to provide storage space.
- The surface soil should be permeable and have a high infiltration rate.
- Vadose zone should be permeable and free from clay lenses.

- Ground water levels in the phreatic zone should be deep enough to accommodate the recharged water so that there is no water logging.
- The aquifer material should have moderate hydraulic conductivity so that the recharged water is retained for sufficiently long periods in the aquifer and can be used when needed.

## **FLOODING**

This strategy is appropriate for fields next to rivers or irrigation canals when water levels stay deep even after monsoons and if there are adequate non-committed surface water supplies. To maintain adequate contact time and water distribution, embankments are constructed on both sides to direct unutilized surface water to a return canal, which transports the excess water to a stream or canal. The flooding approach reduces surface water system evaporation losses, is the least expensive of all artificial recharge technologies known and has extremely low maintenance costs.

## **DITCH AND FURROWS METHOD**

This approach is digging shallow, flat-bottomed, closely spaced ditches or furrows to maximize water contact area for recharging from a source stream or canal. The ditches should have enough slopes to sustain flow velocity and minimize silt accumulation. The ditch widths are normally in the 0.30 to 1.80 m range. A collecting channel should also be created to transport the excess water back to the source stream or canal. Though this approach requires less soil preparation than recharging basins and is less susceptible to silting, the water contact area seldom surpasses 10% of the total recharge area.

## **RECHARGE BASIN**

Artificial recharge basins are often dug or confined by dykes and levees and built parallel to ephemeral or intermittent stream systems. They can also be built parallel to canals or other sources of surface water. Multiple recharge basins can be built parallel to streams in alluvial areas to a) increase water contact time, b) reduce suspended material as water flows from one basin to another, and c) facilitate periodic maintenance such as silt scraping, etc. to restore infiltration rates by bypassing the basin under restoration.

## **RUNOFF CONSERVATION STRUCTURES**

These are often multi-purpose practices that are mutually beneficial and promote soil and water conservation, afforestation, and higher agricultural output. They are appropriate for locations that get low to moderate rainfall mostly during a single monsoon season and have little or no capacity for water transfer from other places. There are several metrics available for the runoff zone, recharge zone, and discharge zone. Bench terracing, contour bunds, gully plugs, nalah bunds, check dams, and percolation ponds are all frequent constructions.

## **BENCH TERRACING**

Bench terracing entails leveling sloping fields with surface gradients of up to 8% and having enough soil cover to put them under irrigation. It aids in soil conservation by retaining runoff water on terraced areas for extended periods of time, resulting in greater infiltration and GWR. Terracing should be implemented once a map of the watershed has been created using level surveying and appropriate benchmarks have been established. A contour map with a contour interval of 0.3 m is then created. The width of each individual terrace should be calculated based on the land slope, but it should never be less than 12 m. The slope between two terraces should not be greater than 1:10, and the terraces should be flat. The land slope determines the vertical elevation difference and terrace width. Water exits of suitable proportions must be built in paddy cultivation regions to drain excess stored water and sustain water circulation. For rainfall intensities between 7.5 and 10 cm, the width of the outflows can range from 0.60 m for watersheds of up to 2 ha to 3.0 m for watersheds of up to 8 ha. Natural drainage channels should be linked to all outputs.

## **CONTOUR BUNDS**

Contour bunding is a watershed management strategy that involves the construction of tiny embankments or bunds across the slope of the ground in order to increase soil moisture storage. The building of bunds following contours of equal land elevation gave rise to their names. This approach is commonly used in low rainfall locations (typically less than 800 mm) with gently sloping agricultural lands with exceptionally long slope lengths and permeable soils. They are not advised for clayey soils with inadequate internal drainage. Contour bunding entails

building narrow-based trapezoidal embankments (bunds) following contours to impound water, which infiltrates into the soil and eventually augments GWR. Prior to contour bunding, the ground must be leveled by removing local ridges and depressions, a map of the region must be prepared by level surveying, and benchmarks must be fixed. Elevation contours, ideally at 0.3 m intervals, are then produced, excluding places that do not require bunding, such as habitations, drainage, and so on. The bund alignment should then be noted on the map. Contour bund design considerations include i) spacing, ii) cross section, and iii) deviation flexibility to go higher or lower than the contour bund elevation for better alignment on undulating ground.

### **PERCOLATION TANKS**

Percolation tanks, which work on the same principles as nalah bunds, are among the most prevalent runoff collecting structures in India. A percolation tank is an intentionally produced surface water body that submerges a highly permeable land region, allowing surface runoff to percolate and recharge ground water storage. They are distinguished from nalah bunds by having bigger reservoir areas. They lack sluices or outlets for releasing water from the tank for irrigation or other uses. They may, however, be equipped with provisions for dumping away excess water that may enter the tank in order to prevent the tank bund from overflowing.

### **GULLY PLUGS, NALAH BUNDS AND CHECK DAMS**

These constructions are built over gullies, nalahs, or streams to slow the flow of surface water in the stream channel and to keep water in the pervious soil or rock surface for extended periods of time. In contrast to gully plugs, which are often built over first order streams, nalah bunds and check dams are built across larger streams and in places with gentler slopes. These can be temporary constructions made of locally accessible materials, such as brush wood dams, loose / dry stone masonry check dams, Gabion check dams, and woven wire dams, or permanent structures made of stones, brick, and cement. For long-term dam stability, competent civil and agro-engineering approaches must be employed in the design, planning, and construction of permanent check dams to provide proper storage and adequate outflow of surplus water to minimize scours on the downstream side. The check dam location should have a sufficient thickness of permeable soils or weathered material to allow for quick recharging of stored water. The water retained in these constructions is usually restricted to the stream flow and the height is less than 2 m. These are built to accommodate the breadth of the stream and enable surplus water to flow over the wall. Water cushions are supplied on the downstream side to prevent scouring from excess runoff. A succession of similar check dams can be built on a regional scale to capture maximum runoff in the stream.

### **MODIFICATION OF VILLAGE TANKS AS RECHARGE STRUCTURES**

Existing village tanks, which are usually silted and deteriorated, can be converted into recharge structures. Unlike properly engineered percolation tanks, village tanks do not have cut-off ditches or waste weirs. Desilting village tanks, together with the right placement of waste weirs and cut off trenches on the upstream side, can make them more suitable for use as recharge structures. With minimal adjustments, such tanks, which are plentiful in rural India, might be transformed into cost-effective structures for boosting GWR.

### **STREAM CHANNEL MODIFICATION / AUGMENTATION**

In regions where streams zigzag across large valleys, occupying just a tiny portion of the valley, the natural drainage channel can be changed to promote infiltration by retaining stream flow and increasing the surface of the streambed in contact with water. The channel is adjusted in such a way that the flow is dispersed over a larger area, resulting in increased contact with the streambed. The most common methods are a) widening, leveling, scarifying, or building ditches in the stream channel; b) building L-shaped finger levees or hook levees in the riverbed at the end of the high stream flow season; and c) low head check dams that allow flood waters to pass safely over them. Stream channel alteration can be used in locations with influent streams, which are mainly found in piedmont regions and areas with deep water tables, such as dry and semi-arid regions, as well as in valley fill deposits. The structures built for stream channel alteration are typically temporary, meant to supplement GWR periodically, and are vulnerable to flooding. These approaches are often utilized in alluvial settings, but they can also be useful in hard rock places when thin river alluvium overlies excellent phreatic aquifers or the rocks in and around the stream channel are heavily worn or fractured. Artificial recharge by stream channel alterations might be more successful if surface storage dams exist upstream of the recharge locations since they allow for regulated water release.

### **SUBSURFACE TECHNIQUES**

Subsurface approaches try to replenish deeper aquifers that are overlain by impermeable layers, preventing infiltration from surface sources that would normally recharge them. Injection wells or recharge wells, recharge pits and shafts, dug well recharge, borehole flooding, and recharge through natural holes and cavities are the most frequent ways for recharging such deeper aquifers.

### **INJECTION WELLS OR RECHARGE WELLS**

Injection wells or recharge wells are constructions similar to bore/tube wells, but they are built to supplement ground water storage in deeper aquifers by supplying water under gravity or pressure. The aquifer to be restored is often desaturated owing to overexploitation of ground water. Artificial recharging of aquifers by injection wells can also be done in coastal zones to prevent saltwater infiltration and to counteract land subsidence concerns in places where constrained aquifers are intensively exploited.

### **RECHARGE PITS**

Recharge pits are often dug pits that are deep enough to reach the low-permeability layers that overflow the unconfined aquifers. In concept, they are identical to recharge basins, with the exception that they are deeper and have a smaller bottom area. Because lateral hydraulic conductivity is significantly higher than vertical hydraulic conductivity in most layered sedimentary or alluvial material, the majority of infiltration occurs laterally through the pit walls in many such systems. Abandoned gravel quarry pits or brick kiln quarry pits in alluvial areas, as well as abandoned quarries in basaltic locations, can be utilized as recharge pits wherever permeable horizons exist. The Nalah trench is a type of recharge pit excavated across a streambed. Input portions of streams are ideal locations for such ditches. Contour trenches, as previously explained, fall into this type as well.

### **INDIRECT METHODS**

Indirect techniques of artificial recharging of ground water do not require direct water delivery for recharging aquifers, but rather attempt to recharge aquifers indirectly. In this category, the most frequent approaches are induced recharge from surface water sources and aquifer alteration techniques.

### **INDUCED RECHARGE**

Pumping water from an aquifer that is hydraulically coupled to surface water to induce recharge to a ground water reservoir is referred to as induced recharge. Once a hydraulic link is formed between the cone of depression and the river recharge border, surface water sources begin to contribute to the pumping yield. Because of its passage through the aquifer material, induced recharge can be employed to improve the quality of surface water resources under favorable hydrogeological circumstances. Collector wells and infiltration galleries, which are used to extract significant amounts of water from riverbeds, lakebeds, and waterlogged regions, also work on the idea of induced recharge.

### **AQUIFER MODIFICATION TECHNIQUES**

These procedures alter the aquifer's properties in order to boost its ability to store and convey water via artificial means. The two most important procedures in this category are bore blasting and hydrofracturing. Though they are yield augmentation techniques rather than artificial recharge structures, they are also termed artificial recharge structures due to the increase in ground water storage in aquifers as a result.

### **COMBINATION METHODS**

Under favorable hydrogeological circumstances, several combinations of surface and subsurface recharge technologies may be utilized in conjunction for optimal replenishment of ground water reservoirs. In such circumstances, the approaches to be integrated are site-specific. Combination methods that are commonly used include a) recharge basins with shafts, percolation ponds with recharge pits or shafts, and induced recharge with wells tapping multiple aquifers and allowing water to flow from upper to lower aquifer zones through the annular space between the walls and casing (connector wells), among others.

### **PROJECTS IN INDIA**

- During 2021-22, Central Ground Water Board (CGWB) under this Ministry has taken up the project on 'Groundwater augmentation through artificial recharge in certain water stressed areas of Rajasthan and

Haryana'. Artificial recharge structures will be constructed in water scarce areas of Jodhpur, Jaisalmer & Sikar districts of Rajasthan and Kurukshetra, Yamunanagar, Ambala & Panchkula districts of Haryana.

- Atal Bhujal Yojana (Atal Jal), launched by this Ministry in 2019, has its goal of demonstrating community-led sustainable ground water management which can be taken to scale. The major objective of the scheme is to improve the management of groundwater resources in select water stressed areas in identified states viz. Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan and Uttar Pradesh.
- CGWB has in the year 2018, taken up Artificial Recharge work in three aspirational districts, Osmanabad, Maharashtra, YSR Kadapa district, Andhra Pradesh and Jangaon district, Telangana. Under this, suitable structures were constructed to harvest the runoff water in stream to store at suitable locations for augmenting recharge to the ground water.
- Under Jal Shakti Abhiyan campaign, water conservation and rainwater harvesting structures, as well as reuse and recharge structures, are being developed by the State Governments.
- In 2018, CGWB took up a pilot project in the eastern region of Maharashtra covering districts of Wardha and Amravati at five locations for construction of Bridge cum Bandhara (BCB) for ground water recharge. The structures also serve a dual purpose of transportation as well as storage of water in the upstream side for drinking and irrigational needs. The project was completed in 2020.
- Since XII Plan, CGWB has also taken up Aquifer Mapping and Management Programme for the entire country, including low ground water level districts. Under this, aquifer mapping is aimed to delineate aquifer disposition and their characterization for preparation of aquifer/ area specific ground water management plans with community participation.
- Further, Mahatma Gandhi National Rural Employment Guarantee Scheme (MNREGS) also has provisions for public works relating to natural resource management, water conservation and water harvesting structures to augment and improve ground water like underground dikes, earthen dams, stop dams, check dams and roof top rain water harvesting structures in public buildings.

#### INDIA WATER AND WASTEWATER TREATMENT MARKET REVENUE ESTIMATES AND FORECASTS, BY OFFERING, 2019-2033, (USD MILLION)

Offering	2019	2022	2023	2024	2027	2030	2033	CAGR% (2024-33)
<b>Treatment Technologies</b>	<b>1,887.272</b>	<b>2,200.950</b>	<b>2,331.020</b>	<b>2,470.657</b>	<b>2,951.203</b>	<b>3,546.564</b>	<b>4,282.431</b>	<b>6.30%</b>
<i>Activated Sludge Process</i>	715.327	831.030	878.887	930.190	1,106.218	1,323.330	1,590.445	6.14%
<i>Membrane Bio Reactor</i>	388.825	452.207	478.442	506.577	603.196	722.517	869.514	6.19%
<i>Moving Bed Bio Reactor</i>	293.292	343.771	364.773	387.361	465.402	562.660	683.600	6.51%
<i>Sequencing Batch Reactor</i>	173.776	204.628	217.503	231.375	279.475	339.745	415.113	6.71%
<i>Upflow Anaerobic Sludge Blanket Reactor</i>	141.170	163.808	173.164	183.190	217.558	259.892	311.903	6.09%
<i>Submerged Aerated Fixed Film Reactor</i>	121.197	141.767	150.314	159.499	191.183	230.573	279.433	6.43%
<i>Other Treatment Technologies</i>	53.685	63.739	67.939	72.466	88.171	107.848	132.423	6.93%
<b>Treatment Chemicals</b>	<b>1,368.002</b>	<b>1,587.168</b>	<b>1,677.738</b>	<b>1,774.781</b>	<b>2,107.399</b>	<b>2,516.994</b>	<b>3,020.093</b>	<b>6.08%</b>
<i>Corrosion Inhibitors</i>	360.870	417.800	441.293	466.445	552.514	658.239	787.768	6.00%
<i>Scale Inhibitors</i>	23.453	27.033	28.506	30.080	35.449	42.011	50.008	5.81%
<i>Biocides &amp; Disinfectants</i>	318.102	368.561	389.395	411.706	488.096	582.015	697.185	6.03%
<i>Coagulants &amp; Flocculants</i>	94.112	109.961	116.541	123.610	147.973	178.222	215.695	6.38%
<i>Chelating Agents</i>	195.332	227.969	241.509	256.049	306.115	368.196	444.995	6.33%
<i>Anti-Foaming Agents</i>	268.383	310.310	327.597	346.096	409.330	486.885	581.749	5.94%

Offering	2019	2022	2023	2024	2027	2030	2033	CAGR% (2024-33)
<u>Ph Adjusters and Stabilizers</u>	67.216	78.595	83.322	88.401	105.916	127.680	154.664	6.41%
<u>Others</u>	40.534	46.939	49.576	52.394	62.006	73.746	88.030	5.93%
Process Control and Automation	3,447.321	4,008.099	4,240.167	4,489.020	5,343.394	6,398.142	7,697.036	6.17%
Design, Engineering, and Construction Services	2,401.085	2,809.630	2,979.416	3,161.918	3,791.625	4,574.857	5,546.857	6.44%
Operation and Maintenance Services	1,537.198	1,774.939	1,872.816	1,977.462	2,334.506	2,771.105	3,303.389	5.87%
<b>Total</b>	<b>10,640.878</b>	<b>12,380.787</b>	<b>13,101.158</b>	<b>13,873.839</b>	<b>16,528.128</b>	<b>19,807.663</b>	<b>23,849.806</b>	<b>6.20%</b>

Source: International Water Association, Association of Water Technologies, National Ground Water Association, Water Environment Federation, Water Quality Association, Water & Sewer Industry Organizations, Ministry of Jal Shakti (MoJS), Central Water Commission CWC National Water Development Agency (NWDA), Water Resources Management Organisation, Central Pollution Control Board, Department of Water Resources, River Development, Department of Drinking Water and Sanitation, World Bank, Journals & Articles, Press Releases, Company Websites, Investor Presentations & Whitepapers, Annual Reports, Primary Interviews, Reports and Data

## MUNICIPAL

The demand of water and wastewater treatment in municipal sector is likely to grow significantly in the forecast period. Municipal wastewater treatment is a method in which harmful pollutants are eliminated from the wastewater. The key sources of for these pollutants are sewage and wastewater released from households, and commercial buildings such as hotels, and schools, among others. These pollutants are treated by several methods such as, physical, chemical, and biological process. Mostly three stages including, preliminary, primary, secondary and tertiary processes are used in the municipal water & wastewater treatment plants. Initially in preliminary stage the wastewater passes through screens and grit removal. Screening aids in removal of coarse solids such as rag whereas, grit removal helps in separating inorganic, heavy and sand solids. In primary stage in municipal wastewater treatment excrement is passed through the large tanks and these tanks are utilized for skimming off the oils and grease from sludge that are being settled down in the tanks. Further, this refines filths are collected at the bottom of tank and is pumped to filth treatment facilities. The secondary treatment helps in reducing the biological pollutants that are generated from human waste, detergents, soaps and foods, among others. This filth liquid is treated by the aerobic biological process. At last stage this liquid is disinfected from pathogenic microorganisms and viruses with helps of tertiary treatment. This treated water can be used in agricultural, commercial, industrial, and municipal activities. Thus, the demand for water and wastewater treatment plant in municipal sector would rise in the upcoming years.

### Water & wastewater treatment for municipal revenue estimates and forecasts, by region, 2019-2033, (USD million)

Region	2019	2022	2023	2024	2027	2030	2033	CAGR% (2024-33)
North	2,097.079	2,425.385	2,560.777	2,705.676	3,201.117	3,808.999	4,552.858	5.95%
West	2,052.292	2,393.860	2,535.512	2,687.593	3,211.033	3,859.668	4,661.544	6.31%
South	2,264.473	2,627.690	2,777.807	2,938.665	3,490.088	4,169.280	5,003.720	6.09%
East	1,258.564	1,448.970	1,527.209	1,610.771	1,895.238	2,241.927	2,663.148	5.75%
<b>Total</b>	<b>7,672.408</b>	<b>8,895.905</b>	<b>9,401.306</b>	<b>9,942.704</b>	<b>11,797.477</b>	<b>14,079.875</b>	<b>16,881.269</b>	<b>6.06%</b>

Sources: International Water Association, Association of Water Technologies, National Ground Water Association, Water Environment Federation, Water Quality Association, Water & Sewer Industry Organizations, Ministry of Jal Shakti (MoJS), CWC, NWDA, Water Resources Management Organisation, CPCB, Department of Water Resources, River Development, Department of Drinking Water and Sanitation, World Bank, Journals & Articles, Press Releases, Company Websites, Investor Presentations & Whitepapers, Annual Reports, Primary Interviews, Reports and Data

## Government and Public Utilities

Effective water and wastewater treatment is a cornerstone of modern society, ensuring access to clean and safe water while safeguarding the environment. Government agencies and public utilities play a pivotal role in managing these critical processes, maintaining the well-being of communities and ecosystems alike. The integration of advanced technologies and comprehensive regulatory frameworks is essential to address the growing challenges posed by population growth, urbanization, and industrial expansion. Government agencies

shoulder the responsibility of formulating and enforcing regulations that govern water quality standards and wastewater discharge limits. These regulations not only protect human health but also preserve aquatic ecosystems. For instance, The JJM, a government initiative, aimed to provide piped water supply to all rural households by 2024. The mission's goal was to ensure access to tap water to every household, thus reducing the dependence on untreated water sources.

Public utilities, both at the local and national levels, are entrusted with the vital task of delivering potable water to households and industries, while effectively treating and managing wastewater. Cutting-edge technologies such as membrane filtration, UV disinfection, and AOP's have revolutionized the treatment landscape, enhancing the removal of contaminants and pollutants. By embracing smart water management systems, utilities can optimize operations, reduce energy consumption, and minimize water loss. Collaboration between government agencies and public utilities is paramount to achieving sustainable water resource management. Robust investment in infrastructure upgrades and maintenance ensures the longevity of treatment facilities, reducing the risk of waterborne diseases and environmental degradation. Moreover, raising public awareness about water conservation and pollution prevention remains a shared endeavor, fostering a culture of responsible water usage.

### Water & wastewater treatment for government and public utilities market revenue estimates and forecasts, by region, 2019-2033, (USD million)

Region	2019	2022	2023	2024	2027	2030	2033	CAGR% (2024-33)
North	1,391.412	1,617.249	1,710.688	1,810.874	2,154.751	2,579.120	3,101.521	6.16%
West	1,380.577	1,618.818	1,717.961	1,824.612	2,193.185	2,652.713	3,224.393	6.53%
South	1,481.645	1,728.042	1,830.218	1,939.912	2,317.429	2,785.177	3,363.352	6.31%
East	811.900	939.238	991.729	1,047.890	1,239.795	1,474.989	1,762.395	5.95%
<b>Total</b>	<b>5,065.533</b>	<b>5,903.346</b>	<b>6,250.596</b>	<b>6,623.287</b>	<b>7,905.160</b>	<b>9,491.999</b>	<b>11,451.661</b>	<b>6.27%</b>

Sources: International Water Association, Association of Water Technologies, National Ground Water Association, Water Environment Federation, Water Quality Association, Water & Sewer Industry Organizations, Ministry of Jal Shakti (MoJS), Central Water Commission CWC, National Water Development Agency (NWDA), Water Resources Management Organisation, Central Pollution Control Board, Department of Water Resources, River Development, Department of Drinking Water and Sanitation, World Bank, Journals & Articles, Press Releases, Company Websites, Investor Presentations & Whitepapers, Annual Reports, Primary Interviews, Reports and Data

### Local Communities

Water and wastewater treatment play a pivotal role in ensuring the health and well-being of local communities by providing access to clean and safe water resources. In India, a country grappling with water scarcity and pollution challenges, efficient water and wastewater management is of paramount importance. The government has recognized the urgency of addressing these issues and has implemented various strategies to improve water quality and availability. According to government statistics, as of 2021, only about 40% of India's population has access to piped water supply, emphasizing the need for enhanced water treatment infrastructure. Moreover, a significant proportion of available water sources are contaminated with pollutants, jeopardizing public health. To combat these issues, the Indian government has launched ambitious initiatives such as the Swachh Bharat Mission and the Jal Jeevan Mission. These programs focus on improving water quality, sanitation facilities, and promoting community awareness about responsible water usage and conservation.

Local communities' benefit from these efforts through improved access to potable water and the prevention of waterborne diseases. Robust treatment processes involving physical, chemical, and biological methods are employed to purify raw water from various sources, making it safe for consumption. Additionally, wastewater treatment plants mitigate the environmental impact of untreated sewage and industrial effluents, safeguarding ecosystems and preserving the ecological balance. Community involvement is a crucial aspect of these initiatives. Local residents are educated about the importance of water conservation, pollution prevention, and the significance of proper waste disposal. Furthermore, decentralized treatment systems, such as constructed wetlands and community-based filtration units, are being introduced in rural areas to ensure sustainable water management.

### Water & wastewater treatment for local communities revenue estimates and forecasts, by region, 2019-2033, (USD million)

Region	2019	2022	2023	2024	2027	2030	2033	CAGR% (2024-33)
North	705.667	808.136	850.089	894.802	1,046.366	1,229.879	1,451.337	5.52%
West	671.715	775.042	817.551	862.981	1,017.848	1,206.955	1,437.150	5.83%
South	782.828	899.649	947.589	998.753	1,172.659	1,384.104	1,640.368	5.67%
East	446.664	509.732	535.481	562.880	655.443	766.939	900.752	5.36%
<b>Total</b>	<b>2,606.875</b>	<b>2,992.558</b>	<b>3,150.710</b>	<b>3,319.417</b>	<b>3,892.316</b>	<b>4,587.876</b>	<b>5,429.608</b>	<b>5.62%</b>

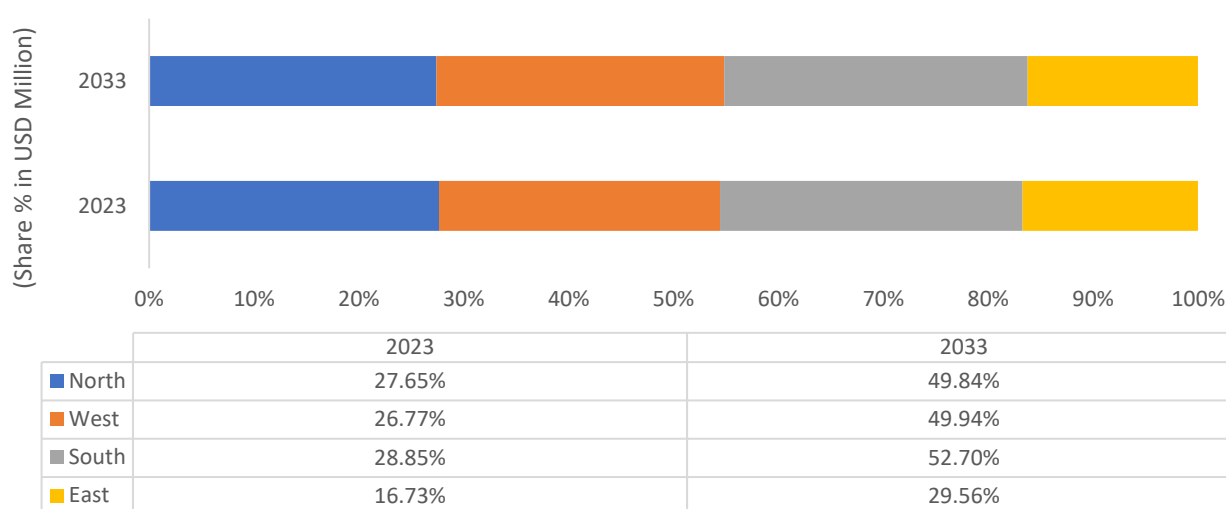
Sources: International Water Association, Association of Water Technologies, National Ground Water Association, Water Environment Federation, Water Quality Association, Water & Sewer Industry Organizations, Ministry of Jal Shakti (MoJS), Central Water Commission (CWC), National Water Development Agency (NWDA), Water Resources Management Organisation,

## KEY REGIONAL TRENDS & HIGHLIGHTS

South India is expected to account for a share of 28.85% in the Water & Wastewater Treatment Market in 2033.

## REGION DYNAMICS & MARKET SHARE, 2023 & 2033

**FIGURE 4. INDIA WATER & WASTEWATER TREATMENT MARKET: REGION DYNAMICS (SHARE IN % USD MILLION)**



Sources: International Water Association, Association of Water Technologies, National Ground Water Association, Water Environment Federation, Water Quality Association, Water & Sewer Industry Organizations, Ministry of Jal Shakti (MoJS), Central Water Commission, National Water Development Agency (NWDA), Water Resources Management Organisation, Central Pollution Control Board, Department of Water Resources, River Development, Department of Drinking Water and Sanitation, World Bank, Journals & Articles, Press Releases, Company Websites, Investor Presentations & Whitepapers, Annual Reports, Primary Interviews, Reports and Data

## INDIA WATER & WASTEWATER TREATMENT MARKET REVENUE ESTIMATES AND FORECASTS, BY REGION, 2019-2033, (USD MILLION)

Region	2019	2022	2023	2024	2027	2030	2033	CAGR% (2024-33)
North	2,952.385	3,426.522	3,622.503	3,832.519	4,552.556	5,439.605	6,529.634	6.10%
West	2,824.903	3,307.226	3,507.738	3,723.306	4,467.390	5,393.410	6,543.281	6.47%
South	3,065.899	3,570.369	3,779.356	4,003.593	4,774.413	5,727.791	6,904.113	6.24%
East	1,797.692	2,076.670	2,191.561	2,314.420	2,733.769	3,246.857	3,872.778	5.89%
<b>Total</b>	<b>10,640.878</b>	<b>12,380.787</b>	<b>13,101.158</b>	<b>13,873.839</b>	<b>16,528.128</b>	<b>19,807.663</b>	<b>23,849.806</b>	<b>6.20%</b>

Sources: International Water Association, Association of Water Technologies, National Ground Water Association, Water Environment Federation, Water Quality Association, Water & Sewer Industry Organizations, Ministry of Jal Shakti (MoJS), Central Water Commission (CWC), National Water Development Agency (NWDA), Water Resources Management Organisation, Central Pollution Control Board, Department of Water Resources, River Development, Department of Drinking Water and Sanitation, World Bank, Journals & Articles, Press Releases, Company Websites, Investor Presentations & Whitepapers, Annual Reports, Primary Interviews, Reports and Data

### India

According to 2018 NITI Aayog assessment, India is one of the most water-stressed countries in the world, with 600 million Indians suffering high water stress. And, by 2030, water demand may double than current supplies, causing acute water scarcity for millions of people. Consequently, it is more vital to comprehend and effectively manage the water needs and resources. A sustainable future requires the reuse and recycling of water resources. Since freshwater is a limited resource, wastewater treatment can provide a backup water source. Depending on the level of treatment, treated water may be obtained for direct consumption or may only be partially treated for use in irrigation and industry.

The water and wastewater treatment market in India is expected to grow at a significant growth rate over the forecast period owing to the increasing technological advancements in water treatment coupled with rising



demand from wastewater treatment industries to provide clean water. Also, India is making significant investments in wastewater networks and facilities as part of its plans for the remaining 50% of sewage produced in urban areas. The amount of STPs required to treat all of the sewage produced in India is projected to be 4500 or more due to the country's persistent, rapid urbanization and the need to treat sewage from semi-urban and rural areas. Furthermore, the Indian government implements new financial methods to finance the projects in addition to building more sewage treatment facilities.

#### India water & wastewater treatment market revenue estimates and forecast, by type, 2019-2033(USD million)

Type	2019	2022	2023	2024	2027	2030	2033	CAGR% (2024-33)
Water Treatment	5,366.400	6,276.633	6,654.796	7,061.210	8,462.992	10,205.567	12,366.881	6.42%
Sewage Treatment	4,073.319	4,734.731	5,008.400	5,301.836	6,309.080	7,552.189	9,082.591	6.16%
Effluent Treatment	1,201.160	1,369.422	1,437.961	1,510.793	1,756.056	2,049.906	2,400.334	5.28%
<b>Total</b>	<b>10,640.878</b>	<b>12,380.787</b>	<b>13,101.158</b>	<b>13,873.839</b>	<b>16,528.128</b>	<b>19,807.663</b>	<b>23,849.806</b>	<b>6.20%</b>

Sources: International Water Association, Association of Water Technologies, National Ground Water Association, Water Environment Federation, Water Quality Association, Water & Sewer Industry Organizations, Ministry of Jal Shakti (MoJS), Central Water Commission CWC National Water Development Agency (NWDA), Water Resources Management Organisation, Central Pollution Control Board, Department of Water Resources, River Development, Department of Drinking Water and Sanitation, World Bank, Journals & Articles, Press Releases, Company Websites, Investor Presentations & Whitepapers, Annual Reports, Primary Interviews, Reports and Data

#### INDIA WATER & WASTEWATER TREATMENT MARKET REVENUE ESTIMATES AND FORECASTS, BY OFFERING, 2019-2030, (USD MILLION)

Offering	2019	2022	2023	2024	2027	2030	2033	CAGR % (2024-33)
<b>Treatment Technologies</b>	<b>1,887.272</b>	<b>2,200.950</b>	<b>2,331.020</b>	<b>2,470.657</b>	<b>2,951.203</b>	<b>3,546.564</b>	<b>4,282.431</b>	<b>6.30%</b>
<u>Activated Sludge Process</u>	715.327	831.030	878.887	930.190	1,106.218	1,323.330	1,590.445	6.14%
<u>Membrane Bio Reactor</u>	388.825	452.207	478.442	506.577	603.196	722.517	869.514	6.19%
<u>Moving Bed Bio Reactor</u>	293.292	343.771	364.773	387.361	465.402	562.660	683.600	6.51%
<u>Sequencing Batch Reactor</u>	173.776	204.628	217.503	231.375	279.475	339.745	415.113	6.71%
<u>Upflow Anaerobic Sludge Blanket Reactor</u>	141.170	163.808	173.164	183.190	217.558	259.892	311.903	6.09%
<u>Submerged Aerated Fixed Film Reactor</u>	121.197	141.767	150.314	159.499	191.183	230.573	279.433	6.43%
<u>Other Treatment Technologies</u>	53.685	63.739	67.939	72.466	88.171	107.848	132.423	6.93%
<b>Treatment Chemicals</b>	<b>1,368.002</b>	<b>1,587.168</b>	<b>1,677.738</b>	<b>1,774.781</b>	<b>2,107.399</b>	<b>2,516.994</b>	<b>3,020.093</b>	<b>6.08%</b>
<u>Corrosion Inhibitors</u>	360.870	417.800	441.293	466.445	552.514	658.239	787.768	6.00%
<u>Scale Inhibitors</u>	23.453	27.033	28.506	30.080	35.449	42.011	50.008	5.81%
<u>Biocides &amp; Disinfectants</u>	318.102	368.561	389.395	411.706	488.096	582.015	697.185	6.03%
<u>Coagulants &amp; Flocculants</u>	94.112	109.961	116.541	123.610	147.973	178.222	215.695	6.38%
<u>Chelating Agents</u>	195.332	227.969	241.509	256.049	306.115	368.196	444.995	6.33%
<u>Anti-Foaming Agents</u>	268.383	310.310	327.597	346.096	409.330	486.885	581.749	5.94%
<u>Ph Adjusters and Stabilizers</u>	67.216	78.595	83.322	88.401	105.916	127.680	154.664	6.41%
<u>Others</u>	40.534	46.939	49.576	52.394	62.006	73.746	88.030	5.93%
<b>Process Control and Automation</b>	<b>3,447.321</b>	<b>4,008.099</b>	<b>4,240.167</b>	<b>4,489.020</b>	<b>5,343.394</b>	<b>6,398.142</b>	<b>7,697.036</b>	<b>6.17%</b>

Offering	2019	2022	2023	2024	2027	2030	2033	CAGR % (2024-33)
Design, Engineering, and Construction Services	2,401.085	2,809.630	2,979.416	3,161.918	3,791.625	4,574.857	5,546.857	6.44%
Operation and Maintenance Services	1,537.198	1,774.939	1,872.816	1,977.462	2,334.506	2,771.105	3,303.389	5.87%
<b>Total</b>	<b>10,640.878</b>	<b>12,380.787</b>	<b>13,101.158</b>	<b>13,873.839</b>	<b>16,528.128</b>	<b>19,807.663</b>	<b>23,849.806</b>	<b>6.20%</b>

Sources: International Water Association, Association of Water Technologies, National Ground Water Association, Water Environment Federation, Water Quality Association, Water & Sewer Industry Organizations, Ministry of Jal Shakti (MoJS), Central Water Commission, National Water Development Agency (NWDA), Water Resources Management Organisation, Central Pollution Control Board, Department of Water Resources, River Development, Department of Drinking Water and Sanitation, World Bank, Journals & Articles, Press Releases, Company Websites, Investor Presentations & Whitepapers, Annual Reports, Primary Interviews, Reports and Data

## THREATS AND CHALLENGES

Denta Water and Infra Solutions Limited, a prominent player in the water and wastewater treatment sector in India, confronts multiple challenges and threats that could impact its operations and growth prospects. Navigating these complexities requires strategic planning and adaptive measures.

### Threats

- The market's competitive nature represents a substantial threat. The Indian water and wastewater treatment sector is crowded with numerous domestic and international players. Competitors often adopt aggressive pricing strategies, leverage innovative technologies, and demonstrate superior project execution capabilities, making it challenging for Denta Water to secure contracts and maintain market share.
- Regulatory risks are ever-present, with potential changes in environmental laws or new compliance requirements potentially increasing operational costs and complicating project timelines. Non-compliance can result in significant penalties and damage to the company's credibility.
- Economic volatility poses a significant threat, with fluctuations impacting infrastructure investments and government spending on water projects. Economic downturns or budget cuts can lead to reduced project allocations, delays, or cancellations, affecting the company's revenue and profitability.
- Technological disruption is another critical threat. The fast pace of technological advancements in the sector means that failure to adopt new technologies can lead to obsolescence. Competitors using cutting-edge solutions may offer more efficient and cost-effective services, attracting clients away from Denta Water.
- Supply chain disruptions can also threaten project timelines and costs. Any issues in the supply chain, whether due to geopolitical tensions, natural disasters, or logistical problems, can delay projects and increase operational expenses.
- Environmental and climate risks are increasingly pertinent, with climate change affecting water availability and project feasibility. Projects must be adaptable to changing environmental conditions to remain viable and sustainable, adding to the complexity and cost.
- Political and social unrest in project areas can disrupt operations, leading to delays or cancellations. Additionally, changes in government policies or priorities can influence funding and support for infrastructure projects, impacting the company's project pipeline and financial stability.
- Lastly, financial risks associated with dependence on external funding and market conditions can affect the company's ability to raise capital. Market fluctuations, changes in investor sentiment, and varying interest rates can influence the terms and availability of necessary funding.

### Challenges

- One of the primary challenges is the regulatory environment. Compliance with stringent environmental and safety standards is mandatory, which can increase operational costs and necessitate continuous updates to processes and technologies. The company must also deal with the complexities of obtaining necessary approvals and adhering to government guidelines, any lapse in which can result in project delays and financial penalties.
- Financial constraints are another significant challenge. The company is currently raising Rs 150 crore through an initial public offering (IPO) to meet its working capital requirements. This indicates potential liquidity issues and the need for substantial funds to sustain operations and ensure project completion. Moreover, securing financing for large-scale infrastructure projects can be difficult, with slow returns on investment making it less attractive to investors.
- Project execution and managing an extensive order backlog also pose challenges. As of late 2024, Denta Water has an order book worth Rs 7,842.30 million. Efficiently managing these projects within stipulated timelines and budgets is crucial to maintaining profitability and reputation. Delays or inefficiencies can lead to increased costs and adversely affect the company's market standing.

## COMPANY PROFILES FOR WATER AND WASTE TREATMENT

### 1. DENTA WATER AND INFRA SOLUTIONS LTD

<b>INDUSTRY</b>	Water and Wastewater Treatment
<b>FOUNDED</b>	2016
<b>HEADQUARTERS</b>	Karnataka, India

#### Company Summary

Established in 2016, Denta Water and Infra Solutions Limited, commonly known as "Denta Water," has emerged as one of the key players in the field of water engineering, procurement, and construction (EPC) services. With a meritorious track record in infrastructure project installations, including groundwater recharging through recycled water, Denta Water has been a contributor to addressing the rising demand for water-related solutions in the country. Their notable achievements encompass pivotal projects like the Byrapura and Hiremagaluru LIS Project, Karagada LIS Project, and others, primarily executed through lift irrigation systems. Notably, Denta Water played a substantial role in the first phase of the KC Valley project, contributing to Bengaluru's reputation as the second-largest city globally in terms of treated wastewater quantity. The company's significant involvement in the "JJM" of the Government of India reflects its commitment to critical water management initiatives. Furthermore, Denta Water secured contracts for lift irrigation projects in various regions, such as Makali, Makali Hosahalli, Krishnapura, and neighboring villages in the Channapatna Taluk of Ramanagar District, Karnataka. Their growth is inherently linked to the nation's infrastructure development, with a focus on design and engineering consultancy that aligns with the ongoing and anticipated projects in the Karnataka Government's water management sector. As water remains a critical resource, Denta Water is poised to continue making substantial contributions to the industry's growth and development in the future.

#### Major Projects

<b>Project</b>	<b>Description</b>
KC Valley project – Phase II	This project is under the Minor Irrigation department, GOK for second stage lifting or pumping secondary treated water from available sources to various ridge points to fill additional 272 tanks in Kolar District and Chintamani Taluk of Chikkaballapura District under ongoing KC Valley Project. Project includes design, construction, commissioning, repair and maintenance for a period of five years.
LIS	With this project the company engages in lifting/pumping of secondary treated water from KR Puram STP to feed 22 tanks in Bangalore (East) Taluk of Bangalore Urban District through LIS. Project includes design, construction, commissioning, repair and maintenance for a period of five years.

Multi Village scheme for drinking water supply – Kopal District	The company signed the contract with Rural Drinking Water and Sanitation Department, GOK, for supplying drinking water to Kerehalli and other 103 habitations of Koppal Taluk in Koppal District in Karnataka. The project comprises designing and engineering for lifting water from Tungabhadra river, installation of water treatment plant with capacity of 14.5 MLD and 8.5 MLD and laying of 388.605 km of pipelines for supply of drinking water.
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Source: Company Website, Annual Report, News & Press Releases, and Reports and Data (Note: we have profiled major ongoing projects only)

## 2. MEGHA ENGINEERING AND INFRASTRUCTURES LTD

<b>INDUSTRY</b>	Environmental Service & Construction
<b>FOUNDED</b>	1989
<b>HEADQUARTERS</b>	Telangana, India

### Company Summary

MEIL, founded in 1989, is a varied industrial group. It is a rapidly expanding worldwide corporation that has built several great landmark projects depicting historical changes and celebrating economic and cultural growth. It has also constructed several important infrastructure projects throughout the world to better people's livelihoods. MEIL does business in several areas, including water management, engineering, construction, manufacturing, transportation, hydrocarbons, electricity, process industries, and military. MEIL aims to use indigenous technical advances for the benefit of all segments of society. For over 30 years, the firm has maintained its leadership position in its key industries by putting the customer first and complying to safety and environmental regulations. MEIL is dedicated to delivering projects 'On-Time' by continuously growing industry-leading knowledge, skills, and experience, as well as applying new and flawless process approaches and technologies.

### Product and Service Insights

Service	Description
Irrigation	Investigation, design, engineering and construction of dams, spillways, reservoirs, canals including distribution systems. Investigation, design and execution of minor and major lift irrigation projects. Design, engineering and execution of water transmission mains. Design, engineering and execution of micro irrigation projects (e.g. Ramthal Drip Irrigation Project) Design, engineering and execution of piped irrigation canal system (e.g. Khargone Project, SSNNL Project) Design, engineering and execution of Hydraulic Tunnels and Underground pump houses for major irrigation projects
Drinking Water	The MEIL has created robust drinking water systems, marshalling its expertise in creating solutions for the efficient utilisation of water. The company has changed the portrait of potable water across several geographies in the world. It has worked closely with the States, the Government of India, and governments of several other nations on drinking water projects. It has built water infrastructure to cater to the drinking water needs of rural and urban landscapes.

Source: Company Website, Annual Report, News & Press Releases, and Reports and Data

### Major Projects

Project	Description
Handri-Niva Sujala Sravanthi Project	The Handri-Niva Sujala Sravanthi (HNSS) project was conceived as a dream project for water-starved regions of Andhra Pradesh. The project is an engineering wonder comprising India's longest canal that will flow from the project to a distance of 565 km. It envisages withdrawal of 40 TMC of flood water of Krishna River from the foreshore of Srisailem reservoir in 120 flood days during the period of August to November. The aim is to provide irrigation facilities to an extent of 6.02 lakh acres in Kurnool, Anantapur, Cuddapah, and Chittoor districts of Andhra Pradesh. The project also provides drinking water facilities to a population of 33 lakhs in 81 mandals and 437 villages en route the canal.

Khargone project	MEIL commissioned this project within a month's notice period from the client. The chief minister of Madhya Pradesh Mr. Shivraj Singh Chauhan inaugurated and dedicated the Khargone Lift Irrigation Project of the Narmada Valley Development Authority (NVDA) on January 13, 2015. After completion of the three phased project, irrigation facility to 33,140 hectares of land will be augmented, benefiting 18,536 farmers' families in 152 villages. Subsequently, Khargone will emerge as the 'number one' district in cash crop production.
Veligonda Project	Veligonda Project, as a whole, envisages to provide irrigational facilities to 4.38 lakh acres of farmlands and drinking water to 15 Lakh people in 29 mandals of fluorine and drought affected upland areas in Prakasam, Nellore and Cuddapah Districts by diverting 43.5 TMC of floodwater of Krishna from foreshore of Srisailem Reservoir near Kollamvagu and proposed to store in Nallamalasagar Reservoir. MEIL's scope in the project has the potential to irrigate more than 65000 acres.
Chintalapudi LIS	The project involves the construction of a LIS for withdrawal of and lifting of water from river Godavari near Pattiseema village in West Godavari district of A.P. to proposed reservoir near Routugudem village in West Godavari district. The project will serve an ayacut of 2.45 lakh acres.
Pranahita-Chevella LIS	The aim of the project in its entirety is to utilise 160 Tmcft of Pranahita water and serve 16.4 lakh acres in the water scarcity areas of Adilabad, Karimnagar, Warangal, Nizamabad, Medak, Nalgonda and Ranga Reddy districts in the state of Telangana. MEIL's scope of work includes the execution of more than 10 packages of the project.
Sauni Yojana Project	The total scope of the project translates to a carrying capacity of 1200 cusecs of excess over flowing flood water of Narmada at an estimated cost of Rs. 1533 crore. 30 reservoirs of Rajkot and Jamnagar Districts will be filled and more than 2 lakh acres of agriculture will be benefited. MEIL is assigned works relating to the execution of two packages of Link-1 of the project.
Devadula - Phase-III Pkg.I	The overall project (including all phases) is the second biggest of its kind in Asia. Devadula is the place in Warangal District, Telangana, where the scheme's intake well is located. The project is specially designed to lift water from the River Godavari to irrigate lakhs of acres in the drought prone areas of the state. MEIL is assigned to deliver 3 packages in Phase-3 of the project. The completed works in this specific package of the project include the construction of super structure of pump house, erection of pumps & motors, construction of control room, fabrication & erection of manifold, outfall structure, laying of 3 rows of pipeline of 3000 mm diameter that run across a length 116.25 km, the entire surge protection system including 18 nos. of vessels and 6 nos. of one-way surge tanks (OWST). All the 18 surge vessels (of length-18.38 Mt. and capacity-124 Cub. Mt.) were manufactured in MEIL's Pressure Vessel Division.

Source: Company Website, Annual Report, News & Press Releases, and Reports and Data

## SWOT Analysis

 <b>S</b> STRENGTHS	 <b>W</b> WEAKNESS	 <b>O</b> OPPORTUNITIES	 <b>T</b> THREATS
<ul style="list-style-type: none"> <li>▪ Extensive experience in water and wastewater infrastructure projects.</li> <li>▪ Strong financial position and access to capital.</li> <li>▪ Robust project management capabilities.</li> <li>▪ Diversified portfolio of water and wastewater projects.</li> <li>▪ Established relationships with government agencies and stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Dependency on government contracts and regulations.</li> <li>▪ Competition from other established players in the industry.</li> <li>▪ Potential for cost overruns in complex projects.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Expansion into international markets.</li> <li>▪ Innovation in water treatment technologies.</li> <li>▪ Public-private partnerships for project financing.</li> <li>▪ Potential for diversification into related sectors.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Regulatory changes affecting project approvals and tariffs.</li> <li>▪ Economic downturns impacting government spending.</li> <li>▪ Rising construction and material costs.</li> </ul>

Source: Company Website, Annual Report, News & Press Releases, and Reports and Data

### 3. EMS LTD

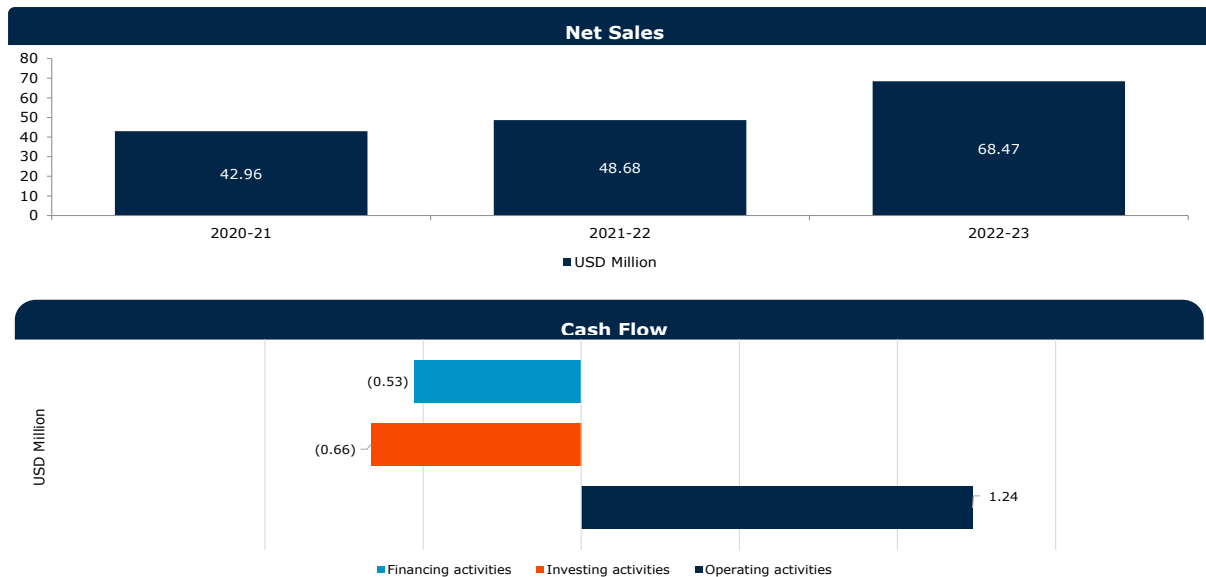
<b>INDUSTRY</b>	Environmental Service & Construction
<b>FOUNDED</b>	1998
<b>HEADQUARTERS</b>	Uttar Pradesh, India

#### Company Summary

EMS Limited, based in India, was established in 1998, is a dynamic company that offers a comprehensive range of services in the field of environmental management and sustainability. With a strong commitment to environmental responsibility, EMS Limited has established itself as a leader in providing sustainable solutions for businesses and organizations across various sectors. The core services offered by EMS Limited encompass environmental impact assessments, waste management, renewable energy solutions, and sustainability consulting. Their team of experts leverages cutting-edge technology and in-depth industry knowledge to help clients reduce their environmental footprint and comply with regulatory requirements. EMS Limited's services are tailored to meet the unique needs of each client, ensuring effective and sustainable solutions. One of the standout features of EMS Limited is its dedication to innovation and research. Furthermore, EMS Limited has a proven track record of successfully executing projects for a wide range of clients, including multinational corporations, government bodies, and non-governmental organizations.

#### Financial Insights

Founded in 1998 and headquartered in Uttar Pradesh, India. EMS Limited is a public company. The company specializes in Sewerage Infrastructure, Water Supply System, Water and Waste Treatment Plants, Electrical Transmission And Distribution, Buildings And Allied Works



Source: Company Website, Annual Report, News & Press Releases, and Reports and Data

Note: Exchange rate, for 2022 1 USD = INR 78.598, 2021 1 USD = INR 73.936, for 2020 1 USD = INR 74.102

Financial insights	2020-21	2021-22	2022-23
Operating income	42.959	49.119	69.121
Operating income growth	NA	16.51%	2.09%
Operating profit	20.415	14.906	12.271
Operating profit margin	22.554	34.213	56.850
Operating profit growth	-	-	-

Source: Company Website, Annual Report, News & Press Releases, and Reports and Data

#### Product and Service Insights

Service	Description
Sewerage Management	This service includes design, procurement, laying, jointing, testing, commissioning, O&M of new sewerage network as well as refurbishment of old/existing sewerage network.
Design and construction	Design and construction of pipeline by trenchless technology. Design, construction, O&M of STPs Design, construction, O&M of Sewage Pumping Stations. Design, construction, O&M of Water Treatment Plants.
Water supply	Water supply works including design, procurement, laying, jointing, testing, commissioning, O&M of new water supply and distribution networks as well as construction of reservoir and refurbishment of old/existing water supply infrastructures.
Road & Allied works	This service includes construction of new road networks as well as repair/renovation of existing road networks. Design and construction of power transmission and distribution infrastructure. Design and construction of buildings and allied works. Design, construction, O&M of public infrastructure facilities & utilities.

Source: Company Website, Annual Report, News & Press Releases, and Reports and Data

### Major Projects

Project	Description
Common ETP at Sidcul, Haridwar	Common Effluent Treatment Plant (CETP) of 4.5 MLD capacity (expandable up to 9 MLD) in SIDCUL, Haridwar on Build, Operate, Own and Transfer (BOOT) model under PPP with State Industrial Development Corporation of Uttarakhand Limited. Under this project, the industrial units located in the SIDCUL, Haridwar discharge their industrial waste into the metered collection network laid by the company which then is treated at the CETP and discharged after proper treatment and filtration. The industrial units are charged as per volume of the effluent released by them. The concession period of the CETP is till the year 2035.

Source: Company Website, Annual Report, News & Press Releases, and Reports and Data

### SWOT Analysis

S STRENGTHS	W WEAKNESS	O OPPORTUNITIES	T THREATS
<ul style="list-style-type: none"> <li>Established reputation in the water and wastewater industry</li> <li>Strong technical expertise in water treatment and infrastructure</li> <li>Robust client portfolio with long-term contracts</li> <li>Efficient operations and cost-effective solutions</li> </ul>	<ul style="list-style-type: none"> <li>Vulnerability to regulatory changes and compliance issues</li> <li>Limited geographic diversification in the market</li> <li>High capital requirements for infrastructure development</li> <li>Competition from larger, well-established firms</li> </ul>	<ul style="list-style-type: none"> <li>Growing demand for sustainable water and wastewater solutions</li> <li>Potential for expansion into emerging markets</li> <li>Technological advancements in water treatment</li> <li>Partnerships with government agencies and environmental organizations</li> </ul>	<ul style="list-style-type: none"> <li>Economic downturns impacting infrastructure spending</li> <li>Fluctuations in raw material prices</li> <li>Environmental concerns and public scrutiny</li> <li>Increased competition from new entrants and incumbents</li> </ul>

Source: Company Website, Annual Report, News & Press Releases, and Reports and Data

## 4. VA TECH WABAG LTD

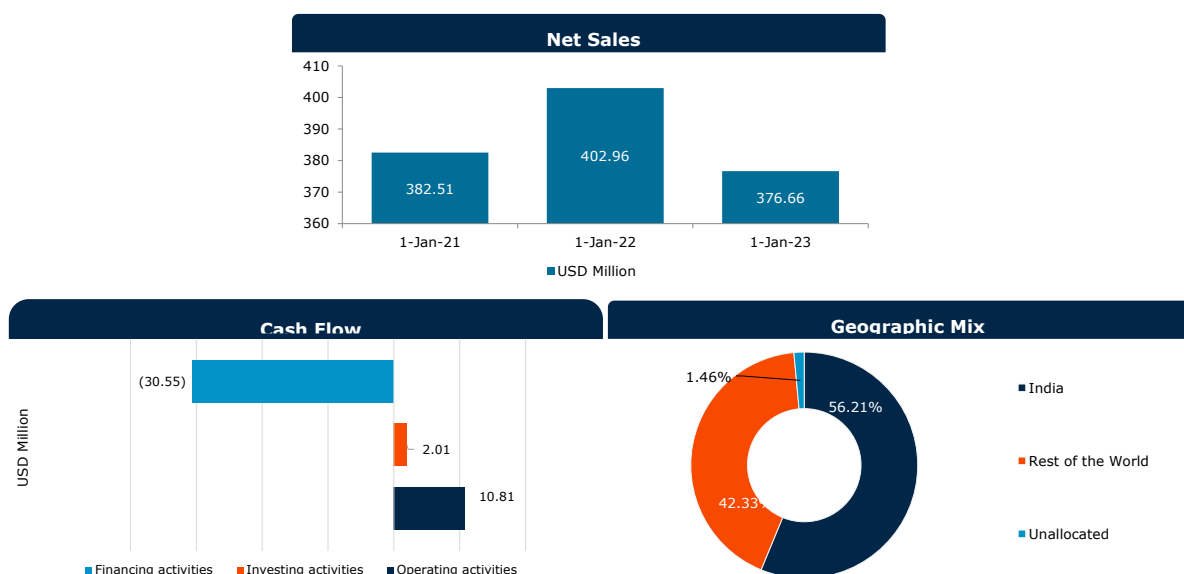
<b>INDUSTRY</b>	Water and Wastewater Treatment
<b>FOUNDED</b>	1924
<b>HEADQUARTERS</b>	Chennai, India

## Company Summary

VA TECH WABAG LTD provides comprehensive solutions for water and wastewater treatment, including design, engineering, construction, operation, and maintenance of water treatment plants, STPs, and recycling systems. Their solutions cover a range of technologies, such as filtration, desalination, membrane separation, ion exchange, and more. The company serves various sectors, including municipal water supply, industrial water treatment, desalination, and water reuse. Their clients include government bodies, corporations, industries, and municipalities. It has a global presence with operations in multiple countries. They have executed projects in various parts of the world, contributing to water scarcity management, pollution control, and sustainable water solutions.

## Financial Insights

Founded in 1924 and headquartered in Chennai, India. VA TECH WABAG LTD is a public company. As of 2022, the company employed about 5,000 people across the globe.



Source: Company Website, Annual Report, News & Press Releases, and Reports and Data

Note: Exchange rate, for 2022 1 USD = INR 78.598, 2021 1 USD = INR 73.936, for 2020 1 USD = INR 74.102

Financial insights	2020	2021	2022
Operating income	248.73	289.79	295.85
Operating income growth	-	16.51%	2.09%
Operating profit	17.65	22.78	38.94
Operating profit margin	231.08	267.02	256.91
Operating profit growth	-	15.55%	-3.79%
Net profit margins	5.40%	4.40%	0.10%
Gearing ratio / debt levels	22.00%	32.00%	16.00%
Interest coverage rate	2.45	2.92	5.65

Source: Company Website, Annual Report, News & Press Releases, and Reports and Data

## Product Insights

Product	Type	Description
Water Treatment	BIODEN PACOPUR CERAMOPUR CERAMOZONE	These water treatment facilities are highly scalable and can be established to suit any business model, be it EPC, DBO or BOOT. These solutions ensure efficient extraction of potable water from all the available sources of fresh water



		as well as used water for direct or IPR.
Wastewater Treatment	Nereda SBR (CYCLOPUR) MARAPUR BIOPUR FLUOPUR	It promotes sustainability with wastewater treatment solutions that ensure environmentally friendly discharge or reuse of treated wastewater. It promotes a comprehensive wastewater treatment model that focuses on resource recovery through a combination of innovative technologies.

Source: Company Website, Annual Report, News & Press Releases, and Reports and Data

## SWOT Analysis

S STRENGTHS	W WEAKNESS	O OPPORTUNITIES	T THREATS
<ul style="list-style-type: none"> <li>VA TECH WABAG has a strong international presence, with operations and projects in multiple countries. This global reach provides them with diverse revenue streams and exposure to various markets.</li> <li>The company is known for its technical know-how and expertise in water and wastewater treatment technologies. This gives them a competitive edge in providing innovative and efficient solutions to clients.</li> <li>VA TECH WABAG offers a wide range of services, including design, engineering, construction, and operation of water and wastewater treatment plants. Their comprehensive portfolio enables them to serve various industries and customer needs.</li> <li>The company has successfully completed numerous projects worldwide, earning a reputation for reliability and quality. This track record helps them secure new contracts and partnerships.</li> <li>With increasing emphasis on environmental sustainability, VA TECH WABAG's expertise in providing sustainable water management solutions positions them well to meet growing market demands.</li> </ul>	<ul style="list-style-type: none"> <li>The company's revenue is linked to capital spending by industries and governments on water and wastewater treatment projects. Economic fluctuations or budget cuts in these sectors can impact VA TECH WABAG's financial performance.</li> <li>Large-scale water treatment projects can be complex and involve multiple stakeholders, regulatory approvals, and technical challenges. Delays or issues in project execution can affect the company's reputation and profitability.</li> </ul>	<ul style="list-style-type: none"> <li>Increasing global awareness of water scarcity and environmental concerns presents opportunities for VA TECH WABAG to provide solutions that address these issues, such as water reuse and resource recovery.</li> <li>Infrastructure development, especially in emerging markets, offers potential projects for VA TECH WABAG's services, including water treatment plants, desalination plants, and sewage treatment facilities.</li> <li>Advances in water treatment technologies and digitalization provide opportunities for VA TECH WABAG to develop and implement cutting-edge solutions, staying ahead in the competitive market.</li> <li>Collaborations with governments and private entities to address water management challenges can open doors for VA TECH WABAG to secure long-term contracts and contribute to public welfare.</li> </ul>	<ul style="list-style-type: none"> <li>The water and wastewater treatment industry is competitive, with both domestic and international players vying for projects. Maintaining market share and pricing power can be challenging.</li> <li>Evolving environmental regulations and compliance requirements can impact project design and execution, potentially increasing costs or affecting project feasibility.</li> <li>Dependence on suppliers for equipment and materials could expose VA TECH WABAG to supply chain disruptions, affecting project timelines and costs.</li> <li>Economic downturns, currency fluctuations, and political uncertainties in the regions where the company operates can impact project investments and profitability.</li> </ul>

Source: Company Website, Annual Report, News & Press Releases, and Reports and Data

## 5. SPML INFRA LTD

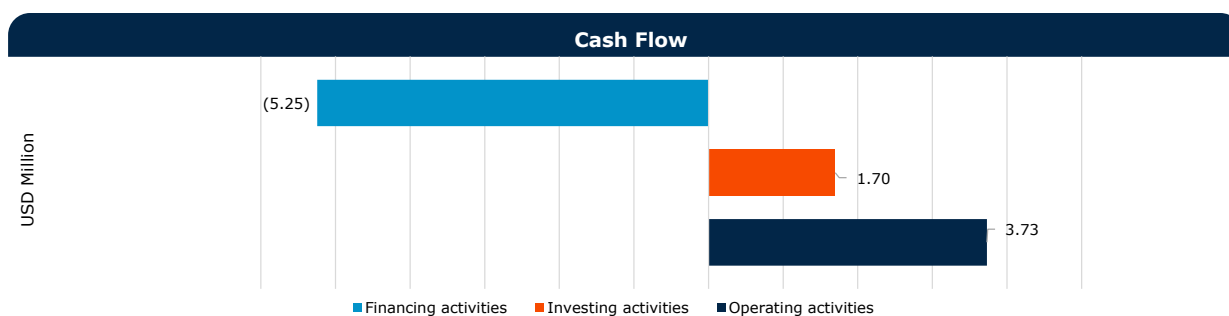
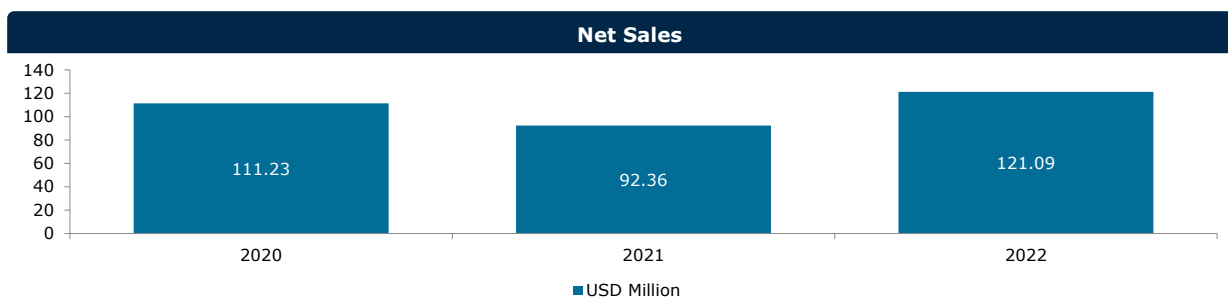
<b>INDUSTRY</b>	Infrastructure Development
<b>FOUNDED</b>	1981
<b>HEADQUARTERS</b>	West Bengal, India

### Company Summary

SPML Infra Limited is an Indian infrastructure company specializing in providing integrated water supply, sewerage, and sewage treatment solutions, as well as power and environment management services. It is known for its expertise in designing, constructing, and maintaining water supply projects, including distribution systems and water treatment plants. The company is involved in building sewage collection and treatment systems to improve sanitation and environmental conditions. It is also engaged in power transmission and distribution projects, contributing to India's growing energy needs. The company offered services related to environmental infrastructure, waste management, and green solutions. The company received awards and recognition for its contributions to the infrastructure sector and its commitment to quality and innovation.

### Financial Insights

Founded in 1981 and headquartered in Kolkata, India. SPML Infra Limited is a public company. As of 2022, the company employed about 10,000 people across the globe



Source: Company Website, Annual Report, News & Press Releases

Note: Exchange rate, for 2022 1 USD = INR 78.598, 2021 1 USD = INR 73.936, for 2020 1 USD = INR 74.102

Financial insights	2020	2021	2022
Operating income	124.89	100.98	124.83
Operating income growth	-	-19%	24%
Operating profit	0.21	(15.30)	1.13
Operating profit margin	124.67	116.29	123.70
Operating profit growth	-	-7%	6%
Net profit margins	-	-17.40%	1.17%
Interest coverage rate	1.03	(1.37)	1.27

Source: Annual Reports, Primary Interviews, and Reports and Data

## Product Insights

Product	Description	Scope of Services
WASTEWATER	<ul style="list-style-type: none"> <li>It has the capabilities to provide reuse with recovery of resources from waste as well as solutions for proper treatment and disposal of wastewater with specific processes such as anaerobic, anoxic, and aerobic.</li> <li>It builds plants which are fully equipped with PLC and SCADA system with reliable treatment technology for efficient operation and maintenance.</li> </ul>	<ul style="list-style-type: none"> <li>Sewage Treatment Plant</li> <li>Effluent Treatment Plant</li> <li>Tertiary Treatment Plant</li> <li>Water Reuse &amp; Recycling</li> <li>Integrated Sewerage Network</li> <li>Sewage Pumping Station/Pipeline</li> <li>Sludge Treatment &amp; Energy Recovery</li> <li>Storm Water Drainage</li> <li>Sewer Pipeline Rehabilitation</li> </ul>
WATER TREATMENT	<ul style="list-style-type: none"> <li>The water treatment plants are essential for modern infrastructure to make drinking water available which comes from groundwater, lakes, streams, rivers, canals or sea, and should be treated and cleaned before being distributed for potable and non-potable use.</li> </ul>	<ul style="list-style-type: none"> <li>Design and planning</li> <li>Construction of flocculation and filters</li> <li>Pre-ozonisations and chemical dosing</li> <li>Lamella settling, sludge beds and pulsating beds.</li> </ul>

	<ul style="list-style-type: none"> <li>• With strong foothold in the domain of design, construction, operation and maintenance of high-capacity water treatment plants (WTP), SPML has infrastructure and resources required to implement drinking water supply and distribution system with required technology to monitor quantity and quality of water supplies including billing system.</li> </ul>	<ul style="list-style-type: none"> <li>• Single-layer and multi-layer filtration</li> <li>• Adsorption on activated carbon beds</li> <li>• Treatments with Membrane Filtration, Ultra Filtration, Reverse Osmosis, Iron and Arsenic Removal and Electro-dialysis Reversal membranes</li> <li>• Cleaning water recovery system</li> <li>• Operation &amp; maintenance</li> </ul>
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### SWOT Analysis

 <b>S</b> STRENGTHS	 <b>W</b> WEAKNESS	 <b>O</b> OPPORTUNITIES	 <b>T</b> THREATS
<ul style="list-style-type: none"> <li>▪ Strong track record in executing water and wastewater projects.</li> <li>▪ Established relationships with government agencies and clients.</li> <li>▪ Diversified portfolio of water and wastewater services.</li> <li>▪ Technically skilled workforce.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Dependence on government contracts for revenue.</li> <li>▪ Vulnerability to regulatory changes in the water sector.</li> <li>▪ Limited international market presence.</li> <li>▪ Competition from larger, more established firms.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Growing demand for water and wastewater infrastructure in emerging markets.</li> <li>▪ Potential for public-private partnerships (PPPs) in the sector.</li> <li>▪ Expansion into innovative water treatment technologies.</li> <li>▪ Focus on sustainability and eco-friendly solutions.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Economic downturns impacting infrastructure spending.</li> <li>▪ Environmental regulations and compliance challenges.</li> <li>▪ Fluctuating raw material costs.</li> <li>▪ Emerging competitors and disruptive technologies.</li> </ul>

Source: Company Website, Annual Report, News & Press Releases, and Reports and Data

Technological challenges further complicate the landscape. Rapid advancements in water treatment technologies necessitate continuous innovation and significant investment in research and development. Staying ahead of technological changes is vital for maintaining competitiveness, which also involves ongoing training and development programs for the workforce.

## OUR BUSINESS

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read “Forward-Looking Statements” on page 21 for a discussion of the risks and uncertainties related to those statements and also “Risk Factors”, “Restated Consolidated Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 33, 249 and 315, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

*Our Company’s financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular fiscal year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for the six months period ended September 30, 2024 and Fiscal Years 2024, 2023, 2022 herein is derived from the Restated Consolidated Financial Information, included in this Prospectus. For further details, see “Restated Consolidated Financial Information” on page 249. Additionally, please refer to “Definitions and Abbreviations” on page 3 for certain terms used in this section.*

*Unless otherwise indicated or the context otherwise requires, in this section, references to “the Company” or “our Company” are to Denta Water and Infra Solutions Limited and the unincorporated joint ventures.*

*Unless otherwise indicated, industry and market data used in this section have been derived from the report titled “India Water and Wastewater Treatment Market – Forecast to 2033” released in December 2024 (the “**Marketysers Global Report**”) prepared and released by Marketysers Global Consulting LLP and commissioned and paid for by our Company specifically for the purpose of the Issue. Given the scope and extent of the Marketysers Global Report, disclosures are limited to certain excerpts and the Marketysers Global Report has not been reproduced in its entirety in this Prospectus. In addition to the Marketysers Global Report, we have also relied on an independent report produced by Indian Institute of Science, Bangalore (“**IISc**”) titled ‘Assessing Ground Water Recharge Rates, Water Quality Changes and Agricultural Impacts of Large-Scale Water Recycling’ (“**IISc Report**”), for which we have the relevant consent from IISc. There are no parts, data or information (which may be relevant for the proposed issue) that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the Marketysers Global Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see “Risk Factors – Certain sections of this Prospectus contain information from Marketysers Global Report, which has been commissioned and paid for by our Company as well as the and the IISc Report and any reliance on such information for making an investment decision in the Issue is subject to inherent risks.” on page 58. Also see, “Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation –Industry and Market Data” on page 18 of this Prospectus.*

## OVERVIEW

Established in 2016, Denta Water and Infra Solutions Limited, commonly known as "Denta Water," has emerged as one of the key players in the field of water engineering, procurement, and construction (“**EPC**”) services. With a meritorious track record in infrastructure project installations, including groundwater recharging through recycled water, Denta Water has been a contributor to addressing the rising demand for water-related solutions in the country. Their notable achievements encompass pivotal projects like the Byrapura and Hiremagaluru LIS Project, Karagada LIS Project, and others, primarily executed through lift irrigation systems. Notably, Denta Water played a substantial role in the first phase of the KC Valley project, contributing to Bengaluru's reputation as the second-largest city globally in terms of treated wastewater quantity. Our Company's significant involvement in the "Jal Jeevan Mission" of the Government of India reflects its commitment to critical water management initiatives. Furthermore, Denta Water secured contracts for lift irrigation projects in various regions, such as Makali, Makali Hosahalli, Krishnapura, Karnataka and neighbouring villages in the Channapatna Taluk of Ramanagar District, Karnataka. Their growth is inherently linked to the nation's infrastructure development, with a focus on design and engineering consultancy that aligns with the ongoing and anticipated projects in the Karnataka Government's water management sector. As water remains a critical resource, Denta Water is poised to continue making substantial contributions to the industry's growth and development in the future. (Source: Marketysers Global Report)

We are a growing water and infrastructure solutions company engaged in design, installation and commissioning of water management infrastructure projects with expertise in ground water recharging projects. In addition, we also undertake construction projects in the field of railways and highways. We are one of the few companies in India having experience and expertise in design, installation, commissioning, operations and maintenance of ground water recharging using recycled water.

As per the *IISc Report*, India is the largest user of ground water (GW), with 50% of its rural population relying on it for basic needs. It is estimated that 17% of ground water blocks is overexploited due to excessive extraction of GW, reducing annual recharge from 447 billion cubic meters to 432 billion cubic meters. And to prevent further depletion, long term water management strategies are crucial, with artificial GWR methods such as the use of rainwater and treated wastewater for improving the GW (*Source: IISc Report*). The overexploitation and insufficient replenishment of ground water (GW) have resulted in pressing need to conserve fresh water and re-use of treated waste-water. To address this issue, the Government of Karnataka launched a large scale re-cycling (440 ML per Day) scheme to indirectly recharge GW using secondary treated municipal waste water (STW) in drought prone areas of State of Karnataka (*Source: IISc Report*). As of the date of this Prospectus, our water management projects are concentrated in the state of Karnataka and we have completed 32 water management projects (as main contractors and sub-contractors) and are presently undertaking 11 water management projects, which are in various stages of implementation.

We are awarded contracts through transparent competitive bidding process undertaken by the State and Central Governments. Further, we also undertake contracts as sub-contractors from various private parties. We participate in tenders for developing projects such as infrastructure for ground water recharging, lift irrigation, infrastructure for supplying drinking water to various habitations under “Jal Jeevan Mission” on a competitive basis. Under the “Jal Jeevan Mission”, our Company was awarded three projects *i.e.* “Kerehalli Drinking Water Project” and “Chikkabekal Drinking Water Project” and Rehabilitation of MVS to Doddakowlande and other 55 Villages of Nanjangud Taluk which are located in the State of Karnataka. As on November 30, 2024, we have successfully covered 445.77 km of infrastructure for water management, pumping of secondary treated sewage water from adjoining cities of Bangalore, Mysore in the State of Karnataka, to replenish the dried lakes in adjoining districts such as Kolar, Chikkaballapura and Ramanagara in the State of Karnataka and supplying of drinking water to peripheral habitations from reservoirs. The infrastructure for water management project includes designing of project, construction and installation of jackwells including pump houses, laying of pipeline, electro-mechanic works, installation of pumps and installation of drinking water treatment plant.

We render range of services from “concept-to-commissioning” and beyond to various water management projects to our clients by leveraging our diverse experience, core competencies and using the technical know-how. Over the years, we have developed the expertise for servicing our clients at each stage of project development cycle. Our services for any given project include any one or a combination of (i) preliminary investigations and reconnaissance; (ii) feasibility studies, (iii) planning and project formulation; (iv) field surveys and testing of soil; (v) design; (vi) tender bidding consultancy; (vii) project management and construction supervision; (viii) formulation of operation and maintenance guidelines; (ix) engineering procurement consultancy, turnkey projects; etc. regarding water management projects.

Our concept-to-commissioning services cater to a variety of sub-sectors and services in our domain areas, including some of the key areas comprising of ground water recharging, dams and reservoir engineering, lift irrigation, water supply and sanitation and urban and rural development.

As on November 30, 2024, we have completed 32 projects related to water management infrastructure development. As on November 30, 2024, we have 17 ongoing projects constituting an aggregate contract value of ₹ 11,004.36 million, out of which ₹ 10,667.52 million is in relation to water management projects; and ₹ 336.84 million is in relation to infrastructure projects including railways (improvement of infrastructure) and roadways (roads and bridges construction). As on November 30, 2024, out of total contract value of ₹ 11,004.36 million we have completed work amounting to ₹ 3,479.85 million and our outstanding order book is of ₹ 7,524.51 million. ‘Order Book’ for the purposes of this RHP would mean, the contract value of projects for which our Company has entered into direct contracts and sub-contracts minus the revenue already recognized from such projects.

While majority of our projects are on sub-contracts basis, we also form project specific unincorporated joint ventures for certain projects including the Byrapura & Hiremagaluru LIS project, KC Valley Phase-2 project, BLR East LIS project have been undertaken by our Company through un-incorporated joint ventures or consortiums. In particular,

based on the specific eligibility requirements for certain projects, including *inter alia* requirements relating to specific types of experience and financial resources, we enter into such consortium arrangements with other infrastructure and construction entities, as the case may be. As on November 30, 2024, our Company has executed 32 water management infrastructure projects, where we have undertaken 11 projects as the main contractor, 1 project has been undertaken under a consortium / joint venture arrangement and 20 projects have been undertaken under a sub-contract arrangement with the main contractor.

Our segmental revenue for six months period ended September 30, 2024 and Fiscal 2024, Fiscal 2023, Fiscal 2022, is set out below:

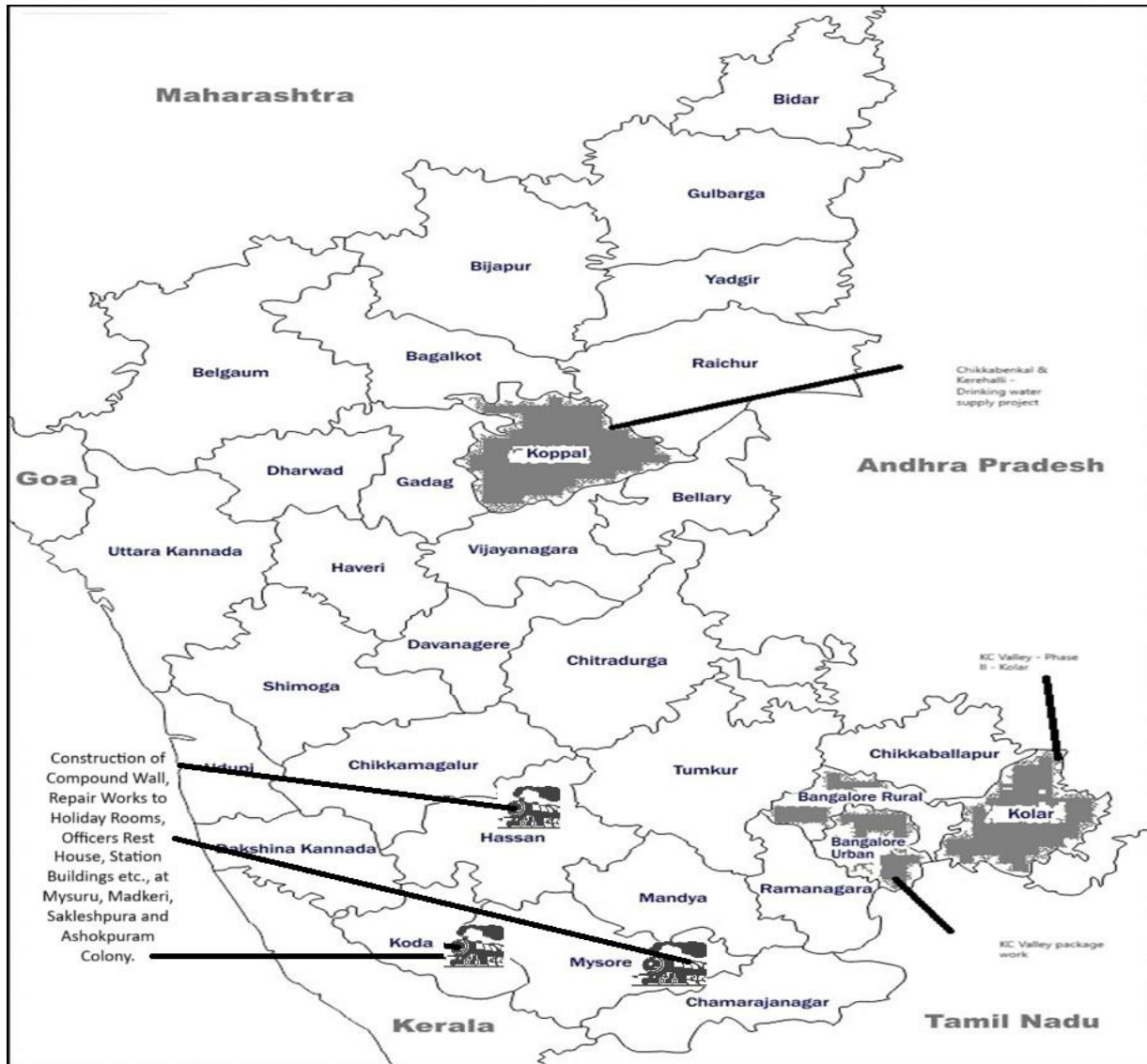
(₹ in million, unless stated otherwise)

Particulars	Six months period ended September 30, 2024	Fiscal 2024		Fiscal 2023		Fiscal 2022	
<b>Billed Revenue</b>							
Water management	509.29	1,834.43	76.88%	1,488.28	85.37%	942.7	78.84%
Irrigation	0	0.54	0.02%	12.93	0.74%	44.36	3.71%
Roads	0	45.41	1.90%	23.93	1.37%	Nil	-
Operations and maintenance	0	3.36	0.14%	1.44	0.08%	Nil	-
Miscellaneous	6.46	77.83	3.26%	139.24	7.99%	196.39	16.42%
Railway Work	12.80	1.77	0.07%	-	-	-	-
<b>Total</b>	<b>528.55</b>	<b>1,963.34</b>		<b>1,665.82</b>		<b>1,183.45</b>	
<b>Unbilled Revenue</b>							
Water management	444.23	398.87	16.72%	75.35	4.32%	12.27	1.03%
Irrigation	-	-	-	-	-	-	-
Roads	14.63	9.83	0.41%	1.53	0.09%	-	-
Operations and maintenance	-	-	-	-	-	-	-
Miscellaneous	-	-	-	0.54	0.03%	-	-
Railway Work	(9.60)*	13.93	0.58%	-	-	-	-
<b>Total</b>	<b>449.25</b>	<b>422.63</b>	<b>17.71%</b>	<b>77.42</b>		<b>12.27</b>	
<b>Grand Total</b>	<b>977.80</b>	<b>2,385.98</b>		<b>1,743.24</b>		<b>1,195.72</b>	

\*Revenue recognized for the period has been transferred from the unbilled portion to the billed portion, reflecting the billing of previously recognized unbilled revenue.

In the KC Valley project, partially undertaken by us on sub-contract basis, large scale recycling of 440 MLD of secondary treatment of wastewater (STW) based on soil aquifer treatment (SAT) method in Kolar district in the State of Karnataka is being undertaken (*Source: IISc Report*). Kolar district in the State of Karnataka had approximately four thousand unlined cascading man-made tanks or water reservoirs for capturing the rainwater and were used for various purposes along with GWR. In the year 2018, the Minor Irrigation and Groundwater Development department of the Government of Karnataka implemented large scale recycling to fill 137 of these tanks with 440 MLD of STW coming from two sewage treatment plants (STPs) of Bangalore, Karnataka. The recycling was aimed to improve the GW and GW quality by storing water in the existing tanks. As per the IISc Report, there are no such large scale full fledged implementation studies available in India wherein STW coming from major urban cities is used for rejuvenation of existing surface tanks and subsequently facilitating Indirect GWR in the semi-arid drought effective rural district. Hence this work quantifies GWR rates in the crystalline aquifers of peninsular India, characterized by hard rock aquifers with fractured weathered rocks, changing GW quality due to additional recharge from this project are also quantifies along with impact on agriculture, fisheries and milk production.

The KC Valley project demonstrates a viable solution for recharging groundwater using treated wastewater, significantly alleviating water scarcity in drought-prone areas. Inspired by this success, Karnataka has launched additional projects, including Phase II of the KC Valley and the Hebbal-Nagawara Valley Project, aiming to reuse around 865 million liters of treated wastewater per day for groundwater replenishment. (*Source: Marketysers Global Report*). The grey-line map of State of Karnataka below shows the locations of our projects, which are situated in semi-arid drought prone areas:



Our Company has, over the years, established a dedicated team of 8 engineers for designing, engineering and construction of water conveyance system in relation to ground water recharging with secondary treated sewage water and fresh water. We have a team of 42 engineers in the fields of civil, mechanical and electrical for execution of the projects. We also take assistance from various third-party consultants namely, Indian Institute of Science, Bangalore and industry experts namely, X Impasse Groups, Jalavahini Management Services Private Limited, wherever required, to ensure compliance and quality standards laid down by the Government agencies and departments. The scope of our services typically includes design, engineering and installation of the projects, procurement of raw materials, on-site execution with overall project management up until the commissioning of projects. Post commissioning, we also provide operations and maintenance services for the projects for a period of time (typically, ranging from three to five years). We also have a separate AMC team comprising 6 personnel who are focused on operations and maintenance of completed projects of our Company.

### Financial performance

Our key performance indicators for the six months period ended September 30, 2024 and Fiscal 2024, Fiscal 2023, Fiscal 2022 is set out below:

*Amount (₹ in million)*

Particulars	Six months period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue From Operations <sup>(1)</sup>	977.80	2,385.98	1,743.24	1,195.72
Total Income <sup>(2)</sup>	985.10	2,418.37	1,757.47	1,196.35
Operating EBIDTA <sup>(3)</sup>	327.65	791.37	669.60	518.11
Operating EBIDTA Margin (in %) <sup>(4)</sup>	33.51	33.17	38.41	43.33
Restated profit for the period / year after tax (“PAT”) <sup>(5)</sup>	241.99	597.25	501.12	383.37
PAT Margin (in %) <sup>(6)</sup>	24.75	25.03	28.75	32.06
ROE (%) <sup>(7)</sup>	12.84	36.36	47.93	70.43
ROCE (%) <sup>(8)</sup>	18.96	76.99	95.98	126.60
Debt/Equity ratio <sup>(9)</sup>	0.00	0.01	0.01	Nil

*Notes:*

1. Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Information.
2. Total income includes revenue from operation and other income.
3. Operating EBIDTA is calculated as profit before tax, plus finance costs and depreciation and amortisation expenses, less other income.
4. Operating EBIDTA Margin (%) is calculated as EBIDTA divided by Revenue from Operations
5. Restated profit for the period / year after tax (“PAT”) refers to profit after tax attributable to shareholders of our Company as appearing in the Restated Financial Information.
6. PAT Margin (%) is calculated as PAT divided by revenue from operations.
7. RoE is calculated as PAT divided by total equity attributable to equity holders.
8. RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed. EBIT is calculated as EBIDTA minus depreciations. Capital Employed is calculated as Total Equity plus borrowing (long term and short term) minus cash and bank balances.
9. Debt equity ratio means ratio of total debt (long term plus short-term including current maturity of long-term debt) and Equity Share capital plus other equity.

We have been able to increase our total revenue at a CAGR of 26.39 and our profit after tax has increased at a CAGR of 15.39% from Fiscal 2023 to Fiscal 2024.

We have adopted an asset-light business model while purchasing equipment which are critical to construction activities of the projects undertaken by our Company. Our asset light business model allows us to keep our capital requirement low and in turn help us by reducing maintenance costs of equipment. We typically assign a part of the work to the sub-contractors who provide us with manpower along with the equipment support.

## **OUR MARKET OPPORTUNITY**

The India Water and Wastewater Treatment market is expected to grow at a CAGR of 6.20% in terms of value to reach USD 23,849.806 Million in 2033 from USD 13,101.158 Million in 2023. (Source: Marketysers Global Report). Based on region, south India is expected to have major share in the water and wastewater treatment market with a CAGR of 6.24% in terms of value. Several factors contribute to South India's anticipated dominance in this sector. South India is poised to lead the water and wastewater treatment sector, driven by several compelling factors. According to Government of India Census, 2022, the region's expanding population, rapid urbanization rate exceeding 33% annually, and robust industrial growth are creating an unprecedented demand for advanced water management solutions. With growing environmental consciousness and stringent regulatory frameworks, the imperative for sustainable resource management has never been more critical. This scenario underscores the urgent need for innovative treatment technologies. South India's geographical diversity, encompassing dense urban areas and scattered rural communities, presents a multifaceted water treatment challenge. This diversity necessitates flexible and scalable solutions capable of catering to diverse needs and infrastructural setups. As a result, the market is witnessing a surge in cutting-edge technologies designed to address these complexities. According to recent Ministry of Jal Shakti, Government of India, 2023, water scarcity affects over 40% of India's population, highlighting the pressing need for effective water management solutions in regions like South India. This statistic underscores the region's pivotal role



in driving innovation and investment in water treatment technologies. In response to these challenges, stakeholders are increasingly investing in state-of-the-art treatment facilities and sustainable practices. The convergence of technology and regulatory momentum is shaping South India's water treatment landscape into a dynamic arena for innovation and growth. (Source: *Marketysers Global Report*).

According to Marketysers Global Report, the water management segment is expected to have major share in the water and wastewater treatment market with a CAGR of 6.42% in terms of value. The water treatment sector plays a critical role in addressing the country's mounting water challenges, driven by factors such as population expansion, urbanization, and industrialization. As India grapples with issues of water scarcity and pollution, the demand for effective water treatment solutions is burgeoning.

The total annual ground water recharge is 449.08 billion cubic meters (bcm), with natural discharges amounting to 41.89 bcm. Consequently, the Annual Extractable Ground Water Resources are 407.21 bcm. The primary source of this recharge is rainfall, contributing 270.78 bcm or 60% of the total recharge, with 54% occurring during the monsoon and 6% during the non-monsoon seasons. The remaining 40%, equivalent to 178.31 bcm, comes from secondary sources like canal seepage, irrigation return flow, and water conservation structures. Certain states and Union Territories, including Assam, Goa, Gujarat, Jharkhand, Kerala, Madhya Pradesh, and others, see more than 70% of their groundwater recharge from monsoon rainfall. In contrast, areas like the Indus-Ganga-Brahmaputra belt experience significantly high recharge rates due to favorable climatic and geological conditions. The coastal alluvial belt also shows high recharge rates, whereas arid regions like Rajasthan and parts of Gujarat, as well as the hard rock terrains of southern India, exhibit lower recharge rates. Overall, the 2023 assessment reveals an increase of 11.48 bcm in annual ground water recharge and 9.13 bcm in extractable resources compared to previous assessments, with a rise of 2.18 bcm in groundwater extraction for various uses. (Source: *Marketysers Global Report*).

Further, the construction market is expected to grow to USD 1.42 trillion by 2027, expanding at a compound annual growth rate (CAGR) of 17.26% during the 2022-2027 forecast period. The Indian construction industry serves as a pivotal driver of the nation's economic growth. It plays an indispensable role in propelling overall development by laying the foundation for various projects. (Source: *Marketysers Global Report*). A monumental leap is seen in the allocation for the Railways sector, with a capital outlay of Rs. 2.40 lakh crore (USD 29 billion) - the highest ever recorded. This substantial increase, approximately 9 times since the 2013-14 allocation, underscores the Government's commitment to modernizing and expanding the country's rail network. (Source: *Marketysers Global Report*), which presents us with a great opportunity to expand in other infrastructure sub-sectors.

## **OUR COMPETITIVE STRENGTHS**

### ***Established expertise in water management projects with special focus on ground water recharging.***

Since incorporation, we have completed 32 water management infrastructure projects for Government of Karnataka (“GoK”). We have established our credentials as a water management solutions provider, particularly, in the field of ground water recharge projects (“**GWR projects**”) and lift irrigation projects. Our Company has successfully completed projects involving the filling up of numerous tanks and check dams, showcasing our proficiency in managing water resources efficiently. Owing to our technical expertise in GWR projects, we are now able to procure direct contracts as well as sub-contracts from the successful bidders. As on November 30, 2024, we have procured direct contracts (as consortium partner) worth ₹ 7,740 million, direct contracts (independent) worth ₹ 469.97 million and sub-contracts worth of ₹ 4,657.19 million in GWR projects.

As of November 30, 2024, our Order Book primarily comprises of GWR projects in the State of Karnataka. In addition to the above, our Order Book also includes projects for supplying drinking water to various habitations in the State of Karnataka. We believe that the consistent growth in the Order Book of our Company is the result of our continued focus on water management projects and ability to successfully bid and win new projects. Further, we believe that our experience in execution of water management infrastructure projects, technical capabilities, timely performance, reputation for quality, financial strength as well as the price competitiveness of our bids have enabled us to successfully bid for and win projects.

Details of our historical data of the order book (with segmental breaking) along with their actual realization during the six months period ended September 30, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 are as below:

(₹ in Million)

Particulars	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Order received during the period	Actual amount realised	Order received during the period	Actual amount realised	Order received during the year	Actual amount realised	Order received during the year	Actual amount realised
Water management	2,078.02	338.60	39.90	1928.8	7,964.86	1,420.5	2,004.80	884.2
Railways	95.69	13.00	189.55	1.8	-	-	-	-
Road	-	257.40	-	36.3	123.00	23.9	-	-
Irrigation	-	-	-	-	-	11.5	53.31	42.3
<b>Total</b>	<b>2,173.71</b>	<b>609.00</b>	<b>229.45</b>	<b>1966.9</b>	<b>8,087.86</b>	<b>1,455.9</b>	<b>2,058.11</b>	<b>926.5</b>

We have developed a long-standing relationship with our clients including the Minor Irrigation department, Government of Karnataka owing to the trust we have been able to build over the years on account of successful execution of the projects.

***In-house expertise in designing and engineering of water management infrastructure projects***

We have a competent team with expertise in projects such as ground water recharging, lift irrigation etc. Our Company has an in-house design and engineering team which focusses on design capabilities for geographical complexities and critical aspects of the projects such as identification of potential ground water recharging sites, hydraulic flow calculations, drainage laying design, process flow diagram, hydraulic flow diagram, and water balance. This capability enables us to correctly bid with project specifications.

Our engineering expertise and core capability of the designing and implementation aspects of GWR projects has enabled us to deliver projects in accordance with the requirements envisaged by the principal employer of these projects. We have diverse capabilities that enable us to offer tailor-made solutions for meeting exigencies due to extreme changes in project, design and installation. We offer bespoke solutions taking into consideration the geographical and the gradient of each location for designing the GWR Projects which are then implemented either by us directly or through sub-contracting. We employ technologies such as Geographic Information System for mapping and analysing topographic data, soil testing equipment for soil investigation and GPS technology for precise location data, computer-aided software for designing economical and structurally sound foundations, Structural engineering software for designing the thickness and strength of jack wells/intake wells, MS (Mild Steel) DI (Ductile Iron), HDPE (High-Density Polyethylene) pipes for transporting water, coating and grunting techniques to protect and reinforce pipelines, welding equipment for joining pipes and other specialized equipment for laying pipes at the optimum depth all this technology and process required for pipeline installation, electro-mechanical equipment for water resource management and infrastructure projects, water treatment technology including filtration, chlorination and purification methods, monitoring and control systems for water treatment plants, comprehensive project management software for planning, scheduling, and tracking progress for infrastructure projects, by outsourcing the aforesaid activities to sub-contractors who have the specific expertise in the aforesaid areas.

We have an asset light model, whereby we outsource certain parts of the work to subcontracts, however for jobs like design, planning, quality control and supervision, we have dedicated teams and the necessary expertise for implementation. Our in-house design and engineering team has the necessary skills and expertise in preparing detailed architectural and /or structural designs based on requirements of each client. We follow an asset light model and do outsourcing of non-core jobs and activities like manpower, supply of support equipment, supply of raw material, and certain specialised software, among others. Our quality control managers are responsible for conducting regular inspections and tests at every project site for quality-control monitoring management in order to ensure that the

projects are implemented in accordance with the requirements of the principal employer. We believe that our capabilities with respect to designing and supervising the projects we undertake in a segment which can significantly contribute towards the water conservation and consumption needs of the catchment needs sustainability and good practice.

### **Strong Management Team**

We are led by qualified and experienced Promoters, that we believe have the expertise and vision to manage and grow our business. Our Promoter, C Mruthynjayaswamy, has over 38 years of experience in the civil sector. He has held various positions in the Government and has been involved in planning, preparing project reports, and executing projects in the water sector, road sector, irrigation sector, and rural development sector. He has also conducted on-field training and awareness programs in critical areas such as water conservation, water harvesting, agriculture, and horticulture practices, as well as efficient use of available water resources. He has been recognized for significant contributions to improving ground water recharging through innovative projects.

Our Promoters are ably supported by our management team's collective experience and capabilities which enables us to understand and anticipate market trends, manage our business operations and growth, leverage customer relationships, and respond to changes in customer preferences. Our management team continues to focus on production, marketing and new growth areas. We believe that the knowledge and experience of our Promoter and directors, along with team of skilled personnel, provides us with a significant competitive advantage, as we seek to expand geographically in existing markets and new markets.

### **Strong order book**

We are a growing water and infrastructure solutions companies engaged in design, installation, commissioning of water management infrastructure projects with expertise in GWR Projects. As on November 30, 2024, we have 17 ongoing projects being implemented either directly by us or under consortium arrangements with other entities and our Company's share in the aggregate contract value comprises of ₹ 11,004.36 million, out of which ₹ 10,667.52 million is in relation to water management projects. As on November 30, 2024, out of total contract value of ₹ 11,004.36 million we have completed work amounting to ₹ 3,479.85 million and our outstanding order book is of ₹ 7,524.51 million. The total number and value of the projects to be completed in prescribed time are captured in the order book. Continuous project addition is essential for our Company to provide revenue visibility in future. As per our project contracts, the aforesaid Order Book value can get realised within a period of 2 (Two) years from the date of this RHP. Our Company has proven its execution capabilities in executing GWR projects such as Byrapura & Hiremagaluru LIS Project, Karagada LIS Project etc in State of Karnataka for filling of major tanks by lifting the water through lift irrigation system. The average period of completion of GWR projects varies from 24 months to 36 months.

We have grown steadily over the years and have been conservative in execution activities. In an industry which requires working capital management, managing large equipment and materials along with manpower resources, it is vital for us to be selective and careful while expanding our business. Accordingly, owing to our team and expertise, currently we have been focusing in the State of Karnataka. Details of our contract value of our order book as on November 30, 2024 is as under:

(₹ in million)

Sr.No	Project Segment	No of Projects	Contract Value*
1.	Road	1	58.50
2.	Water Management	11	10,667.52
3.	Railways	5	278.34
<b>Total</b>			<b>11,004.36</b>

\*Amount excluding applicable taxes.

### **Established track record for project execution**

One of the important differentiators in water management infrastructure solution provider companies is its capacity to timely complete the project within the given budget. A project's timely or early completion results in greater credibility and technical competency, which is advantageous when a company is being evaluated technically before being

awarded the contract. Owing to the nature of the industry in which we operate, we place a heavy emphasis on our operational activities to ensure that projects are completed on time. We make it a point to minimize the amount of time spent on each project activity, from project planning and execution to equipment planning and acquisition. In case of delays on account of Government clearances and modification of project designing by the Government, the additional compensation and change in execution timelines have been granted to our Company by the clients.

Our focus is to leverage our strong designing and execution capabilities to complete projects in a timely manner while maintaining high quality of engineering and construction. Our design and engineering teams, ensure operational efficiencies through overall supervision of the project execution process. We believe that our track record of successful completion of complex projects in a timely manner has allowed us to grow our business over the years. We have the three important ingredients required by any company in our industry *i.e.*, an in-house design and engineering team, skilled manpower to execute projects in a timely manner and strong post completion team for operations and maintenance of completed projects.

### ***Efficient Business Model***

Due to our business knowledge and expertise, we have been able to set up an efficient business model. We understand that it is important for any business to efficiently manage its business operations which gradually leads to better financial and operational performance.

Focused Segment - Our Company has been focussing on particular segment ever since incorporation. We are majorly concentrated in GWR (Water Management), Irrigation, O&M pertaining to water projects. The projects which are undertaken by our Company are either through joint venture, sub-contract basis or direct in the State of Karnataka. Focussing on selected segment aids us with a competitive advantage at the time of award evaluation.

Asset light model - Our business model relies on the strength of our project execution and management capabilities as well as established relationships with our clients, architects and contractors. Leveraging these capabilities and relationships, we seek to transition to a combination of designing and execution based business model. As a part of this model, we focus on development management and joint development agreements or joint ventures, which requires lower upfront capital expenditure compared to direct approach. We believe in outsourcing of equipment requirements and accordingly include the costs while making the bid for any tender.

We believe our asset light business model result in efficient utilization of capital resulting in lower debt and regular income allowing us to have higher return on capital employed. For example, as on September 30, 2024, we have total working capital borrowing in the form of non-fund limits availed for obtaining bank guarantees amounting to ₹ 570.15 million, which we are required to furnish to the entity engaging us for various projects. Apart from this we do not have any other borrowings. We also expect the asset light nature of our business model to allow us to minimize costs incurred initially. we believe that our focus on our development management model and commitment to leverage our project execution and management capabilities, will continue to contribute to growth and development of our business.

## **OUR STRATEGY**

### ***Leverage core competencies in execution of water management projects***

We continue to maintain and strengthen our position in implementation of GWR Projects. We will continue to focus on construction of existing projects while seeking opportunities to expand our portfolio of GWR Projects. As of November 30, 2024, we have completed 32 GWR projects and presently executing 11 ongoing GWR projects. We intend to draw on our experience, market position and ability to execute and manage multiple projects across various geographies, to further grow our portfolio of water management projects.

GWR projects are currently envisaged by the Government of Karnataka, however we believe that our focused approach in this segment will enable us to benefit from future market opportunities and expand into new markets, and combined with our technical experience and pricing, will be critical in competing in the industry. The performance and competitiveness of our current activities are two important components of our expansion strategy. Our projects have grown in size and complexity over the years, and we intend to concentrate our efforts on contracts of higher

values and increased complexity. Additionally, in order to support our expansion goals, we plan to make investments in advanced technologies.

### ***Expanding our geographical area of operations***

We believe that geographical diversification of our projects will reduce our reliance on particular states and will allow us to capitalise on opportunities in water management field, especially in GWR projects. We are confident that our strategy of concentrating on growing both our current markets and entering new ones with significant growth potential will allow us to target growth opportunities, broaden our revenue base, and lower the risk of unstable market conditions and price fluctuations brought on by the concentration of resources in a specific geographic area. We intend to expand into other geographies such as Gujarat, Madhya Pradesh, Maharashtra and Uttar Pradesh to unearth additional opportunities beyond the confines of Karnataka.

We intend to diversify and expand our presence in such regions for the growth of the business prospects of our Company. We plan to continue our strategy of selectively diversifying across industry segments and look at new geographies where we can deliver quality services without experiencing significant delays and interruptions due to local constraints. With increasing experience and success, we expect that we will see a steady growth in our business with a rate of expansion comparable to or better than the number of new projects we undertake. Due to diversification of our operations geographically, we intend to hedge risks of operations in only specific areas and protection from fluctuations resulting from business concentration in limited geographical areas.

### ***Pursue other segments within infrastructure development space***

We believe that the infrastructure development will be a major driver for growth of the Indian industry in the near future due to increasing levels of focus by the Government and increased investment in infrastructure in India.

While we continue to focus on water management projects as part of our growth strategy, we intend to diversify into and will continue to bid for projects related to the railways and highways. We think that diversifying into new functional areas will help us strengthen our position in the infrastructure industry and fully utilize our expertise in managing such projects. Additionally, this will enable us to build expertise in these fields and position ourselves for future, strategic expansion in these fields.

As on November 30, 2024, our Company has executed 3 projects in the State of Karnataka. We currently have projects worth ₹ 323.15 million, which includes railways and highways. Currently, our Company is in the process of executing 1 project in road construction segment on direct/ sub-contract basis for improvement to existing road and construction of new CC road.

### ***Expansion into other geographies for reuse of discharge water:***

Water reuse and recycling have become increasingly important strategies in India due to the growing water scarcity and pollution challenges faced by the country. Several initiatives and practices have been implemented to address these issues and promote sustainable water management. Industries are encouraged to implement water recycling and reuse practices to minimize their impact on freshwater sources. Many industries, such as textile, paper, and chemical, have adopted technologies to treat and reuse their wastewater for production processes. Many cities in India have established wastewater treatment plants to treat and recycle domestic and industrial wastewater. These plants use various treatment processes to remove pollutants and pathogens from wastewater before releasing it into water bodies or reusing it for non-potable purposes such as irrigation and industrial processes (*Source: Marketysers Global Report*).

With 1.38 billion inhabitants, India is the world's most populous country. According to the United Nations (2021), 67% of the population lives in rural areas, while 33% is connected to metropolitan centers. The country's urban cities are expanding rapidly as a result of economic development and reforms. This increase in urban population is unsustainable without effective city planning and the supply of utility services, particularly clean and inexpensive water. Water is often allocated in cities from a shared pool with multiple sectoral needs. It is projected that by 2050, around 1450 km<sup>3</sup> of water would be required, with approximately 75% being utilized in agriculture, 7% for drinking water, 4% in industry, and 9% for energy generation. However, due to increasing urbanization, the need for drinking water will trump rural water requirements. Many towns are located on river banks, where fresh water is used by the

people and waste water is disposed of back into the river, contaminating the water supply and irrigation water. This has created significant difficulties for urban wastewater management, planning, and treatment. According to the Central Pollution Control Board (CPCB), the predicted wastewater generation in rural areas was over 39,600 million litres per day (MLD), while in urban areas it was 72,368 MLD for the year 2020-21. The projected volume in big centres is about double that of rural areas due to the availability of more water for sanitation, which has raised the level of living (*Source: Marketysers Global Report*).

As the country's population grows, so does the need for water and its management. Water scarcity is expected to become a serious issue in the future. Furthermore, pollution's impact on water supplies is a cause of worry. Some of the major causes of water pollution are the release of industrial waste, the discharge of untreated or partially treated municipal wastewater through drains, the discharge of industrial effluent, improper solid waste management, illegal ground water abstraction, encroachments in flood plains/riverbanks, deforestation, improper water shade management, and the non-maintenance of e-flows and agricultural runoff, among others. The Government of India has devised several initiatives that focus on water conservation and restoration (*Source: Marketysers Global Report*).

As a consequence, the number of contaminated river lengths has decreased from 351 in 2018 to 311 in 2022, and water quality has improved in 180 of the 351 contaminated River lengths (PRS) during 2018. According to research from the Ministry of Jal Shakti, a review of water quality over time reveals that in 2015, 70% of rivers examined were designated as contaminated, however in 2022, just 46% of rivers studied are identified as polluting. The need for water is only expected to rise in the coming years. The Government's major priority is to provide safe drinking water. Drinking water quality has been a serious problem in rural regions over the years. The Central Water Commission (CWC) examines the country's total water resources on a regular basis, and it has designated water supply for drinking purposes as the main priority in water distribution (*Source: Marketysers Global Report*).

We believe that the Government's focus on water re-use and recycling projects presents us with an attractive opportunity to further expand our footprints in such projects.

## DESCRIPTION OF OUR BUSINESS

### Our Ongoing Projects

We are currently undertaking assignments in relation to services in the water, power and infrastructure sectors comprising of second stage lifting or pumping secondary treated water, construction of intake channels, design engineering services, tender engineering services, project management consultancy activities, quality assurance, construction supervision, commissioning support, operations and maintenance and rehabilitation.

#### 1. Koramangala-Challaghatta (KC) Valley project – Phase II

Our Company was awarded contract by the Minor Irrigation department, Government of Karnataka for second stage lifting or pumping secondary treated water from available sources to various ridge points to fill additional 272 tanks in Kolar District. Karnataka and Chintamani Taluk of Chikkaballapura District under ongoing KC Valley Project. Project includes design, construction, commissioning, repair and maintenance for a period of five years.

<b>Joint Venture agreement</b>	Company entered into joint venture agreement with RP Shetty Engineers and Contractors and Aditya Construction Company for execution of the project.
<b>Date of commencement</b>	May 16, 2022
<b>Project completion date</b>	November 14, 2025 <sup>^</sup>
<b>Quantity of water to be pumped</b>	268.51 MLD
<b>Total length of pipeline</b>	221.92 km
<b>Value of contract</b>	₹ 4,462.30 million (excluding taxes)
<b>Our Company's Share</b>	48%
<b>Project status</b>	*All the pumphouse structural designs and drawings and pipeline hydraulic designs has been approved. *Out of 9 pumping stations, 5 pump houses construction has been completed and remaining 3 pump house civil work is under progress.

	<p>*Out of 221.92 km pipeline, 146.05 km pipe laying has been completed and the balance laying is work in progress.</p> <p>*Electrical and Electro-mechanical works designs and drawings has been submitted for all the 8 pump houses and approval has been obtained for 8</p> <p>* 2 pump houses electrical and electro-mechanical works are complete and 6 pump house work is under progress.</p>
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<sup>^</sup> Project completion date was originally November 15, 2024, however application for project time extension has been made by the Company and the extension is pending for approval.

# As certified by Chethan Kumar. R., Chartered Engineer, by certificate dated December 23, 2024.

## 2. Bangalore East Lift Irrigation Scheme (LIS)

Our Company was awarded contract by the Minor Irrigation department, Government of Karnataka for lifting/pumping of secondary treated water from KR Puram STP to feed 22 tanks in Bangalore (East) Taluk of Bangalore Urban District through LIS. Project includes design, construction, commissioning, repair and maintenance for a period of five years.

<b>Joint venture agreement</b>	Company entered into joint venture agreement with JN Shetty for execution of the project*
<b>Date of commencement</b>	February 24, 2023
<b>Project completion date</b>	February 23, 2025
<b>Quantity of water to be pumped</b>	15 MLD
<b>Total length of pipeline</b>	46.73 km
<b>Value of contract</b>	₹ 926.70 million. (excluding taxes)
<b>Our Company's share</b>	99%
<b>Project status</b>	<p>* All the pumphouse structural designs and drawings and pipeline hydraulic designs has been approved.</p> <p>*Pump house construction completed.</p> <p>*Out of 46.73 km pipeline, 21.02 km pipe laying has been completed, balance laying work is under progress</p> <p>* Electrical and electro-mechanical designs and drawings has been approved and 90% works is completed 10% work is nearing completion.</p>

\*for meeting technical qualifications stipulated under tender conditions

# As certified by Chethan Kumar. R., Chartered Engineer, by certificate dated December 23, 2024.

## 3. Multi Village scheme for drinking water supply – Kopal District

Our Company was awarded contract by Rural Drinking Water and Sanitation Department, Government of Karnataka, for supplying drinking water to Kerehalli and other 103 habitations of Koppal Taluk in Koppal District in Karnataka. The project comprises designing and engineering for lifting water from Tungabhadra river, installation of water treatment plant with capacity of 14.5 MLD and 8.5 MLD and laying of 388.605 km of pipelines for supply of drinking water.

<b>Joint Venture agreement</b>	Company entered joint venture agreement with SPML*
<b>Date of Commencement</b>	March 27, 2023
<b>Project Completion Date</b>	September 26, 2025 <sup>^</sup>
<b>Quantity of water to be pumped</b>	23 MLD
<b>Total length of pipeline</b>	388.605 kms
<b>Value of Contract</b>	₹ 2,350 million. (excluding taxes)
<b>Our Company's Share</b>	99.75%

<b>Project status</b>	<p>*Survey Investigation has been completed and structural designs and drawings, pipeline designs has been submitted for approval and the same has been approved.</p> <p>* Out of 388.605 km pipeline, 152 km pipe laying has been completed and balance laying work is in progress.</p> <p>*Jack well cum Pumphouse and Foot Bridge works are in progress.</p> <p>* Jack well Side Cylindrical wall completed, Inspection Chamber 1 &amp; 2 is Completed, Intake well is Completed, Foot bridge part length slab work is completed, remaining balance work is under progress.</p>
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\*For meeting technical qualifications stipulated under tender conditions

^ Project completion date was originally September 26, 2024, however application for project time extension has been made by the Company and the extension is pending for approval.

# As certified by Chethan Kumar. R., Chartered Engineer, by certificate dated December 23, 2024.

#### Our ongoing Projects (As a Sub-contractor)

##### 4. Koramangala-Challaghatta (KC) Valley project

Our Company has entered into sub-contract for execution of projects involving Lifting/ Pumping of 1) 40 MLD secondary treated water from Kadubeesanahalli sewage treatment plant (STP) to Bellanduru Jackwell for KIADB under K&C Valley Project and Improvements and Beautification to Narasapura tank, Kolar Ammanikere tank and at DC point near Lakshmisagar tank in Kolar taluk & Somesh Palya tank in mulbagal Taluk, State of Karnataka. 2) 10 MLD Secondary Treated water from Hulimavu Sewage Treatment plant (STP) to Chikkabegur Sewage Treatment Plant (STP) 3) 15 MLD Secondary treated water from Chikkabeguru Sewage Treatment Plant (STP) to Agara Sewage Treatment Plant (STP) and 4) 50 MLD secondary treated water from Agara STP to Anekal LIS project by Lift irrigation scheme. All the aforesaid projects are in the State of Karnataka. Project includes design, construction, commissioning, repair and maintenance for a period of five years.

<b>Sub-Contract awarded by</b>	RP Shetty, Doddahanumanthappa & SAP Ventures JV
<b>Date of Commencement</b>	June 12, 2021
<b>Project Completion Date</b>	June 10, 2024 <sup>^</sup>
<b>Quantity of water to be pumped</b>	115 MLD
<b>Total length of pipeline</b>	20.53 kms
<b>Value of Contract</b>	₹ 1,158.30 million (excluding taxes)
<b>Our Company's Share</b>	97%
<b>Project status</b>	<ul style="list-style-type: none"> <li>• All the pumphouse structural designs and drawings, pipeline hydraulic designs, electrical and electro and electro-mechanical designs and drawings has been approved.</li> <li>• All 4 no pumping stations civil works are completed, electrical and electro-mechanical works are completed for 4nos.</li> <li>• Out of 20.53 km, 14.60 km pipe laying has been completed and the balance work is in progress.</li> <li>• Improvements to Kolar Ammani Kere and Someshwarapalya Kere also has been completed and is in handing over stage.</li> <li>• Trail run/Commissioning has been completed for 4 nos of pumphouse in the presence of department officials.</li> </ul>

<sup>^</sup> Project completion date was originally June 10, 2024, however application for project time extension has been made by the Company and the extension is pending for approval.

# As certified by Chethan Kumar. R., Chartered Engineer, by certificate dated December 23, 2024.

##### 5. Hirehalla, Koppal Drinking Water supply

Our Company has entered into sub-contract for filling of Hirehalla in Koppal Taluk of Koppal District, Karnataka by lifting water from Thungabhadra River for Ground Water Development and Drinking Purpose. The project comprises designing and engineering for lifting water from Tungabhadra River, and laying of 40 kms of pipelines for supply of drinking water.



<b>Sub-Contract awarded by</b>	Veerayya Hiremath, ASR Engineering & Projects Ltd JV
<b>Date of Commencement</b>	May 16, 2022
<b>Project Completion Date</b>	December 31, 2024 <sup>^</sup>
<b>Quantity of water to be pumped</b>	100 MLD
<b>Total length of pipeline</b>	40 kms
<b>Value of Contract</b>	₹ 932.30 million. (excluding taxes)
<b>Our Company's Share</b>	92.50%
<b>Project status</b>	<ul style="list-style-type: none"> <li>• Pumphouse Structural designs and drawings, pipeline hydraulic designs, electrical &amp; electro-mechanical designs and drawings has been completed</li> <li>• Pumping stations civil works completed. Electrical &amp; Electro-mechanical works under progress.</li> <li>• Out of 40 km pipeline, 40 km pipe laying has been completed.</li> </ul>

<sup>^</sup> Project completion date was originally June 16, 2024, however application for project time extension has been made by the Company and the extension is pending for approval.

# As certified by Chethan Kumar. R., Chartered Engineer, by certificate dated December 23, 2024.

## Other Ongoing Projects

In addition to the aforesaid ongoing Projects, our Company is also undertaking the following projects:

Sl.no	Name of the Work	JV / Direct / Sub	Client	Total Agreement Value (in ₹ million)	Denta Share (Value) (in ₹ million)	Start Date	Completion Date	Project Details	Project Status
6.	Kedhakal to Kadagadalu (CH-2.85Km to 6.65Km) – RDPR	Subcontractor	Ganapathi Stone Crusher	65.90	58.50	March 28, 2023	June 04, 2025^	Construction of CC Road for a length of 3.8Km	Out of 3.8Km, 3.2Km completed and retaining wall for length 18 meters completed and balance work of retaining wall and concrete road in progress.
7.	Chikkabenakal Drinking Water Project – Gangavathi	Subcontractor	Veerayya Hiremath	1,065.10	1,065.10	March 27, 2023	April 27, 2025^	Multi Village Scheme for providing drinking water to Chikkabenakal and other 61 habitations of Gangavathi taluk	<ul style="list-style-type: none"> <li>• Structural designs, drawings, and pipeline designs has been approved</li> <li>• Pipe procurement under progress.</li> <li>• 72Km of pipe laying has been completed and balance work is in progress.</li> </ul>
8.	Renovation of Khanapur LIS Project, Bidar	Direct	GOK	86.90	86.90	February 10, 2023	January 09, 2025^	Renovation of existing Lifting irrigation scheme	<ul style="list-style-type: none"> <li>• Replacement of pipeline, manifold and delivery chamber has been completed.</li> <li>• Improvements to pumphouse, bund and intake well completed.</li> <li>• Balance work: White washing/painting and fixing of valves under progress which will</li> </ul>

Sl.no	Name of the Work	JV Direct / Sub	Client	Total Agreement Value (in ₹ million)	Denta Share (Value) (in ₹ million)	Start Date	Completion Date	Project Details	Project Status
									be completed before 09 January, 2025.
9.	Improvements & Retaining wall of Bund (Madikeri)	Direct	GOK	30.80	30.80	March 29, 2023	February 25, 2025 <sup>^</sup>	Improvement Works to Tanks and Construction of Retaining Wall	<ul style="list-style-type: none"> <li>Construction 2 no of Retaining walls has been completed</li> <li>Concreting works for the return wall has been work under progress completed. Retaining work under progress.</li> </ul>
10.	Improvements to Goods Road & Drain and to Mangalore tiled PF Shelter at Mysore Railway Station (Railway Works)	Direct	Railway Department	10.00	10.00	July 17, 2023	January 31, 2025 <sup>^</sup>	Improvements to roads & drain and Mysore railway station	<ul style="list-style-type: none"> <li>Improvement to the approach road work are completed.</li> <li>Cleaning &amp; Painting works are in finishing stage.</li> </ul>
11.	Construction of Compound Wall, Repair Works to Holiday Rooms, Officers Rest House, Station Buildings etc., at Mysuru, Madkeri, Sakleshpura and Ashokpuram Colony.	Direct	Railway Department	25.85	25.85	October 16, 2023	January 31, 2025 <sup>^</sup>	Construction of Compound Wall, Repair Works to Holiday Rooms, Officers Rest House, Station Buildings etc.	<ul style="list-style-type: none"> <li>Construction of Compound wall work is in completed.</li> <li>Repair works for holiday rooms and officers rest completed.</li> <li>Repair work at madikeri is under progress.</li> </ul>
12.	Providing Water Supply Scheme to Kuknuru & Yelburga towns under Amrut-2.0	JV – DWSIL CIPL SIAN	KUWS&D Board	2,052.80	2,011.80	May 27, 2024	May 27, 2026	Providing Water to Yelburga & Kuknuru Town from Tungabadra	<ul style="list-style-type: none"> <li>Survey Investigation work is completed</li> </ul>

Sl.no	Name of the Work	JV Direct / Sub	Client	Total Agreement Value (in ₹ million)	Denta Share (Value) (in ₹ million)	Start Date	Completion Date	Project Details	Project Status
								dam under Amrut-2.0 scheme.	<ul style="list-style-type: none"> <li>Detail design and drawings submitted competent authority for approval.</li> </ul>
13.	Construction of Box culvert at Hosakote Doddakere tank	Direct	GOK	25.20	25.20	June 13, 2024	July 12, 2025	Construction of Box Culvert at Hoskote Dodda Kere.	<ul style="list-style-type: none"> <li>Box culvert work is presently under progress.</li> <li>Retaining wall, draft clearance and embankment work are yet to start.</li> </ul>
14.	Provision for 6nos of new FOB connecting platforms for Palakkad Division under Amrut Bharat Scheme	JV – DWISL Core4 Engineers	Railway Department	287.90	146.80	January 09, 2024	January 12, 2025	Construction of 6nos of Foot Over Bridges.	<ul style="list-style-type: none"> <li>Designs &amp; drawings under verification Stage.</li> </ul>
15.	Re-Habitation of MVS to Doddakowlande and other 55 Villages of Nanjangud Taluk in Mysore District	Subcontractor	Chidu Infratech Private Limited	45.58	41.02	July, 24 2024	January, 24 2025	Rehabilitation of jack well and approach channel, completion of pipeline and erection of valves and commissioning of the balance project.	<ul style="list-style-type: none"> <li>Survey alignment finalized</li> <li>Identification of pipeline and re-habitation works are being finalised</li> </ul>
16.	Component in project of design supply, Erection testing-Madurai	Subcontractor	CORE4 ENGINEE TS Private Limited	49.14	49.14	June 12, 2024	June 12, 2025	Supply of materials like electrical cables, fixture, angles, flats, signals, etc., as sub-contractor to railways	Material to be supplied

Sl.no	Name of the Work	JV Direct / Sub	Client	Total Agreement Value (in ₹ million)	Denta Share (Value) (in ₹ million)	Start Date	Completion Date	Project Details	Project Status
								departments client.	
17.	Divyangjan facility and passenger friendly facilities like drinking water booth ticket and inquiry counters, pay and use toilet at KSR Bangalore station SW-2. KSR Bangalore	Direct	Indian Railways	46.55	46.55	November 15, 2024	July 15, 2025	The work involves providing Divyangjan facility like toilet, ticket booths friendly to Divyangjan people and passenger friendly amenities like drinking water booth, ticket and inquiry facilities and pay and use toilets at KSR Bengaluru Station.	Draft copy of agreement submitted to Authority which are under consideration

<sup>^</sup>The application for project time extension made by the Company and the extension is pending for approval.  
<sup>#</sup> As certified by Chethan Kumar. R., Chartered Engineer, by certificate dated December 23, 2024.

**\*Our Completed projects**

Since our Incorporation we have successfully completed 35 projects. The details of projects completed as at November 30, 2024 are set out below:

Sl. no	Name of the work	JV / Direct / Subsidiary	Client	Total Agreement Value (in ₹ million)	Denta's Share (Value) ₹ million	Date of Completion	Project Details	Whether there has been any delay. If yes, reason for delay.
1.	Byrapura & Hiremagaluru LIS Project	JV - RPS DPIPL	GOK	315.00	309.60	August 21, 2022	Filling of 2 major Tanks by lifting the water through LIS	No delay
2.	Vented Dam cum bridge (Ibbani olamadu)	Direct	GOK	43.10	43.10	December 12, 2023	Construction of Vented Dam cum Bridge across Nala.	No delay
3.	Bridge Cum Check Dam (Nagamangala)	Direct	GOK	29.90	29.90	February 25, 2023	Construction of 3 no of Bridge Cum Check Dams across Nala.	No delay
4.	Construction of Retaining Walls (Chitradurga)	Direct	GOK	22.20	22.20	October 12, 2021	Construction of Retaining Walls (5nos)	No delay
5.	Karagada LIS Project	Subcontractor	RP Shetty	33.70	31.67	June 16, 2021	Filling of 3 no of Tanks by lifting the water through LIS	No delay
6.	Makali LIS Project	Subcontractor	RP Shetty	311.90	304.60	January 15, 2022	Filling of 22 no of Tanks by lifting the water through LIS	No delay
7.	Construction of Check Dams at Doddamaralavadi	Subcontractor	RP Shetty	40.00	40.00	September 20, 2022	Construction of 2 no of Check Dams cum Pathways across Nala.	No delay
8.	Series of Check Dams (Akkur & Kysapura)	Subcontractor	CM Nagesh (Veerabhadr eshwara Engg Works)	55.70	55.70	August 27, 2021	Construction of a series of 5 no of Check Dams across Nala's.	No delay
9.	Reestablishment of Natural River/Stream and Construction of	Subcontractor	CM Nagesh (Veerabhadr eshwara Engg Works)	25.20	25.20	October 03, 2020	Reestablishment of Natural River/Stream and Construction of Check Dam across Gendamdu Nala.	No delay

Sl. no	Name of the work	JV / Direct / Subsidiary	Client	Total Agreement Value (in ₹ million)	Denta's Share (Value) ₹ million	Date of Completion	Project Details	Whether there has been any delay. If yes, reason for delay.
	Check Dam across Gendamdu halla							
10.	Construction of Protection Wall (Kukkuwada)	Subcontractor	CM Nagesh (Veerabhadr eshwara Engg Works)	89.80	89.80	January 27, 2021	Construction of Protection Wall near Check Dam.	No delay
11.	Improvements to Tanks in Narsapura	Subcontractor	Sidvin Enterprises	3.54	3.54	May 23, 2020	Cleaning of Tanks & Improvement works.	No delay
12.	Providing MS Gates to Check Dams & Improvements to Nala	Subcontractor	CM Nagesh (Veerabhadr eshwara Engg Works)	39.20	39.20	February 28, 2022	Providing MS Gates to existing Check Dams & Improvements to Nala along KC Valley LIS Project.	No delay
13.	Observatory Borewells	Subcontractor	Sajjalashree Associates	15.30	15.30	December 01, 2021	Construction of Observatory Borewells for providing irrigation facilities.	No delay
14.	Observatory Borewells (Package-2)	Subcontractor	Veerayya Hiremath	22.00	22.00	April 25, 2021	Construction of Observatory Borewells for providing irrigation facilities.	No delay
15.	Observatory Borewells (Package-3)	Subcontractor	Veerayya Hiremath	18.00	18.00	April 25, 2021	Construction of Observatory Borewells for providing irrigation facilities.	No delay
16.	Observatory Borewells (Package-5)	Subcontractor	Veerayya Hiremath	6.00	6.00	April 25, 2021	Construction of Observatory Borewells for providing irrigation facilities.	No delay
17.	Observatory Borewells	Subcontractor	Veerayya Hiremath	3.70	3.70	August 12, 2021	Construction of Observatory Borewells for providing irrigation facilities.	No delay

Sl. no	Name of the work	JV / Direct / Subsidiary	Client	Total Agreement Value (in ₹ million)	Denta's Share (Value) ₹ million	Date of Completion	Project Details	Whether there has been any delay. If yes, reason for delay.
18.	Sinking Borewells of 5 nos	Subcontractor	KS Shekar	3.50	3.50	November 25, 2021	Providing Irrigation Facilities to the Lands (Borewells)	No delay
19.	Sinking Borewells of 34 nos	Subcontractor	Sri Panchamuki Borewells	24.30	24.30	June 11, 2022	Providing Irrigation Facilities to the Lands (Borewells)	No delay
20.	Sinking Borewells of 15 nos	Subcontractor	SPR Contractor	5.80	5.80	January 10, 2022	Providing Irrigation Facilities to the Lands (Borewells)	No delay
21.	Sinking Borewells of 22 nos	Subcontractor	Sri Srinivasa Infra Projects	6.50	6.50	December 1, 2022	Providing Irrigation Facilities to the Lands (Borewells)	No delay
22.	Kedhahal to Kadagadalu (CH-0.00 Km to 2.70 Km) – PWD	Subcontractor	Ganapathi Stone Crusher	44.60	40.10	June 4, 2023	Construction of CC Road for a length of 2.7 km	No delay
23.	Beautification of lakes (Kollegala)	Direct	GOK	83.00	83.00	October 30, 2023	Rejuvenation, Restoration and Beautification of 3 Lakes	No delay
24.	Bund Improvement of Bettathuru Tank	Direct	GOK	2.50	2.50	June 27, 2023	Improvement Works to Tanks	No delay
25.	Bund Improvement of Vaddaramadu Tank	Direct	GOK	2.50	2.50	June 27, 2023	Improvement Works to Tanks	No delay
26.	Bund Improvement of Aravathakallu Tank	Direct	GOK	2.50	2.50	June 27, 2023	Improvement Works to Tanks	No delay
27.	Construction of Road in Kattipala (Mangalore)	Direct	GOK	24.40	24.40	September 28, 2023	Improvements to existing Road and Construction of new CC Road	No delay



Sl. no	Name of the work	JV / Direct / Subsidiary	Client	Total Agreement Value (in ₹ million)	Denta's Share (Value) ₹ million	Date of Completion	Project Details	Whether there has been any delay. If yes, reason for delay.
28.	Improvements to Hiremagaluru Tank	Direct	GOK	44.30	44.30	February 29, 2024	Improvements works to the Tanks	No delay
29.	Improvements of bund work of Kundacheri Tank	Direct	GOK	17.60	17.60	February 28, 2024	Improvements works to the Tanks	No delay
30.	Bridge Cum Vented Dam at Hathur, Madikeri	Direct	GOK	39.50	39.50	February 28, 2024	Construction of Vented Dam cum Bridge across Nala	No delay
31.	Mukkumpi LIS Project	Subcontractor	Veerayya Hiremath	892.60	800.00	April 27, 2024	Lift irrigation scheme for filling of 6 nos of MI-ZP Tanks in Gangavathi Taluk, In Koppal District by lifting water from Tungabhadra River near vipra village.	No delay
32.	Alabanur LIS Project	Subcontractor	Veerayya Hiremath	76.70	70.80	April 11, 2024	Lift irrigation scheme from Sidhanur Nala to 9B sub distributary of 54 main to alabanur village of sidhanur taluk Raichur.	No delay
33.	Gobbarakal LIS Project	Subcontractor	Veerayya Hiremath	110.90	102.50	April 11, 2024	Construction of Lift Irrigation Scheme to Gobbarakal, Somalapur and Rowdakund Villages in Sindhanur Taluk of Raichur District.	No delay
34.	Improvements to Kalasapura Tank	Direct	GOK	39.90	39.90	March 02, 2024	Improvement Works to Tanks	No delay
35.	Ancillary Works at LH Road Under Bridge	Direct	Indian Railways	6.90	6.90	August 29, 2024	Ancillary Works at LH Road Under Bridge	No delay

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## **OUR OPERATIONS**

We procure orders based on nature of work. The contracts are generally categorized as the following:

- a) Direct contract;
- b) Sub-contracting;
- c) Joint ventures; and
- d) Tender-based contracts;

### **Direct contract**

Based on our credentials, we get orders from various departments of State Government of Karnataka on direct procurement basis. These orders are typically item based contracts and are valued less than 50 lakhs. The work involved in such contracts include small works with regards to infrastructure projects such as water retaining structures, tanks, and development of riverbeds.

### **Sub-contracting**

Our Company, from time to time, enters into sub-contracting agreements with principal contractor to execute certain portions of the main contract. Sub-contracting agreements are widespread in the infrastructure industry because of the diversified nature of jobs in a particular project. Moreover, the use of sub-contract agreements enable the principal contractor to maintain flexibility in operations and lower their overheads, while enabling the smaller companies to gain expertise and increase their turnover.

### **Joint ventures**

Our Company, from time to time, enters into certain joint venture agreements for the purposes of bidding and execution of projects. The Company executes certain projects through Joint Ventures (JV) which are not body corporates. For details regarding the joint ventures of the Company, please see section titled "*History and Certain Corporate Matters- Our Joint Ventures.*"

### **Tender based Contract**

We bid for tenders floated by various departments of the state Government in water management projects. Generally, these contracts are in the nature of item-based contracts and fixed-rate contracts. The contract is awarded based on competitive bidding. We bid for contracts in water management and other infrastructure development projects based on design, build, operate and transfer model. The details of the tender-bidding process are as follows:

#### **I Pre-Bidding Stage:**

We enter into contracts primarily through a competitive bidding process. Government authorities/bodies advertise potential projects on e-procurement portal and in national newspapers. Accordingly, our tender department does a regular review of e-procurement portal and national newspapers to identify projects that could be potentially viable for us. After such projects are identified, the tender department seeks approval of the management to determine if the identified projects should be pursued. These discussions are based on various factors which include the geographic location of the project and the degree of complexity in executing the project in such location, our current and projected workload, the likelihood of additional work, the project cost and profitability estimates and our competitive advantage relative to other likely bidders. Thereafter, we submit bids for the projects that have been identified.

Our Company has a dedicated tender department that is responsible for bidding and pre-qualifications. The tender department evaluates our Company's credentials in light of the stipulated eligibility criteria. While we endeavor to meet eligibility criteria for projects on our own, in the event we are unable to meet the criteria, we look to form project specific joint ventures with other qualified partners to strengthen our chances of pre-qualifying and winning the bid for the project. Notices inviting bids may either involve pre-qualification, or short listing of contractors, or a post qualification process. Pre-qualification applications generally require us to submit details about our organizational set-up, financial parameters (such as turnover, net worth and profit & loss history), employee information, machinery and equipment, portfolio of executed and ongoing projects and details in respect of litigations and arbitrations in which we are involved. In order to submit a financial bid, our Company conducts

an in-depth study of the proposed project, which inter alia includes, (i) selection of the project based on eligibility criteria and requirement of funds for the project; (ii) thorough study of the tender documents; (iii) site visit; (iv) preparation of queries encountered, either to clarify our understanding, and to correct the details in tender documents, which aid in the better understanding of the documents; (v) attending the pre-bid meeting as per time and schedule fixed in the tender documents; (vi) preparation of preliminary designs and drawings for the project; (vii) working out the costs of different units; (viii) seeking quotations of various mechanical, electrical and instrumentation and automation equipment vendors; and (ix) clubbing of entire costs to submit a competitive bid for the project.

In selecting contractors for major projects, Government authorities/bodies generally limit the opening of technical bids only to the potential bidders who pre-qualify the technical and financial requirements of the bid document. However, price competitiveness still is a significant selection criterion. After we pre-qualify for a technical bid, the financial bids are opened.

## **II. Bidding Stage**

The tenders are floated based on the nature of infrastructure projects. The engineering and construction contractor carries out the detailed engineering design of the project, construction of different water retaining structures and buildings, procuring and supplying all the equipment and materials, installation, testing and commissioning of the project and O&M works. The price of an infrastructure contract normally does not change, except where there is a change in scope.

### *Summary of our Infrastructure Contracts:*

Most of our Infrastructure contracts are design and build contracts which provide for a single price for the total amount of work, subject to variations pursuant to changes in the client's project requirements. In design and build contracts, the client supplies conceptual information pertaining to the project and sets-out the project requirements and specifications. We are required to (i) design the proposed structure, (ii) estimate the quantities of various items that would be needed to complete the project based on the designs and drawings prepared by our design and engineering team, and (iii) prepare our own bill of quantities ("BOQ") to arrive at the price to be quoted. We are responsible for the execution of all aspects of the project based on the above at our quoted price.

On successful bidding and award of any project, we are required to provide performance security aggregating which is in the range of 5% to 10% of the contract value by way of bank guarantees and retention money from running account bills. Thereafter, while executing the project, we are also required to avail insurance of works, materials and plants for our projects. Post commissioning of the project we are usually required to cure concrete construction at our own costs. We are usually responsible for maintaining the project during the defect liability period which is usually for a period of 12-60 months after completion of works. Further, during the operation and maintenance period, we manage the project for the prescribed period. We are usually required to indemnify the client and its members, officers and employees against all actions, proceedings, claims, liabilities, damages, losses and expenses due to failure or negligence on our part to perform our obligations under the contract. We are also required to pay liquidated damages for delays in completion of project milestones, which are often specified as a fixed percentage of the contract price. Our clients are entitled to deduct the amount of damages from the payments due to us.

We generally bid for item rate contract which are also known as unit-price contracts or schedule contracts and also fixed price contracts. For item rate contracts, we are required to quote rates for individual items of work on the basis of a schedule of quantities furnished by our client. The design and drawings are provided by the client. Typically, our risk is lower in item rate contracts as, other than escalation in the rates of items quoted by us to the client, we are paid according to the actual amount of work on the basis of the per-unit price quoted. Item rate contracts typically contain price variation or escalation clauses that provide for either reimbursement by the client in the event of a variation in the prices of key materials or a formula that splits the contract into pre-defined components for materials, labour and fuel and links the escalation in amounts payable by the client.

Our contracts can be a fixed price contract or variable contract or combination of both.

## **II Post-Award Stage:**

Once the Government authority/bodies declare our Company as the lowest bidder, generally a work order is issued in favour of our Company to begin work on the project. Based on the nature of the projects, our engineering and

design department and consultants submit the working drawings and design calculations for approval with the Government authority/bodies and its consultants.

For projects that are mainly construction contracts, the tender department forwards all documents and other necessary details to the technical and execution team. The technical and execution team prepares the works plans and estimates of materials, equipment and manpower to be deployed at the project site and forward them further to the procurement department. The procurement department proceeds to procure the material, manpower and equipment for the project from both internal and external sources as per the schedule of the project.

We begin the project by mobilizing manpower and equipment resources and the setting up of site offices, stores and other ancillary facilities. A detailed schedule of construction activities is prepared to ensure optimum project management at every stage of the project. Additionally, the senior management of our Company follow a hands-on approach with respect to project execution.

Joint survey with the Government authority/bodies representatives are taken on a periodic basis and interim and final invoices are prepared and issued on the basis of completed works as per the milestones agreed in the award. These invoices are sent to the Government authority/bodies along with various certifications for release of payments. The billing department is also responsible for certifying the bills prepared by our vendors and sub-contractors for further processing.

### **III Completion Stage:**

Upon completion of construction of a project, trials of individual equipment are carried out. Once the trials are completed, the commissioning of the plant is initiated. Upon the successful completion of the performance guarantee test, the plant is declared commissioned by issue of commercial operation date by the Government authority/bodies. Depending on the scope of work for a project, operation and maintenance is required to be carried out by us upon completion of construction. The retention money, which is typically five percent (5%) of the contract value, is returned by the Government authority/bodies upon completion of the defect liability period.

### **Design and Engineering**

We have an in-house team for designing and engineering for the projects we undertake. Government authority/bodies typically provide the scope of the project and specifications, based on which, we are required to provide structural/architectural designs and detailed project plans, for the approval of the Government authority/bodies.

At the pre-bid stage, our design and engineering team undertakes detailed study of the tender issued by the concerned authority or client and prepares certain design options for the clients. Along with the particular design options, BOQ (Bill of Quantity) for all possible design options is prepared. The General Arrangement Drawing (GAD) and the BOQ is submitted to the tender department for further work. Post award of the contract, the design and engineering team further prepares the multi-dimensional and structural drawings along with detailed design calculations for submission to the Government authority/bodies for approval. The Government authority/bodies appoint a PMC for review of designs and technical support during the construction phase of the project, along with an engineering college from where the designs are vetted prior to the issue of approvals. Post approval, the design and engineering team educates the execution team on the drawings and various calculations. Prototypes are at times prepared for final approval and also to ensure the smooth functioning of the proposed designs of a particular project.

Once the designs are approved, the civil construction of jackwells, pumphouse and laying of pipelines is commenced, vendors are selected and quotations are procured from them for the delivery of certain equipment like pipes, pumps, electrical panel, transformers, electric poles, cables, etc. required for the project. The material and equipment quality is checked by our quality engineer and engineer from Government department during the manufacturing process by our vendors. After the final approval from the project manager, the fabricated materials and equipment are transported to the respective site.

Upon receipt of the award, we begin mobilizing manpower and equipment resources and the setting up of site offices, stores and other ancillary facilities. Construction activity typically commences once the Government authority/bodies approve working designs and issues drawings. Our planning and monitoring team immediately identifies works with the procurement department to procure the key construction materials and equipment as per our designs. Based on the contract documents, a detailed schedule of construction activities is prepared.

Additionally, the senior management of our Company follow a hands-on approach with respect to the project execution.

Raw materials comprise a significant portion of the total project cost. Consequently, success in any project would depend on the adequate supply of requisite raw materials during the tenure of the contract. We have a separate department, which is responsible for procurement and logistics to ensure timely availability of raw materials at each of our project sites.

The ability to cost-effectively procure material, services and equipment, and meeting quality specifications for our projects is essential for the successful execution of such projects. We continually evaluate our existing vendors and also attempt to develop additional sources of supply for most of the materials, services and equipment needed for our projects. Further, we selectively sub-contract certain ancillary functions, such as laying of pipelines, certain specialized civil works like piling and jack pushing.

### **Procurement**

Our central procurement team handles the procurement of major raw materials and engineering requirements like pipes, pumps, electrical equipment, transformers, cables, poles etc. Our procurement is centrally handled from our office at Bangalore. We procure materials based on the project requirements and we have not entered into any long-term supply contracts with suppliers for major materials like steel pipes and pumps, but we do undertake bulk buying of these materials as it maintains vendor relationship and ensures timely availability and delivery of these raw materials.

### **Project Monitoring**

Our planning and monitoring team are responsible for ensuring that we execute the project in a systematic and cost-effective manner by monitoring operational costs, administrative costs and finance costs at every stage of the project cycle and applying checks and controls to avoid any cost and time overruns.

Our engineering and management teams are responsible for preparing reports with respect to daily activities such as inventory movement and requirement of raw material during the project cycle. Our planning and monitoring team prepares monthly reports by comparing the target program and the progress achieved program revision to cover slippages, if any, review status of project design and drawing, reconcile raw materials, prepare an action plan for bottlenecks and provide reports of physical site visits along with photographs.

Additionally, we also have a project management system that helps us track the physical and financial progress of work vis-à-vis the project schedule. The project progress monitoring is further divided in monthly targets and further into weekly targets. All sites are required to send its daily progress report to head office, which includes all developments at site, including the progress of works done during the day, various materials consumed during the day, fresh material received at site. Based on this, a weekly compliance report and monthly progress report comes from the site. The weekly compliance report is analysed to assess the progress of project, the events which have led to spill overs, the actions taken to mitigate the spill overs.

The billing department is responsible for preparing and dispatching periodic invoices to the client. Joint measurements with the Government authority/bodies officials are taken on a periodic basis and interim invoices prepared on the basis of such measurements are sent to the client for certification and release of interim payments. The billing department is also responsible for certifying the bills prepared by our vendors and sub-contractors for particular projects and forwarding the same to our head office for further processing.

### **Our Other Businesses**

In addition to our water management and other railways and highway projects, we have recently purchased 98 acres of land which has naturally grown crop of coffee, pepper, cardamom in seven villages of Madikeri district in State of Karnataka. We are currently continuing agricultural activity on this land. The property is located at a distance of 2.5 km from the Mysore- Madikeri National Highway 275.

The property is located in the midst of ever green forest lands of Brahma Giri range of hillocks of Madikeri taluk in Madikeri district of state of Karnataka. The coffee is grown in 2 varieties, small-arabica which has its own intrinsic aroma and flavor and dried coffee robusta which is known for its size and distinctive character. The

weather in Madikeri is also suitable for growing crops of coffee beans. The property also produces pepper along with avocado fruit once in a year.

Our Company owns another property in Kodi, Kundapur town, Udupi district which has been developed as homestay/resort. The homestay/resort is a beach facing property having 21 fully furnished rooms. We have entered into a facility management agreement dated June 11, 2022 with UVASANDS Private Limited (“**Facility Management Agreement**”), one of our Group Companies to manage and maintain the aforementioned property. In relation to this property, our Company also generated a revenue of ₹ 1.04 million, 1.88 million and 0.07 million constituting 0.06%, 0.08% and 0.007% of the total revenue of our Company in Fiscal 2023, Fiscal 2024 and the six months period ended September 30, 2024 respectively. The income out of this property is subject to the share of our Company in line with the Facility Management Agreement.

Our Company also owns the building in which the Registered office of our Company is located. Our Company has allotted the office space to other entities on rental basis out of which our Company is earning an income/revenue of ₹ 4.43 million in Fiscal Year 2024.

### Customers

Majority of contract were assigned or awarded to us by Central Government or State Government of Karnataka. We generate majority of revenue from Government Projects. We bid for tenders floated by various departments of the state Government in water management projects. Generally, these contracts are in the nature of item-based contracts and fixed-rate contracts. The contract is awarded based on competitive bidding. We bid for contracts in water management and other infrastructure development projects based on design, build, operate and transfer model.

The revenue from our largest customer, our top 5 customers and top 10 customers in the six months period ended September 30, 2024 and Fiscal 2024, Fiscal 2023 and Fiscal 2022 are as under:

(in ₹ million)

Particulars	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue
Top 1 customer	248.26	25.39	763.81	32.01	397.67	22.81	230.61	19.29
Top 5 customers	439.96	44.99	1,580.98	66.26	1,020.85	58.56	755.89	63.22
Top 10 customers	492.34	50.35	1,648.75	69.10	1,036.74	59.47	833.71	69.73

### Raw Material Suppliers

Since we are into EPC business and the material requirements are project specific. We do not have any long-term contracts for supply of raw materials. We have diverse suppliers base and the procurement of materials is based on various factors such as nature of project, project execution timelines, availability of credit line, pricing etc. We purchase all the materials from open market depends on timelines and pricing. We also conduct tests and analyses on raw materials supplied by our suppliers periodically to maintain quality standards. We identify and approve multiple suppliers to source our raw materials and we place purchase orders with them from time to time.

The value of raw material purchases from our largest supplier, top 5 suppliers and top 10 suppliers in six months period ended September 30, 2024 and Fiscal 2024, Fiscal 2023 and Fiscal 2022 are as under:

(in ₹ million)

Particulars	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Raw materials sourced	% of total raw materials purchase	Raw materials sourced	% of total raw materials purchase	Raw materials sourced	% of total raw materials purchase	Raw materials sourced	% of total raw materials purchase
Top 1 supplier of raw materials	169.2	28.06	198.90	13.09	357.97	34.25	155.30	23.22
Top 5 suppliers of raw materials	458.3	75.99	483.10	31.79	479.29	45.86	436.09	65.20

Particulars	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Raw materials sourced	% of total raw materials purchase	Raw materials sourced	% of total raw materials purchase	Raw materials sourced	% of total raw materials purchase	Raw materials sourced	% of total raw materials purchase
Top 10 suppliers of raw materials	585.5	97.98	608.12	40.01	532.08	50.92	485.80	72.63

## UTILITIES

### *Our Machineries and Materials*

We purchase various raw materials required for construction and building activities which includes cement, steel and copper piping, electrical conduit, wire and other materials from various suppliers and traders across the State. We do not enter into any long-term contracts with any of the suppliers instead we prefer to purchase the materials as on need basis. Further, we generally strive to purchase our required raw materials from same set of suppliers who provide us better credit period which also meets our quality requirements. Our experience in the industry has allowed us to create a strong relationship with these suppliers avoiding the need of entering into any long-term contract for continuous supply of raw materials ensuring uninterrupted construction activities.

Following our strategy we purchase and maintain equipment which is critical and are widely used in construction activities. For most of the equipment required for construction activities, we outsource those equipment from various leasing parties. This strategy allows us to keep a check on our overall overhead costs while keeping the costs of renting equipment within our budget and accordingly bid for the contract tender. The price and availability of these equipment may vary from time to time owing to market conditions and various other factors. However, due to the presence of many such equipment contractors in the region where we operate, we do not face major issues in procuring equipment for our activity.

The designated department is responsible for identifying the need to procure or hire, deploy, maintain and monitor the equipment and accessories. Machineries deployed to a specific site are monitored to track the capacity utilization, fuel consumption, idleness, cost effectiveness and other operational details.

Our Company as on date owns various machineries such as Hydraulic Excavator -Kobelco PC 205, Hydraulic Excavator -Kobelco PC 130, CAT 424 Backhoe Loader STD IT, Bolero Neo N10R BS6 among others and other construction materials are generally outsourced by the Company as per the project requirement.

### *Water*

Water is required for human consumption and procured through locally available sources near our project sites.

### *Power*

We have arrangements for regular power supply in the Registered Office of our Company. We procure electricity on temporary basis for our site office from local distribution companies. In addition to the above, we require high tension (“HT”) connection for pumping operations and low tension (“LT”) connection for staff quarters at project sites. We procure this electricity requirement from local distribution companies.

### **Capacity Utilization**

As we are involved in infrastructure development activities, we do not have any capacity utilisation data as such. Our activities are dependent on our project execution activities.

### **Environmental, Health and Safety matter**

We provide adequate safety equipment such as helmets, gloves, shoes, reflector jackets to all our site engineers and workers to safeguard against any casualties to our manpower resources. Our Company has adopted “Occupational Workplace Health Safety Policy” effective from September 01, 2023. The objective of this policy is to provide guidelines to help preserve the best possible working conditions for employees. We are committed

to follow legal and safety standards. This policy is applicable to employees as well as associates, contractors and consultants. There are two aspects which are considered while adopting the policy which are a) **Preventive Action**- refers to avoid injuries and illness related to workplace conditions b) **Emergency Management**- refers to a plan to deal with sudden catastrophes occurring due to human error or natural forces like fire, flood, earthquake or explosion.


### Information Technology

We have executed projects on job work basis historically. We use basic IT infrastructure to carry out our administrative functions.

### Intellectual Property

As on the date of this Prospectus, our Company has one registered trademark in India, for which we have obtained valid registration certificates under Class 37 from the Trade Marks Registry, Government of India under the Trade Marks Act, 1999 (“**Trade Marks Act**”), as amended.

The following table provides the details of registered trademark which is currently being used by our Company:

Registered trademark	Class of trademark under the Trade Marks Act	Registering authority
	37	Controller General of Patents, Designs and Trade Marks, Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce and Industry

*For details, see “Government and other approvals – Intellectual Property” on page 354 and “Risk Factors – While the name and logo used by us for our business is registered, our inability to protect our intellectual property from third party infringement may adversely affect our business and prospects.” on page 54.*

## MARKETING

We procure and enter into contracts primarily through a competitive bidding process. Our clients typically advertise for potential projects on their websites and in leading newspapers. Our Company has a planning and monitoring team which reviews newspapers and official websites of various authorities and Government project tender aggregators where details of potential projects are typically listed to identify projects that could be of interest to us. After such projects are identified, the department seeks approval of the management in order to determine if the identified projects are to be pursued.

Our Company’s planning and monitoring team is responsible for applying for pre-qualifications and tenders. The planning and monitoring team evaluates the credentials of our Company vis-à-vis the stipulated eligibility criteria. We endeavor to qualify on our own for projects in which we propose to bid.

A notice inviting bids may either involve pre-qualification, or short-listing of contractors, or a post-qualification process. In a pre-qualification or short-listing process, the client stipulates technical and financial eligibility criteria to be met by the potential applicants. Pre-qualification applications generally require us to submit details about our organizational set-up, financial parameters (such as turnover, net worth and profit and loss history), employee information, plant and equipment owned, portfolio of executed and ongoing projects and details in respect of litigations and arbitrations in which we are involved. In selecting contractors for major projects, clients generally limit the issue of tender to contractors they have pre-qualified based on several criteria, including experience, technical ability and performance, reputation for quality, safety record, financial strength, bonding capacity and size of previous contracts in similar projects, although the price competitiveness of the bid is usually a significant selection criterion.

We typically undertake work in states which have favorable climatic and geographic conditions and where we can deliver high-quality services without experiencing significant delays and interruptions on account of adverse climatic conditions or regulatory delays.



## Quality Assurance

Our quality control managers are responsible for conducting regular inspection and tests at every major project site for quality-control monitoring management. We also set up quality control laboratories at certain major site locations.

## Insurance

Our Company has insurance coverage for the premises where our registered office is located, which is sufficient to cover all normal risk associated with our business. The policy *inter alia* covers physical loss or damage or destruction caused to the insured property by fire, explosion or implosion, lightning, earthquake, apparatus and pipes, leakage from automatic sprinkler installations, theft. We have also undertaken insurance policy such as the workman's compensation policy, employer's liability and accidental insurance for employees of our Company and Company also taken fire and special peril policy, Contractor plant and machinery policy for personnel and machinery.

## Human Resources

We believe that the employees of our Company are the contributors to our business process. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets as well as semi-skilled and unskilled. As on November 30, 2024, we had 89 permanent employees, who look after our day-to-day business and there are no contractual employees in our Company. We also appoint labour contractors as per requirements on project-to-project basis.

Department wise bifurcation of our employee is as under:

Sr. No	Division/ Seniority	Number as on November 30, 2024
1.	Top management	3
2.	Senior management	4
3.	Middle management	4
4.	Junior management	58
5.	Non-executive	20

Other than delays in certain instances in respect of GST, employee provident fund, professional tax and ESIC payments, in the past which was subsequently paid, our Company has paid all statutory dues to the government and provident fund in connection with the employees of the Company in the six months period ended September 30, 2024 and Fiscal 2024, Fiscal 2023 and Fiscal 2022, in accordance with applicable law. For details, please see section titled "*Risk Factors- Our Company has delayed in goods and services tax ("GST") Return Filings, employee provident fund ("EPF"), professional tax and employees state insurance corporation ("ESIC") payments and such delayed compliance may attract additional late fees against our company which could impact the financial position of us to that extent. Any non-compliance or delays in GST return filings and EPF payments may expose us to penalties from the regulators.*" on page 53.

The table below sets out details in connection with the provident fund, employee state insurance, goods and services tax and tax deducted at source for the six months period ended September 30, 2024 and Fiscal 2024, Fiscal 2023 and Fiscal 2022, in connection with the employees of the Company:

Particulars	Six months period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Provident Fund (in ₹ million)	1.54	2.47	0.78	Nil
Number of employees for whom provident fund has been paid as on the end of the period	77	75	36	Nil
ESIC (in ₹ million)	0.14	0.22	0.11	Nil
Number of employees for whom ESIC has been paid as on the end of the period	30	29	24	Nil
Tax Deducted at Source on salaries (in ₹ million)	2.35	2.13	0.05	Nil

Particulars	Six months period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Number of employees for whom TDS has been paid as on the end of the period	10	6	1	Nil
GST total liability payable (in ₹ million)*	98.58	352.61	298.17	138.05
GST total liability paid (in ₹ million)**	98.58	352.61	298.17	138.05

\*GST total liability payable include "Other than reverse charge mechanism", "Reverse Charge Mechanism", "Interest", "Late fees".

\*\* GST total liability paid it include "Late Fees", "Interest", "Reverse Charge Mechanism ", "Input Tax Credit", "Other than Reverse Charge Mechanism".

We are committed to the development of the expertise and know-how of our employees. In addition to salary, allowances we provide our employees with bonus, medical leave, maternity leave and which include provident fund.

### Competition

Most of the infrastructure companies are present majorly in various construction and infra-activities while we are focused mostly on Water Management & Irrigation projects leading us to possess regional and focused expertise. We face competition from other companies operating in the same geographies as ours with presence in Water Management projects. Our competition is based on numerous factors, more importantly, the type of project, total contract value, technical capability, complexity, location of the project and risks involved. While service quality, technical ability, performance record, experience, health and safety records and the availability of skilled personnel's are key factors in client decisions among competitors. Price often is the deciding factor in most tender awards. Some of our competitors may have greater resources than those available to us. We compete with many competitors both listed and unlisted, to name a few:

1. Va Tech Wabag Limited.
2. EMS Limited

### Corporate Social Responsibility

We as a responsible corporate citizen are committed to take up different developmental projects, as part of our Corporate Social Responsibility initiatives towards improving the quality of lives of the underprivileged sections of the society and other stakeholders. We have carried out CSR activities such as infrastructure improvement in Government schools, supply of safe drinking water to schools, afforestation in school premises etc. in the past. Our CSR policy defines the framework for implementing CSR activities in compliance with section 135 of the Companies Act, 2013 and rules framed thereunder.

We demonstrate our commitment towards our communities by committing our resources and energies to social development and we have aligned our CSR programs with Indian legal requirements.

### Material Properties

The details of material properties of our Company are as follows:

Sl. No	Location	Address	Owned/ Leasehold
1.	Bangalore (Registered Office)	Municipal No.40, P.I.D No. 59-23-40, situated at South End Road, Basavanagudi, Ward No. 59 of Bruhat Bangalore Mahanagara Palike, Bangalore -560004, Karnataka, India	Owned
2.	Modur Village, Kodagu District, Karnataka	Modur Village, Santicoppa Hobli, Kushalnagar Taluk (formerly Somwarpet Taluk), Kodagu District, bounded on the east by Horoor Village boundary, west by Survey No. 2/4, North by Survey No. 3/1 and south by Survey No.3/4 of Modur Village	Owned

Sl. No	Location	Address	Owned/ Leasehold
		Survey No.2/1 and Katha No.43, situated at Modur Village, Sunticoppa Hobli, Kushalnagar Taluk (formerly Somwarpet Taluk), Kodagu District, bounded on the east by Survey No.3/1, west by Survey No. 2/3, north by Horoor Village boundary and south by Survey No.2/4 of Modur Village	Owned
		Survey No.2/4 and Katha No.29, situated at Modur Village, Sunticoppa Hobli, Kushalnagar Taluk (formerly Somwarpet Taluk), Kodagu District, bounded on the east by Survey No.3/1, west by Ibbanivalavadi Village boundary, north by Survey No.2/1 & Ibbanivalavadi Village boundary and south by Survey No.2/5 of Modur Village, Karnataka	Owned
		Survey No.3/1 and Katha No.25, situated at Modur Village, Sunticoppa Hobli, Kushalnagar Taluk, Kodagu District, bounded on the east by Horoor Village boundary, west by Survey No.2/1, north by Survey No.2/1 & Horoor Village boundary and south by Survey No.3/3 of Modur Village	Owned
		Survey No. 1/3 and Katha No.25, situated at Modur Village, Sunticoppa Hobli, Kushalnagar Taluk Kodagu District, bounded on the east by Survey No. 1/2, west by Kedakal Village boundary, north by Survey No. 1/4 and south by Survey No. 1/1 of Modur Village	Owned
		Survey No. 1/4 and Katha No.25, situated at Modur Village, Sunticoppa Hobli, Kushalnagar, Kodagu District, bounded on the east by Survey No. 1/2, west by Kedakal Village boundary, north by Kedakal Village boundary and south by Survey No. 1/3 of Modur Village.	Owned
		Survey No. 120/1 and Katha No.45, situated at Kedakal Village, Sunticoppa Hobli, Kushalnagar Taluk, Kodagu District, bounded on the east by Horoor Village boundary, west by Survey No. 120/2, north by Horoor Village boundary and south by Modur Village boundary	Owned
		Survey No. 120/2 and Katha No.45, situated at Kedakal Village, Sunticoppa Hobli, Kushalnagar Taluk (formery Somwarpet Taluk), Kodagu District, bounded on the east by Survey No. 120/1 & Horoor Village boundary, west by Survey Nos. 119/1 & 118/2, north by Horoor Village boundary and south by Modur Village boundary.	Owned
		Survey No.130 and Kath No. 15, situated at Kedakal Village, Sunticoppa Hobli, Kushalnagar, Kodagu District, bounded on the East by Survey No. 142 & 131, West by Survey No. 129, North by Survey No. 108/1 and South by Survey No. 129 & 131.	Owned
		Survey No. 131 and Katha No. 15, situated at Kedakal Village, Sunticoppa Hobli, Kushalnagar Talk, Kodagu District, bounded on the East by Survey No. 142 & 132, West by 130, North by Survey No.108/1 & 142, South by Survey No. 133 & Horoor Village boundary.	Owned
		Survey No. 132 and Katha No.15, situated at Kedakal Village, Sunticoppa Hobli, Kushalnagar Taluk, Kodagu District, bounded on the East by Survey No. 137/2 and 135, West by Survey No. 131, north by Survey Nos. 142 & 137/2 and South by Survey No. 133.	Owned

Sl. No	Location	Address	Owned/ Leasehold
3.	Kedakal Village, Kodagu District, Karnataka	Survey No.142/1 and Katha No. 15, situated at Kedakal Village, Sunticoppa Hobli, Kushalnagar Taluk, bounded on the East by Survey Nos. 139 & 142/2, West by Survey No. 108, North by Survey No. 145/3 and South by Survey Nos. 131 & 132.	Owned
		Survey No.No.3/3 and Katha No.70, situated at Horoor Village, Sunticoppa Hobli, Kushalnagar Taluk, Kodagu District, 'bounded on the East by Survey No.3/1, West by Survey No.3/2, North by Kedakal Village boundary and South by Survey No. 1 & 2 and Ibbanivalavadi Village boundary.	Owned
4.	Beejadi Udipi Village, District, Karnataka	S.No. 121/16, north S.No.122/5B, by east S.No.121/5A4,14,15, by south S.No 121/5A2, by west S.No.315 Beejadi Village of Kundapura Taluk, Udupi District, within the limits of Beejadi Grama Pachayath and within Sub Registration District of Kundapura, Karnataka	Owned
		S.No. 121/17, north S.No.121/5B, by east S.No.122, by south S.No 121/14, by west S.No.121/5A4 Beejadi Village of Kundapura Taluk, Udupi District, within the limits of Beejadi Grama Pachayath and within Sub Registration District of Kundapura (Kinara surroundings), Karnataka	Owned
		Beejadi Village of Kundapura Taluk, Udupi District within the limits Beejadi Grama Panchayath and within Sub Registration District of Kundapur (Kinara surroundings), Karnataka	Owned
		S.No. 122/5, north S.No.122/15, by east S.No.118, by south S.No 122/10A, by west S.No.121 Beejadi Village of Kundapura Taluk, Udupi District within the limits Beejadi Grama Panchayath and within Sub Registration District of Kundapur, Karnataka.	Owned
		S.No. 122/10A, north S.No.122/5 & S.No. 118, by east S.No.118, by south S.No 122/10B4, by west S.No.121 Beejadi Village of Kundapura Taluk, Udupi District within the limits Beejadi Grama Panchayath and within Sub Registration District of Kundapur, Karnataka*	Owned
		S.No. 121/15, north S.No.121/14, by east S.No.122, by south S.No 121/5A1,5A3, by west S.No.121/5A2,121/16 and S.No 315 Beejadi Village of Kundapura Taluk, Udupi District within the limits of Beejadi Grama Panchayath and within Sub Registration District of Kundapura (Kinara surroundings), Karnataka	Owned
5.	Mandur village, Bangalore, Karnataka	Channamma Building, Udupi Veg Hotel Mandur Post and Village Bidharahalli Hobli, Bangalore East Taluk-560 049, Karnataka.	Leasehold
6.	Muduvadi, Srinivasapura Taluk, Kolar District, Karnataka	R.S.Y. No. 203 (Khata No. 420) Situated at Muduvadi, Srinivasapura Taluk, Kolar District, Karnataka State-563126.	Leasehold
7.	Kolar, Karnataka	No.20, 2 <sup>nd</sup> Cross, Palasandra Layout, Kolar District, Karnataka State.	Leasehold
8.	Kolar, Karnataka	–Survey No.33, Agrahara Village, Near Vakkaleri, Kasaba Hobli, Maluk Taluk, Kolar District, Karnataka.	Leasehold
9.	Kundapura, Udipi, Karnataka *	Beejadi Village of Kundapura Taluk, Udupi District within the limits of Beejadi Grama Panchayath and within Sub Registration District of Kundapura (Kinara surroundings).	Owned
10.	Chinthamani, Karnataka	Survey No. 821/3, Kallahalli, Kasaba Hobli, Chinthamani Taluk, Karnataka.	Leasehold
11.	Chinthamani, Karnataka	Survey No. 53, Kallahalli, Kasaba Hobli, Chinthamani Taluk.	Leasehold

<b>Sl. No</b>	<b>Location</b>	<b>Address</b>	<b>Owned/ Leasehold</b>
12.	Kolar, Karnataka	Survey No.220/8, Ammerahalli Village, Kasaba Hobli, Kolar Taluk, Kolar District, Karnataka.	Leasehold
13.	Kolar, Karnataka	Banamakanahalli Village, Tavarakere, Kolar, Karnataka	Leasehold
14.	Kolar, Karnataka	R.S.Y.No. 134, Yaluvalli Village, Chaldiganahalli Post, Srinivasapura Taluk, Kolar District, Karnataka.	Leasehold
15.	Kolar, Karnataka	Mulbagal teacher's colony, St Anne's school road 4th cross, Sri Yellamma Devi Nilaya	Leasehold

*\*This property has been inadvertently recorded in the name of one of our Promoters, Sowbhagyamma and the Company is in discussion with sub-Registrar office at Kundapura for purpose of rectification of such record.*

## KEY REGULATIONS AND POLICIES IN INDIA

*The following description is a summary of certain key statutes, bills, regulations, notifications, memorandums, circulars and policies which are applicable to our business. The tax related statutes and applicable shops and establishment statutes, labour laws and other miscellaneous regulations and statutes apply to us as they do to any other Indian company.*

*The information detailed in this chapter, is based on the current provisions of key statutes, bills, regulations, notifications, memorandums, circulars and policies which are subject to amendments, changes and/or modifications. The information detailed in this chapter has been obtained from various statutes, regulations and/or local legislations and the bye laws of relevant authorities that are available in the public domain. The description of laws and regulations as set out below is not exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. For details of government approvals obtained by us in compliance with these regulations, please see section titled “Government and Other Approvals” on page 353.*

### **Key Legislations Applicable to Our Business**

#### **The Micro, Small and Medium Enterprises Development Act, 2006 (“MSMED Act”)**

The MSMED Act, was enacted to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (“MSME”). A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951. The Government, in the Ministry of Micro, Small and Medium Enterprises has issued a notification dated 01<sup>st</sup> June, 2020 revising definition and criterion and the same came into effect from 01<sup>st</sup> July, 2020. The notification revised the definitions as “Micro enterprise”, where the investment in plant and machinery or equipment does not exceed one crore rupees and turnover does not exceed five crore rupees; “Small enterprise”, where the investment in plant and machinery or equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees; “Medium enterprise”, where the investment in plant and machinery or equipment does not exceed five crore and turnover does not exceed two hundred and fifty crore rupees.

#### **The Building and Other Construction Workers (Regulation of Employment and Condition of Service) Act, 1996 (“BOCW Act”)**

The BOCW Act provides for regulation of employment and conditions of service of buildings and construction workers as also their safety, health and welfare measures. The BOCW Act applies to every establishment which employs or had employed on any day of the preceding twelve months, ten or more building workers in any building or other construction work. The BOCW Act lays down the duties and responsibilities of employers and employees undertaking any operation or work related to or incidental to building or other construction work.

#### **Buildings and Other Construction Workers’ Welfare Cess Act, 1996 (“BOCW Cess Act”) and the rules framed thereunder.**

The BOCW Cess Act provides for the levy and collection of a cess on the cost of construction incurred by employers with a view to augmenting the resources of the Building and Other Construction Workers’ Welfare Boards constituted under the BOCW Cess Act. A prescribed quantum of the construction cost incurred by the employer is required to be deposited by the employer as welfare cess under the BOCW Cess Act.

#### **National Building Code, 2016**

The National Building Code of India (“NBC”) contains administrative regulations, development control rules and general building requirements for regulating the building construction activities across the country. It serves as a Model Code for adoption by all agencies involved in building construction activities by the Public Works Departments, other government construction departments, local bodies or private construction agencies. The NBC mainly contains administrative provisions, development control rules and general building requirements; fire and life safety requirements; stipulations regarding building materials, structural design and construction (including safety); building and plumbing services; approach to sustainability; and asset and facility management.

## **Environmental Legislations**

### **Environment Protection Act, 1986 (“EPA”)**

The EPA is the umbrella legislation in respect of the various environmental protection laws in India. Under the EPA, the Government of India is empowered 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, *inter alia*, laying down standards for the quality of environment, standards for emission of discharge of environment pollutants from various sources, as provided under the Environment (Protection) Rules, 1986, inspection of any premises, plant, equipment, machinery, examination of manufacturing processes and materials likely to cause pollution. Penalties for violation of the EPA include fines up to ₹ 100,000 or imprisonment of up to five years, or both. The imprisonment can extend up to seven years if the violation of the EPA continues beyond a period of one year after the date of conviction. There are provisions with respect to certain compliances by persons handling hazardous substances, furnishing of information to the authorities in certain cases, establishment of environment laboratories and appointment of government analysts.

### **Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)**

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the relevant state pollution control boards. Under the Water Act, any individual, industry or institution discharging industrial or domestic waste into water 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.

### **Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)**

Under the Air Act, the relevant state pollution control board may inspect any industrial plant or manufacturing process and give orders, as it may deem fit, for the prevention, control and abatement of air pollution. Further, industrial plants and manufacturing processes are required to adhere to the standards for emission of air pollutants laid down by the relevant state pollution control board, in consultation with the Central Pollution Control Board. The relevant state pollution control board is also empowered to declare air pollution control areas. Additionally, consent of the state pollution control board is required prior to establishing and operating an industrial plant. The consent by the state pollution control board may contain provisions regarding installation of pollution control equipment and the quantity of emissions permitted at the industrial plant.

## **Intellectual property laws**

Intellectual Property in India enjoys protection under both common law and statute. Under statute, India provides for patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957, trademark protection under the Trade Marks Act, 1999 and design protection under the Designs Act, 2000. The above enactments provide for protection of intellectual property by imposing civil and criminal liability for infringement.

### **The Trade Marks Act, 1999 (“Trade Marks Act”)**

The Trade Marks Act governs the statutory protection of trademarks and prevention of the use of fraudulent marks in India. Indian law permits the registration of trademarks for both goods and services. It also provides for exclusive rights to marks such as brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description. Under the provisions of the Trade Marks Act, an application for trademark registration may be made with the Trade Marks Registry by any person or persons claiming to be the proprietor of a trademark, whether individually or as joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored to gain protection under the provisions of the Trade Marks Act. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks among others. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010, simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. It also seeks to simplify the law relating to the transfer of ownership of trademarks by assignment or transmission and to bring the law in line with international practices.

## Labour Related Legislations

In addition to the abovementioned material legislations which are applicable to our Company, other labour related legislations that may be applicable to the operations of our Company include the following:

- Contract Labour (Regulation and Abolition) Act, 1970;
- Child Labour (Prohibition and Regulation) Act, 1986;
- Payment of Wages Act, 1936;
- Payment of Bonus Act, 1965;
- Employees' State Insurance Act, 1948;
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- Equal Remuneration Act, 1976;
- Payment of Gratuity Act, 1972;
- Minimum Wages Act, 1948;
- Employee's Compensation Act, 1923;
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act and Rules, 2013
- Apprentices Act, 1961;
- Industrial Disputes Act, 1947 and the Industrial Disputes (Central) Rules, 1957;
- Employee's Compensation Act, 1923;
- The Maternity Benefit Act, 1961;
- The Interstate Migrant Workmen Act, 1979;
- Building and Other Construction Workers Regulation of Employment and Conditions of Service Act, 1996.
- The Trade Unions Act, 1926 and the Trade Union (Amendment) Act, 2001; and
- Industrial Employment (Standing Orders) Act, 1946;

In order to rationalize and reform labour laws in India, the Government of India has framed four labour codes, namely:

- (i) The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government. It 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.
- (ii) The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. 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. The Central Government has notified certain provisions of the Code on Wages, mainly in relation to the constitution of the advisory board. Through its notification dated December 18, 2020, the GoI brought into force sections 42(1), 42(2), 42(3), 42(10), 42(11), 67(ii)(s), 67(ii)(t) (to the extent that they relate to the Central Advisory Board) and 69 (to the extent that it relates to sections 7, 9 (to the extent that they relate to the GoI) and 8 of the Minimum Wages Act, 1948) of the Code on Wages, 2019.
- (iii) The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government. It replaces 13 old central labour laws.
- (iv) The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing social security related legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The provision concerning application of Aadhaar has already been notified by



the Central Government. 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.

### **The Karnataka Shops and Establishments Act, 1960 ("Shops and Establishments Act")**

Under the provisions of the Shops and Establishments Act, applicable in the state of Karnataka, establishments are required to be registered. The Shops and Establishments Act regulates 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. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the Shops and Establishments Act.

### **Other laws**

In addition to the abovementioned material legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

- a. Income Tax Act 1961, the Income Tax Rules, 1962, as amended by the Finance Act in respective years;
- b. Central Goods and Service Tax Act, 2017, the Central Goods and Service Tax Rules, 2017 and various state wise legislations made thereunder;
- c. The Integrated Goods and Service Tax Act, 2017;
- d. Professional Tax state-wise legislations; and
- e. Indian Stamp Act, 1899 and various state-wise legislations made thereunder.

In addition to the above, our Company is required to comply with provisions of the Indian Contract Act, 1872, Companies Act, 2013 and the rules framed thereunder, Prevention of Corruption Act, 1988 and other applicable laws and regulations imposed by the Central and State Governments and other authorities for our day-to-day business and operations. Our Company is also amenable to various central and state tax laws.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

Our Company was incorporated as '*Denta Properties and Infrastructure Private Limited*' in Bangalore, Karnataka as a private limited company under Companies Act, 2013, pursuant to a certificate of incorporation dated November 17, 2016 issued by Deputy Registrar of Companies, Central Registration Centre. Thereafter, pursuant to a resolution passed at the meeting of the Board of Directors held on June 14, 2023, and a special resolution of the Shareholders at the extraordinary general meeting held on June 26, 2023, the name of our Company was changed to '*Denta Water and Infra Solutions Private Limited*' and a fresh certificate of incorporation dated July 31, 2023, consequent upon the name change, was issued by the RoC. Subsequently, our Company was converted from a private limited company to a public limited company pursuant to a special resolution passed in the extraordinary general meeting of our Shareholders held on August 14, 2023 and consequently, the name of our Company was changed to its present name, '*Denta Water and Infra Solutions Limited*', and a fresh certificate of incorporation dated September 12, 2023 was issued by the RoC to our Company.

### Changes in the Registered Office of our Company

The registered office of our Company is currently situated at # 40, 3<sup>rd</sup> Floor, Sri Lakshminarayana Mansion, South End Road, Basavanagudi, Bangalore, South Bangalore-560 004 Karnataka, India.

Except as disclosed below, there has been no change in the address of the registered office of our Company since the date of incorporation:

Date of Change	Details of Change in the Registered Office	Reasons for change in the address of Registered Office
July 27, 2023	Change of the registered office from Door No 3/1, 6th Main, Appu Rao Road, Chamrajpet, Bangalore 560 018, Karnataka, India to # 40, 3 <sup>rd</sup> Floor, Sri Lakshminarayana Mansion, South End Road, Basavanagudi, Bangalore, South Bangalore- 560 004 Karnataka, India.	Administrative convenience

### Main objects of our Company

The main objects contained in the Memorandum of Association are set forth below:

- "To establish, provide, maintain and perform engineering and related technical and consultancy services, quality control, construction and related services in connection with the projects related to development and revitalising of water resources and water resources development projects, irrigation, water supply, including planning, design, supervision of construction, operation and maintenance of all kinds of works involved in the development and utilisation of water resources, along with undertaking in India and Abroad preparation of Feasibility Reports, Detailed Project Reports, Field Investigations, Engineering Designs, Tender Engineering, Quality Control, Monitoring and Evaluation, Work Measurement and Billing, Capacity Building, Rehabilitation and Modernization, Operation & Maintenance, Project Management, Turnkey Execution, EPC Contracts, Upgradation encompassing revitalising of water Resources and Infrastructure Development, Watershed Management including Water Harvesting, Rain fed and Irrigated agriculture and Farm Mechanization works, Water Supply, Drainage and Sewerage Systems including Treatment Plants, Lift irrigation projects, Inlands Waterways, Ponds & Tanks, Lakes and Wetlands, and natural resources management and other related/allied works and undertake and carry on in house Research and Development involving use and application of Computer Systems in Water Resources Projects.*
- To carry on the business such as contractors, builders, developers, planners, operators, facilitator, engineers, consultants, surveyors and agents to construct, execute, carryout, support, maintain, operate, improve, work, develop, administer, manage, control all kinds and type of mechanical, civil and infrastructure projects including environmental engineering, roads and buildings, railway, bridges, flyovers hotels, airports including Repairs, Construction and Implementation of all kinds of civil works, which may include all but not limited to Roads, Highways and Bridges, Buildings including Industrial and Office Buildings, Housing, Airports, Railways/ Metros, all allied and ancillary activities related thereto either independently or jointly in partnership, joint venture or on agency or sub contracts basis with or on behalf of any individual, firm, body corporate, association or society, Central or State Government, or any local authority in India or outside."*

The main objects clause and object incidental or ancillary to the main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

#### Amendments to our Memorandum of Association

Set out below are the amendments to our Memorandum of Association since our incorporation:

Date of Shareholders' resolution/ Effective Date	Nature of Amendment
March 2, 2018	Clause V of our MoA was amended to reflect the increase in the authorized share capital of our Company from ₹ 10,00,000 divided into 1,00,000 Equity Shares of ₹ 10 each to ₹ 4,85,00,000 divided into 48,50,000 Equity Shares of ₹ 10 each.
June 26, 2023	Clause I of the MoA was amended to reflect the change in the name of our Company from 'Denta Properties and Infrastructure Private Limited' to 'Denta Water and Infra Solutions Private Limited'.
August 14, 2023	Clause I of the MoA was amended to reflect the change in the name of our Company from 'Denta Water and Infra Solutions Private Limited' to 'Denta Water and Infra Solutions Limited' pursuant to the conversion of our Company from a private limited company to a public limited company.
	Clause V of our MoA was amended to reflect the increase in the authorized share capital of our Company from ₹ 4,85,00,000 divided into 48,50,000 Equity Shares of ₹ 10 each to ₹ 30,00,00,000 divided into 3,00,00,000 Equity Shares of ₹ 10 each.
September 13, 2023	<p>Clause III(A) of the Memorandum of Association of our Company was amended to insert the following objects:</p> <ol style="list-style-type: none"> <li data-bbox="491 1025 1394 1608">1. <i>"To establish, provide, maintain and perform engineering and related technical and consultancy services, quality control, construction and related services in connection with the projects related to development and revitalising of water resources and water resources development projects, irrigation, water supply, including planning, design, supervision of construction, operation and maintenance of all kinds of works involved in the development and utilisation of water resources, along with undertaking in India and Abroad preparation of Feasibility Reports, Detailed Project Reports, Field Investigations, Engineering Designs, Tender Engineering, Quality Control, Monitoring and Evaluation, Work Measurement and Billing, Capacity Building, Rehabilitation and Modernization, Operation &amp; Maintenance, Project Management, Turnkey Execution, EPC Contracts, Upgradation encompassing revitalising of water Resources and Infrastructure Development, Watershed Management including Water Harvesting, Rain fed and Irrigated agriculture and Farm Mechanization works, Water Supply, Drainage and Sewerage Systems including Treatment Plants, Lift irrigation projects, Inlands Waterways, Ponds &amp; Tanks, Lakes and Wetlands, and natural resources management and other related/allied works and undertake and carry on in house Research and Development involving use and application of Computer Systems in Water Resources Projects.</i></li> <li data-bbox="491 1639 1394 2029">2. <i>To carry on the business such as contractors, builders, developers, planners, operators, facilitator, engineers, consultants, surveyors and agents to construct, execute, carryout, support, maintain, operate, improve, work, develop, administer, manage, control all kinds and type of mechanical, civil and infrastructure projects including environmental engineering, roads and buildings, railway, bridges, flyovers hotels, airports including Repairs, Construction and Implementation of all kinds of civil works, which may include all but not limited to Roads, Highways and Bridges, Buildings including Industrial and Office Buildings, Housing, Airports, Railways/ Metros, all allied and ancillary activities related thereto either independently or jointly in partnership, joint venture or on agency or sub contracts basis with or on behalf of any individual, firm, body corporate, association or society, Central or State Government, or any local authority in India or outside."</i></li> </ol>

## Major events and milestones of our Company

The table below sets forth the major events and milestones in the history of our Company:

Financial Year	Major events and milestones
2019 - 20	Breakthrough as sub-contractor for construction of Check Dams & Reestablishment of Natural River in Channapatna Taluk of Ramanagar District, Karnataka
2020 - 21	Awarded direct contract from Government of Karnataka for construction of Checkdams.
2020 - 21	Awarded Lift Irrigation project as sub-contractor for filing of Tanks in Makali, Makali Hosahalli, Krishnapura and nearby villages of Channapatna Taluk of Ramanagar District, Karnataka by lifting water from Kanva Reservoir.
2021 - 22	Completed project in ground water recharging under KC Valley phase 1 Project
2022 - 23	Awarded direct contract for ground water recharging under KC Valley – Phase II project
	Awarded contract under “Jal Jeevan Mission” of Government of India
2024-25	Awarded contract under “Amruth Mission” of Government of India

## Key Awards, Accreditations and Recognition

As on the date of this Prospectus, we have not received any key awards, accreditations or recognition.

## Launch of key products or services, entry into new geographies or exit from existing markets, capacity/facility creation and location of plants

For information on key products or services launched by our Company, entry into new geographies or exit from existing markets, please see the section titled “*Our Business*” on page 178.

## Defaults or rescheduling, restructuring of borrowings with financial institutions / banks

There have been no defaults or rescheduling/re-structuring of our Company’s current borrowings with financial institutions / banks. For further details of our financing arrangements, please see the section titled “*Financial Indebtedness*” on page 345.

## Time and cost overruns

There have been no instances of cost over-runs in respect of any projects. We have been subject to time overrun in ten of our projects. For details, please see section titled “*Risk Factors- We are experiencing time overrun in 10 out of 17 of our ongoing projects*” on page 49.

## Revaluation of assets

Our Company has not undertaken any revaluation of its assets since incorporation.

## Significant Strategic or financial partners

Our Company does not have any significant strategic or financial partners as on the date of this Prospectus.

## Lock-out and strikes

There have been no lock-outs or strikes at any time of the offices of our Company.

## Injunction or restraining orders

Our Company is not operating under any injunction or restraining order.

### **Details regarding material acquisitions or divestments of business or undertakings, mergers or amalgamation in the last 10 years**

Our Company has not made any material acquisitions or divestments of any business or undertaking and has not undertaken any mergers or amalgamations in the last 10 years immediately preceding the date of this Prospectus.

### **Shareholders' agreements**

As on the date of this Prospectus, there are no subsisting shareholder's agreements among our shareholders *vis-à-vis* our Company.

### **Summary of key agreements and shareholders' agreements**

Our Company, Promoters and Shareholders do not have any inter-se agreements/arrangements and clauses/covenants which are material in nature and that there are no other clauses/covenants which are adverse/pre-judicial to the interests of the minority/public shareholders. Also, there are no other agreements, deed of assignments, acquisition agreements, shareholders' agreement, inter-se agreements or agreements of like nature. Further, as on the date of this Prospectus, there are no special rights for nominee/nomination rights and information rights available to any of the Promoters / shareholders of the Company. The Articles of Association of our Company do not give any special rights of any kind to any persons.

### **Other material agreements**

We have entered into facility management agreement dated June 11, 2022, with UVASANDS Private Limited, one of our Group Companies for operating and managing homestays/resort property at Prafulla Enclave, Haladi Road, Koteswara, Kundapura, Udupi, Karnataka. This homestay/resort is a beach facing property having 21 fully furnished rooms.

Except as disclosed above, there are no other agreements/ arrangements and clauses / covenants in the agreements entered into by our Company, which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in this Prospectus.

There are no agreements entered into by our Company pertaining to the primary and secondary transactions of securities of the Company including any financial arrangements thereof.

### **Agreements with Key Managerial Personnel, Senior Management Promoters, Directors, or any other employee**

As on the date of this Prospectus, there are no agreements entered into by a Key Managerial Personnel or Senior Management or Promoters or 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.

### **Other Confirmations**

There are no material clauses of our Articles of Association that have been left out from disclosures having bearing on the Issue or this Prospectus.

### **Special rights to Promoters/Shareholders**

Promoters/Shareholders of our Company do not have any special rights.

### **Our Holding Company**

As on the date of this Prospectus, our Company does not have a holding company

## Our Associate Companies

As on the date of this Prospectus, our Company has an associate firm, namely Denta Properties and Investments.

## Our Joint Ventures

As on the date of this Prospectus, our Company does not have any incorporated joint venture.

## Unincorporated joint ventures

Our Company, from time to time, enters into certain joint venture agreements for the purposes of bidding and execution of projects. These are business joint ventures and not incorporated companies. As a result, no capital contribution has been made for execution of the projects and the obligations of the respective works are accounted individually by the members of the joint venture. Except as set out below, our Company does not have any joint ventures that have been awarded projects, as on the date of this Prospectus:

Sr. No	Name of the Joint Venture	Name of the partner(s) of the Joint Venture	Name of the project	Company's share in the Joint Venture (%)	Date of the joint venture agreement
1.	RPS ACCO DPIPL JV	1. M/s R P Shetty Engineers and Contractors 2. M/s Aditya Construction Company	2 <sup>nd</sup> stage lifting/pumping secondary treated water from available sources to various ridge points to fill additional 174 tanks in Kolar districts and Chintamani taluk of chikkaballapur district under ongoing Koramangala and Challaghatta Valley (K & C Valley) Project	48%	April 18, 2022
2.	DPIPL SPML JV	M/s SPML Infra Limited	Multi village scheme for providing drinking water to Kerehalli and other 103 habitations of Koppal taluk in Koppal district on DBOT basis	98%	November 11, 2022
3.	DPIPL & JNS JV	J N Shetty	Lifting/ pumping/ filling of secondary treated water from KR Puram STP to feed 22 tanks in Bangalore (East) taluk of Bangalore Urban District and rejuvenation, existing LIS near Yelemallappa Shetty tank to feed water to Dokkakere Tank, in Hosakote Taluk of Bangalore Rural District	99%	February 16, 2023
4.	R P SHETTY JV WITH DENTA PROPERTIES	Raghavendra Prabhakar Shetty	Design Supply Installation testing etc. for filling of Madarasana Tank from Bilairapura pick up and Dasarahalli Tank from Hiremagalur Tank by lift irrigation schemes in Lakhya Hobli Chickmagalur Taluk Chickmagalur District including construction of Forebay and pump house with pumping machineries delivery pipe and manifold raising main gravity main regulators delivery chamber nala crossing road crossings air valve chamber scour valve chamber thrust blocks power supply including terminal base toilet block tank improvement desilting of	76%	November 21, 2020

Sr. No	Name of the Joint Venture	Name of the partner(s) of the Joint Venture	Name of the project	Company's share in the Joint Venture (%)	Date of the joint venture agreement
			feeder canal etc. with all electro-mechanical works procurement of vehicles 3 nos for site inspection to MI and GWD for department Land Acquisition and including operation and maintenance for a period of five years after successful commissioning of work on turnkey basis		
5.	DWISL CIPL SIAN JV	Chidhu Infra Pvt Ltd, Sian Infra and Realcon LLP	Providing combined water supply scheme to Kuknuru, Yelburga towns, enroute government engineering collage and toy cluster industry from Tungabhadra Dam as source under Amrut-2.0 including operation and maintenance for a period of 5 years (including 1 year DLP) through design, build operation and transfer (DBOT) mode.	51%	February 12, 2024
5.	CORE4 Engineers DPIPL JV	CORE4 Engineers Private Limited	Palakkad Division – Provision of new 6 m wide FOB connecting Platforms and second entry at Angadipuram, Shoranur, Payyanur, Kasaragod and Mangalore junction Stations in the State of Karnataka under Amrut Bharat Scheme.(Total - 05 Stations) and other works of Southern Railway or any other work or works, as mutually decided between the parties	51%	August 22, 2023

### Our Subsidiaries

As on the date of this Prospectus, our Company does not have a subsidiary company.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

In terms of the Companies Act and Articles of Association, our Company is required to have not less than three Directors and not more than fifteen Directors.

As on the date of this Prospectus, our Board comprises 6 (six) Directors of which 1 (One) is a Whole-time Director, 1 (One) Managing Director, 1 (One) Non-Executive Director and 3 (three) are Independent Directors. The Board includes 1 (One) woman Director. The composition of the Board of Directors is in compliance with the Companies Act, 2013 and the SEBI Listing Regulations.

The following table sets forth details regarding our Board of Directors as on the date of this Prospectus:

Sr. No.	Name, date of birth, designation, address, occupation, nationality, current term, period of directorship and DIN	Age (Years)	Other directorships
1.	<p><b>Manish Shetty</b></p> <p><i>Date of Birth:</i> March 8, 1992</p> <p><i>Designation:</i> Managing Director</p> <p><i>Address:</i> H. No. 478/1, Dhupdhal, Mahatesh Ngr, Ghataprabha, Taluka Gokak, Belagavi – 591 306, Karnataka, India</p> <p><i>Occupation:</i> Business</p> <p><i>Current Term:</i> Two years commencing from September 21, 2023, liable to retire by rotation</p> <p><i>Period of Directorship:</i> Since September 12, 2023</p> <p><i>DIN:</i> 09075221</p>	32	<ul style="list-style-type: none"> <li>• Excelink Career Solutions Private Limited;</li> <li>• JNS Neopac India Private Limited; and</li> <li>• Ninetech Infra Solutions Private Limited.</li> </ul>
2.	<p><b>Sujith TR</b></p> <p><i>Date of Birth:</i> May 13, 1985</p> <p><i>Designation:</i> Whole-time Director</p> <p><i>Address:</i> Madhumasa 80 feet Road, Gokula extension, Kyathasandra, Tumkur – 572104, Karnataka</p> <p><i>Occupation:</i> Business</p> <p><i>Current Term:</i> Five years commencing from June 1, 2024, liable to retire by rotation</p> <p><i>Period of Directorship:</i> Since June 1, 2024</p> <p><i>DIN:</i> 07637371</p>	39	Nil
3.	<p><b>Nista U Shetty</b></p> <p><i>Date of Birth:</i> June 29, 1994</p> <p><i>Designation:</i> Non-Executive Director</p>	30	<ul style="list-style-type: none"> <li>• Coorguva Infra and Hospitality Private Limited; and</li> <li>• UVASANDS Private Limited.</li> </ul>



Sr. No.	Name, date of birth, designation, address, occupation, nationality, current term, period of directorship and DIN	Age (Years)	Other directorships
	<p><i>Address:</i> 3-143, Near Unity Hall, Hangalur, Kundapura, Udupi - 576 217 Karnataka, India</p> <p><i>Occupation:</i> Business</p> <p><i>Current Term:</i> Liable to retire by rotation.</p> <p><i>Period of Directorship:</i> Since November 3, 2022</p> <p><i>DIN:</i> 09395250</p>		
4.	<p><b>Gopalakrishna Kumaraswamy</b></p> <p><i>Date of Birth:</i> March 12, 1963</p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> 300, 7<sup>th</sup> Cross, Domlur Bus Depot, Domlur Layout Extension, Bangalore North, Bangalore - 560 071, Karnataka, India</p> <p><i>Occupation:</i> Business</p> <p><i>Current Term:</i> Five years commencing from September 21, 2023</p> <p><i>Period of Directorship:</i> Since September 21, 2023</p> <p><i>DIN:</i> 10320657</p>	61	Nil
5.	<p><b>Pradeep N</b></p> <p><i>Date of Birth:</i> February 9, 1985</p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> No 560, Kanthadeepa, 2<sup>nd</sup> block, 6<sup>th</sup> stage, Banashankari Layout, Bangalore, Bengaluru - 560 098 Karnataka, India</p> <p><i>Occupation:</i> Profession</p> <p><i>Current Term:</i> Five years commencing from September 21, 2023</p> <p><i>Period of Directorship:</i> Since September 21, 2023</p> <p><i>DIN:</i> 10329635</p>	39	Nil
6.	<p><b>R. Narendra Babu</b></p> <p><i>Date of Birth:</i> June 21, 1962</p> <p><i>Designation:</i> Independent Director</p>	62	Nil

Sr. No.	Name, date of birth, designation, address, occupation, nationality, current term, period of directorship and DIN	Age (Years)	Other directorships
	<p><b>Address:</b> No 58, 1<sup>st</sup> Floor, 3<sup>rd</sup> Cross, 5<sup>th</sup> Main, Keb Layout, Sanjay Nagar, Gaddalahally, Bengaluru – 560 094, Karnataka, India</p> <p><b>Occupation:</b> Business</p> <p><b>Current Term:</b> Five years commencing from September 21, 2023</p> <p><b>Period of Directorship:</b> Since September 21, 2023</p> <p><b>DIN:</b> 10330389</p>		

#### **Relationship between our Directors**

None of the Directors are related to each other.

#### **Brief biographies of Directors**

**Manish Shetty** is the Managing Director of our Company. He obtained bachelors' degree in engineering from Visvesvaraya Technological University, Belgaum, Karnataka in the year 2014. Prior to joining our Company, he was working as the head at Shri J N Shetty, Class-I Contractors (Firm).

**Sujith T R** is the Whole-time Director and Chief Financial Officer of our Company. He holds bachelor's degree in medicine & surgery from Rajiv Gandhi University of Health Sciences Karnataka and master's degree in business administration from Annamalai University. He also holds post graduate degree of Doctor of Medicine in pharmacology from Dr. NTR University of Health Sciences and post graduate diploma in diabetology from Vinayak Mission University. In the past, he was associated with Johnson & Johnson Private Limited. He has been associated with our Company since incorporation.

**Nista U Shetty** is the Non-Executive director of our Company. She obtained bachelors' degree in architecture from Manipal Academy of Higher Education in the year 2018. She has experience in the field of wellness and hospitality.

**Gopalakrishna Kumaraswamy** is the Independent Director of our Company. He obtained bachelors' degree in engineering from Bangalore University in the year 1986. He is an Indian army veteran and has experience in military services.

**R. Narendra Babu** is the Independent Director of our Company. He holds bachelors' degree in engineering from Bangalore University. He has experience in the field of construction, groundwater recharging, lift irrigation and water management. Prior to joining our Company, he was working as Executive Engineer at the Minor Irrigation Division, Government of Karnataka.

**Pradeep N** is the Independent Director of our Company. He holds bachelors' degree in commerce from Bangalore University. He is also an associate member of the Institute of Chartered Accountants of India and is a practising-chartered accountant.

#### **Confirmations**

None of our Directors is or was a director of any listed company during the five years immediately preceding the date of this Prospectus, whose shares have been or were suspended from being traded on any stock exchange during the term of their directorship in such company.

None of our Directors is, or was a director of any company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such 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, trusts 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, none of our Directors have been identified as Wilful Defaulters or 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.

### Terms of appointment of Managing Director and Whole Time Director

#### Terms of appointment of Manish Shetty:

Manish Shetty was appointed as the Managing Director pursuant to board resolution dated September 21, 2023 and shareholder resolution dated September 22, 2023.

The terms of remuneration are as follows:

Particulars	Terms of Remuneration
Basic Salary	Salary at the rate of Rs. 600,000 per month
Performance Incentives	Nil
Perquisites	Actual travelling expenses incurred by the Managing Director in or about the business of the Company.

#### Terms of appointment of Sujith T R:

Sujith was appointed as the whole-time director pursuant to board resolution dated June 1, 2024 and shareholder resolution dated June 3, 2024.

The terms of remuneration are as follows:

Particulars	Terms of Remuneration
Basic Salary	Salary at the rate of ₹ 500,000 per month
Performance Incentives	Bonus, incentives and hikes are subject to Company's policy, practice and standards.
Perquisites	Actual travelling expenses incurred by the Whole time Director in or about the business of the Company.

### Remuneration for Executive Directors

Details of the remuneration paid by our Company to our Executive Directors for the Fiscal 2024 are as follows:  
(in ₹ million)

Sr. No.	Name of Director	Remuneration for Fiscal 2024
1.	Sujith T R*	Nil
2.	Nista U Shetty**	Nil
3.	Manish Shetty	2.72

\* From October 28, 2016 till November 3, 2022

\*\*Re-designated as Non-Executive Director w.e.f. September 12, 2023

### Remuneration for Independent Directors

The sitting fees to be paid to our Independent Directors have been approved by our Board *vide* resolution dated September 21, 2023 and is enlisted as follows: (i) ₹ 10,000/- (Rupees Ten Thousand Only) for attending each meeting of the Board and meeting of Independent Directors; and (ii) ₹ 5,000/- (Rupees Five Thousand Only) for attending each meeting of committee.

### Arrangement or understanding with major Shareholders, customers, suppliers or others

There are no arrangements or understanding with major shareholders, customers, suppliers or others pursuant to which any of our directors have been appointed.

### **Conflict of interest between the suppliers of raw materials and third-party service providers**

There is no conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations) of the Company and the Directors of our Company.

### **Conflict of interest between the lessor of the immovable properties of the Company**

There is no conflict of interest between the lessor of the immovable properties (crucial for operations) of the Company and the Directors of our Company.

### **Shareholding of Directors in our Company**

The Articles of Association do not require our Directors to hold any qualification shares.

The table below sets forth details of Equity Shares held by the Directors, as on date of filing of this Prospectus.

<b>Sr. No.</b>	<b>Name of Director</b>	<b>No. of shares held</b>	<b>Percentage</b>
1.	Sujith T R	1,96,000	1.02%

### **Appointment of relatives of our Directors to any office or place of profit**

As on the date of filing of this Prospectus, none of the relatives of our Directors hold any office or place of profit in our Company.

### **Interests of Directors**

All Directors may be deemed to be interested to the extent of their remuneration and sitting fees payable to them for attending meetings of our Board or a committee thereof, to the extent of other remuneration and reimbursement of expenses, if any, payable to them, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company. In addition, Directors may also be interested to the extent of Equity Shares held by them, and to the extent of any dividend paid to them.

#### *(i) Interest in property*

Our Directors have no interest in any property acquired by our Company, or proposed to be acquired by our Company, or in any transaction for acquisition of land, construction of buildings and supply of machinery.

#### *(ii) Business interest*

Except as disclosed in “*Restated Consolidated Financial Information - Note no. 51 - Related Party Disclosures*” on page 304, and to the extent of shareholding in our Company, if any, our Directors do not have any other interest in the business of our Company.

#### *(iii) Payment of benefits (non-salary related)*

Except as disclosed in this Prospectus, no amount or benefit has been paid or given within the two years preceding the date of this Prospectus or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as Directors.

#### *(iv) Loans to Directors*

Except as disclosed in “*Restated Consolidated Financial Information - Note no. 51- Related Party Disclosures*” on page 304, none of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company.

#### *(v) Bonus or profit-sharing plan for the Directors*

Except as disclosed in “*Our Management - Terms of appointment of Managing Director and Whole-time Director*” on page 225, none of our Directors are party to any bonus or profit sharing plan of our Company. Further, there is no contingent or deferred compensation payable to our Directors at a later date.

(vi) *Service contracts with Directors*

No officer of our Company, including our Directors and the Key Managerial Personnel and Senior Management have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

(vii) *Interest in promotion of our Company*

None of our Directors have any interest in the promotion of our Company other than in the ordinary course of business.

**Changes in the Board in the last three years**

<b>Name</b>	<b>Date of appointment / change / cessation</b>	<b>Reason</b>
Sujith T R	November 3, 2022	Resignation as Director
Sowbhagyamma	November 3, 2022	Resignation as Director
Nista U Shetty	November 3, 2022	Appointment as Director
G Manjunath	November 3, 2022	Appointment as Director
Sowbhagyamma	August 2, 2023	Re-appointment as Executive Director
Manish Shetty	September 12, 2023	Appointment as Additional Director
Nista U Shetty	September 12, 2023	Re-designated as Non-Executive Director
G Manjunath	September 12, 2023	Re-designated as Whole Time Director
Manish Shetty	September 21, 2023	Re-designated as Managing Director
Gopalakrishna Kumaraswamy	September 21, 2023	Appointment as Additional Independent Director*
Pradeep N	September 21, 2023	Appointment as Additional Independent Director**
R. Narendra Babu	September 21, 2023	Appointment as Additional Independent Director***
Sowbhagyamma	November 30, 2023	Resignation as Executive Director
G Manjunath	March 29, 2024	Resignation as Whole-time Director due to his pre-occupied commitments
Sujith T R	June 1, 2024	Appointment as Whole-time Director****

\* Regularised pursuant to resolution dated September 22, 2023 passed by our Shareholders

\*\* Regularised pursuant to resolution dated September 22, 2023 passed by our Shareholders

\*\*\* Regularised pursuant to resolution dated September 22, 2023 passed by our Shareholders

\*\*\*\* Regularised pursuant to resolution dated June 03, 2024 passed by our Shareholders

**Borrowing powers of our Board**

Pursuant to our Articles of Association, subject to applicable laws, and pursuant to a resolution passed by our Board in its meeting dated November 2, 2023 and our Shareholders in their EGM held on November 3, 2023, our Board has been authorised to borrow, from time to time, any sum or sums of money as may be required for the purposes of the Company provided that the total amount that may be borrowed by the Board and outstanding at any point of time, shall not exceed a sum of ₹ 4,500 million.

**CORPORATE GOVERNANCE**

The provisions relating to corporate governance prescribed under the SEBI Listing Regulations will be applicable to us immediately upon listing of the Equity Shares on the Stock Exchanges. We are in compliance with the requirements of applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and the SEBI ICDR Regulations, in respect of corporate governance including constitution of the Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board committees and formulation of policies, each as required under law.

Our Board has been constituted in compliance with the Companies Act, the SEBI Listing Regulations and in accordance with best practices in corporate governance. The Board of Directors function either as a full board, or

through various committees constituted to oversee specific operational areas.

Currently, our Board has 6 Directors comprising 2 (Two) Executive Directors, 1 (One) Non-Executive Director and 3 (Three) Independent Directors. The Board includes 1 (one) woman Director. Further, in compliance with the provisions of the Companies Act, at least two-third of our Directors, other than our Independent Directors, are liable to retire by rotation.

### **Committees of the Board**

In addition to the committees of our Board detailed below, our Board may, from time to time, constitute committees for various functions.

#### **(i) Audit Committee**

The members of the Audit Committee are:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Designation</b>
1.	Pradeep N	Chairperson
2.	Gopalakrishna Kumaraswamy	Member
3.	Sujith T R	Member

Our Company Secretary and Compliance Officer is the secretary of the Audit Committee.

The Audit Committee was constituted by a meeting of the Board of Directors held on September 22, 2023 and reconstituted on June 1, 2024. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations, and its terms of reference are as follows:

#### **A. Powers of Audit Committee**

The Audit Committee shall have powers, including the following:

- (1) to investigate any activity within its terms of reference;
- (2) to seek information from any employee;
- (3) to obtain outside legal or other professional advice;
- (4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and
- (5) such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

#### **B. Role of Audit Committee**

The role of the Audit Committee shall include the following:

- (1) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
- (2) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) formulation of a policy on related party transactions, which shall include materiality of related party transactions;
- (5) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

- (6) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions; and
  - g. Modified opinion(s) in the draft audit report.
- (7) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- (8) reviewing, with the management, the statement of uses / application of funds raised through an offer (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Issue document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (9) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (10) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

**Explanation:** The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.

- (11) scrutiny of inter-corporate loans and investments;
- (12) valuation of undertakings or assets of the Company, wherever it is necessary;
- (13) evaluation of internal financial controls and risk management systems;
- (14) reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (15) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (16) discussion with internal auditors of any significant findings and follow up there on;
- (17) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (18) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

- (19) recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
- (20) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, members (in case of non-payment of declared dividends) and creditors;
- (21) reviewing the functioning of the whistle blower mechanism;
- (22) monitoring the end use of funds raised through public offers and related matters;
- (23) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
- (24) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (25) reviewing the utilization of loans and/or advances from / investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing;
- (26) carrying out any other functions required to be carried out as per the terms of reference of the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;
- (27) consider and comment on rationale, cost- benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its members;
- (28) 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;
- (29) such roles as may be prescribed under the Companies Act, SEBI Listing Regulations and other applicable provisions;
- (30) approve all related party transactions and subsequent material modifications; and
- (31) approve and adopt the key performance indicators (“**KPIs**”) of the Company to be disclosed in the draft red herring prospectus, red herring prospectus and prospectus to be filed for the proposed initial public offering of the Company.
- (32) The Audit Committee shall mandatorily review the following information:
  - a) Management discussion and analysis of financial condition and results of operations;
  - b) Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - c) Internal audit reports relating to internal control weaknesses;
  - d) The appointment, removal and terms of remuneration of the chief internal auditor;
  - e) Statement of deviations in terms of the SEBI Listing Regulations:
    - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of Regulation 32(1) of the SEBI Listing Regulations; and
    - b. annual statement of funds utilised for purposes other than those stated in the issue document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.



f) review the financial statements, in particular, the investments made by any unlisted subsidiary.

**(ii) Nomination and Remuneration Committee**

The members of the Nomination and Remuneration Committee are:

Sr. No.	Name of Director	Designation
1.	Pradeep N	Chairperson
2.	Gopalakrishna Kumaraswamy	Member
3.	Nista U Shetty	Member

The Nomination and Remuneration Committee was constituted by a meeting of the Board of Directors held on September 22, 2023. The scope and functions of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. The terms of reference of the Nomination and Remuneration Committee are as follows:

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 (the “**Board**” or “**Board of Directors**”) a policy relating to the remuneration of the directors, key managerial personnel and other employees (“**Remuneration Policy**”).

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
  - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short-term and long-term performance objectives appropriate to the working of the Company and its goals.
- (2) Formulation of criteria for evaluation of performance of independent directors and the Board;
  - (3) Devising a policy on Board diversity;
  - (4) Identifying persons who are qualified to become directors and who may be appointed as senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out effective evaluation of performance of Board, its committees and individual directors (including independent 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;
  - (5) Analysing, monitoring and reviewing various human resource and compensation matters;
  - (6) Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
  - (7) Determining the Company’s policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
  - (8) Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;
  - (9) Reviewing and approving the Company’s compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

- (10) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, if applicable;
- (11) Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
  - (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
- (12) Administering monitoring and formulating detailed terms and conditions the employee stock option scheme/ plan approved by the Board and the members of the Company in accordance with the terms of such scheme/ plan (“ESOP Scheme”), if any;
- (13) Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/ or rescinding rules and regulations relating to the administration of the ESOP Scheme;
- (14) Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.
- (15) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - (a) use the services of an external agencies, if required;
  - (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - (c) consider the time commitments of the candidates.
- (16) Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

**(iii) Stakeholders’ Relationship Committee**

The members of the Stakeholders’ Relationship Committee are:

Sr. No.	Name of Director	Designation
1.	Gopalakrishna Kumaraswamy	Chairperson
2.	Nista U Shetty	Member
3.	Sujith T R	Member

The Stakeholders’ Relationship Committee was constituted by a meeting of the Board of Directors held on September 22, 2023 and reconstituted on June 1, 2024. The scope and function of the Stakeholders’ Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The terms of reference of the Stakeholders’ Relationship Committee are as follows:

The Stakeholders’ Relationship Committee shall be responsible for, among other things, as may be required under the applicable law, the following:

- (1) Considering and specifically looking into various aspects of interest of shareholders, debenture holders and other security holders;
- (2) Resolving the grievances of the security holders of the listed entity including complaints related to transfer / transmission of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, non-receipt of annual report, 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 members;
- (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 members of the company; and
- (8) Carrying out such other functions as may be specified by the Board from time to time or specified / provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

**(iv) Corporate Social Responsibility Committee**

The members of the Corporate Social Responsibility Committee are:

Sr. No.	Name of Director	Designation
1.	R. Narendra Babu	Chairperson
2.	Gopalakrishna Kumaraswamy	Member
3.	Nista U Shetty	Member

The Corporate Social Responsibility Committee was reconstituted by a meeting of the Board of Directors held on September 22, 2023. The terms of reference of the Corporate Social Responsibility Committee of our Company are as per Section 135 of the Companies Act, 2013 and the applicable rules thereunder, and have been set out below:

- (i) formulate and recommend to the Board, a “Corporate Social Responsibility Policy” which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;
- (ii) identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- (iii) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (i) and the distribution of the same to various corporate social responsibility programs undertaken by the Company;
- (iv) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- (v) review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social

responsibility programmes;

- (vi) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and
- (vii) exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

(v) ***IPO Committee***

The members of the IPO Committee are:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Designation</b>
1.	Manish Shetty	Chairman
2.	Sujith T R	Member
3.	Nista U Shetty	Member

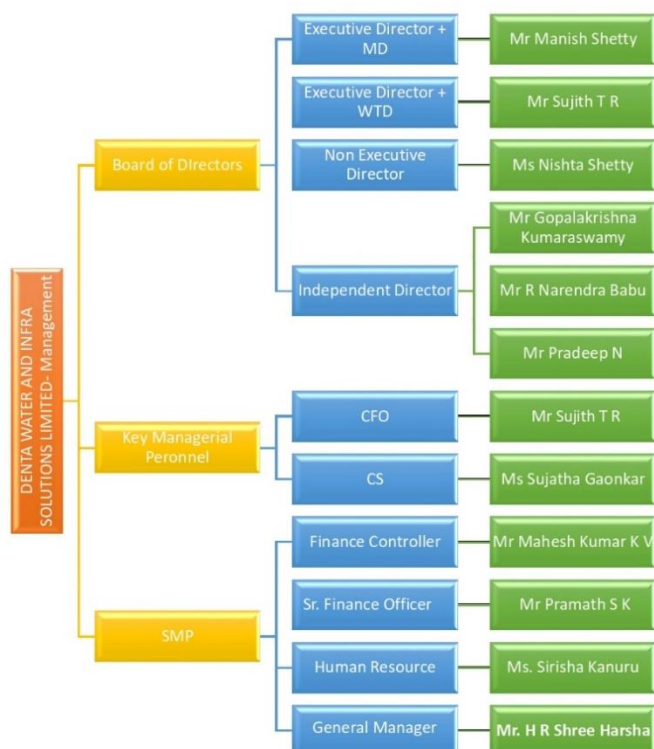
The IPO Committee was constituted by our Board of Directors at their meeting held on September 22, 2023 and reconstituted on June 1, 2024. The terms of reference of the IPO Committee of our Company are as per the applicable rules, and have been set out below:

- (1) to decide, negotiate and finalise the pricing, the terms of issue of the Equity Shares and all other related matters regarding the Pre-IPO Placement, if any, including the execution of the relevant documents with the investors, in consultation with the book running lead manager (“**BRLM**”) appointed in relation to the Issue.
- (2) to decide in consultation with the BRLM the actual size of the Issue and taking on record the number of equity shares, having face value of ₹ 10 per equity share (the “**Equity Shares**”), and/or reservation on a competitive basis, and/or any rounding off in the event of any oversubscription and/or any discount to be offered to retail individual bidders or eligible employees participating in the Issue and all the terms and conditions of the Issue, including without limitation timing, opening and closing dates of the Issue, price band, allocation/allotment to eligible persons pursuant to the Issue, including any anchor investors, and to accept any amendments, modifications, variations or alterations thereto;
- (3) to appoint, instruct and enter into agreements with the BRLM, and in consultation with BRLM appoint and enter into agreements with intermediaries, co-managers, underwriters, syndicate members, brokers, escrow collection banks, auditors, independent chartered accountants, refund bankers, registrar, grading agency, monitoring agency, industry expert, legal counsel, depositories, custodians, credit rating agencies, printers, advertising agency(ies), and any other agencies or persons (including any successors or replacements thereof) whose appointment is required in relation to the Issue and to negotiate and finalize the terms of their appointment, including but not limited to execution of the mandate letters and issue agreement with the BRLM, and the underwriting agreement with the underwriters, and to terminate agreements or arrangements with such intermediaries;
- (4) to make any alteration, addition or variation in relation to the Issue, in consultation with the BRLM or SEBI or such other authorities as may be required, and without prejudice to the generality of the aforesaid, deciding the exact Issue structure;
- (5) to finalise, settle, approve, adopt and arrange for submission of the draft red herring prospectus (“**DRHP**”), the red herring prospectus (“**RHP**”), the prospectus (“**Prospectus**”), the preliminary and final international wrap and any amendments, supplements, notices, clarifications, reply to observations, addenda or corrigenda thereto, to appropriate government and regulatory authorities, respective stock exchanges where the Equity Shares are proposed to be listed (“**Stock Exchanges**”), the Registrar of Companies, Karnataka (“**Registrar of Companies**”), institutions or bodies;
- (6) to issue advertisements in such newspapers and other media as it may deem fit and proper, in consultation with the relevant intermediaries appointed for the Issue in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”), Companies Act, 2013, as amended and other applicable laws;

- (7) to decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any, and on permitting existing members to sell any Equity Shares held by them;
- (8) to open separate escrow accounts to receive application monies from anchor investors/underwriters in respect of the bid amounts and a bank account as the refund account for handling refunds in relation to the Issue and in respect of which a refund, if any will be made;
- (9) to open account with the bankers to the Issue to receive application monies in relation to the Issue in terms of Section 40(3) of the Companies Act, 2013, as amended;
- (10) to do all such deeds and acts as may be required to dematerialise the Equity Shares and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with the Central Depository Services (India) Limited, Registrar and Share Transfer Agents and such other agencies, as may be required in this connection, with power to authorise one or more officers of the Company to execute all or any such documents;
- (11) to negotiate, finalise, sign, execute and deliver or arrange the delivery of the issue agreement, syndicate agreement, cash escrow and sponsor bank agreement, underwriting agreement, agreements with the registrar to the Issue, monitoring agency and the advertising agency(ies) and all other agreements, documents, deeds, memorandum of understanding and other instruments whatsoever with the registrar to the Issue, monitoring agency, legal advisors, auditors, Stock Exchanges, BRLM and other agencies/ intermediaries in connection with Issue with the power to authorize one or more officers of the Company to execute all or any of the aforesaid documents;
- (12) to make any applications, seek clarifications, obtain approvals and seek exemptions, if necessary, from the Stock Exchange, the Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”), Registrar of Companies and such other statutory and governmental authorities in connection with the Issue, as required under applicable laws, and to accept, on behalf of the Board, such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, exemptions, permissions and sanctions as may be required, and wherever necessary, incorporate such modifications / amendments as may be required in the DRHP, RHP and the Prospectus;
- (13) to make in-principle and final applications for listing and trading of the Equity Shares on one or more Stock Exchanges, to execute and to deliver or arrange the delivery of the equity listing agreement(s) or equivalent documentation to the Stock Exchanges and to take all such other actions as may be necessary in connection with obtaining such listing;
- (14) to determine and finalize, in consultation with the BRLM, the price band for the Issue and minimum bid lot for the purpose of bidding, any revision to the price band and the final Issue price after bid closure, and to finalize the basis of allocation and to allot the Equity Shares to the successful allottees and credit Equity Shares to the demat accounts of the successful allottees in accordance with applicable laws and undertake other matters in connection with or incidental to the Issue, including determining the anchor investor portion, the Pre-IPO Placement, if any, in accordance with the SEBI ICDR Regulations;
- (15) to offer receipts/allotment advice/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of the Company to sign all or any of the aforementioned documents;
- (16) to approve the code of conduct, suitable insider trading policy, whistle blower/vigil mechanism policy, risk management policy and other corporate governance requirements considered necessary by the Board or the IPO Committee or as required under applicable laws or the uniform listing agreement to be entered into by the Company with the relevant Stock Exchanges;
- (17) to seek, if required, the consent and waivers of the parties with whom the Company has entered into various commercial and other agreements such as Company’s lenders, joint venture partners, all concerned governmental and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Issue in accordance with the applicable laws;

- (18) to determine the price at which the Equity Shares are offered, offered, allocated, transferred and/or allotted to investors in the Issue in accordance with applicable regulations in consultation with the BRLM and/or any other advisors, and determine the discount, if any, proposed to be offered to eligible categories of investors;
- (19) to settle all questions, difficulties or doubts that may arise in relation to the Issue, as it may in its absolute discretion deem fit;
- (20) to do all acts, deeds and things and execute all documents, agreements, forms, certificates, undertakings, letters and instruments as may be necessary for the purpose of or in connection with the Issue;
- (21) to authorize and approve the incurring of expenditure and payment of fees, commissions, brokerage and remuneration in connection with the Issue;
- (22) to withdraw the DRHP or RHP or to decide not to proceed with the Issue at any stage, in consultation with the BRLM and in accordance with the SEBI ICDR Regulations and other applicable laws;
- (23) to determine the utilization of proceeds of the fresh issue, if applicable, and accept and appropriate proceeds of such fresh issue in accordance with the Applicable Laws;
- (24) to submit undertaking/certificates or provide clarifications to the SEBI, Registrar of Companies and the relevant Stock Exchange(s) where the Equity Shares are to be listed; and
- (25) to authorize and empower officers of the Company (each, an “**Authorized Officer(s)**”), for and on behalf of the Company, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the Authorized Officer(s) consider necessary, appropriate or advisable, in connection with the Issue, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreement(s) with the Stock Exchange(s), the registrar’s agreement and memorandum of understanding, the depositories’ agreements, the issue agreement with the BRLM (and other entities as appropriate), the underwriting agreement, the syndicate agreement with the BRLM and syndicate members, the cash escrow and sponsor bank agreement, confirmation of allocation notes, allotment advice, placement agents, registrar to the Issue, bankers to the Company, managers, underwriters, escrow agents, accountants, auditors, legal counsel, depositories, advertising agency(ies), brokers, escrow collection bankers, auditors, grading agency, monitoring agency and all such persons or agencies as may be involved in or concerned with the Issue, if any, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Issue by the BRLM and to do or cause to be done any and all such acts or things that the Authorized Officer(s) may deem necessary, appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the Issue; and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer(s) shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing.

## MANAGEMENT ORGANISATION CHART



### KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

In addition to Manish Shetty, who is the Managing director and Sujith T R, who is the Whole-time director, the following persons are our Key Managerial Personnel and Senior Management. For details of the brief profile of our Executive Directors, please see “*Our Management – Brief biographies of Directors*” on page 224.

#### Brief Profiles of the Key Managerial Personnel

**Sujith T R** is the Chief Financial Officer of our Company. He holds bachelor’s degree in medicine & surgery from Rajiv Gandhi University of Health Sciences Karnataka and master’s degree in business administration from Annamalai University. He also holds post graduate degree of Doctor of Medicine in pharmacology from Dr. NTR University of Health Sciences and post graduate diploma in diabetology from Vinayak Mission University. In the past, he was associated with Johnson & Johnson Private Limited. Since his appointment with our Company was with effect from November 19, 2024, he did not receive any remuneration for Fiscal Year 2024.

**Sujata Gaonkar** is the Company Secretary and Compliance Officer of our Company. She holds bachelor’s degree in commerce from Karnataka University. She is an associate member at the Institute of Company Secretaries of India. Prior to joining our Company, she was working as associate company secretary at M / s. N K Hebbar & Associates and as whole-time company secretary with Liwayway Foods India Private Limited. The remuneration paid to her during the Fiscal 2024 was 0.53 million.

#### Brief Profiles of the Senior Management

**Pramatha Suremane K** is the Senior Finance Officer of our Company and he joined our Company as Finance Officer on June 19, 2023. He holds bachelors’ degree in commerce from Mangalore University. He has passed the final examination held by the Institute of Cost Accountants of India. Prior to joining our Company, he was working as audit assistant at RPAR & Co. LLP. The remuneration paid to him during the Fiscal 2024 was 0.51 million.

**Mahesh Kumar** is the finance controller of our Company. He holds bachelor’s degree in commerce from

Mangalore University. Prior to joining our Company, he was associated with M/s VXL Instruments Limited as chief financial officer. Since he was appointed in our Company with effect from May 13, 2024, he did not receive any remuneration in Fiscal 2024.

**H R Shree Harsha** is the general manager of our Company. He holds bachelor's degree in engineering (mechanical) from University of Mysore. Prior to joining our Company, he was associated with Karnataka Neeravari Nigam Limited as Executive Engineer. Since he was appointed in our Company with effect from August 19, 2024, he did not receive any remuneration in Fiscal 2024.

**Sirisha Kanuru** is the human resources manager of our Company. She holds bachelor's degree in hotel management from Acharya Nagarjuna University. Prior to joining our Company, she was associated with Klene Paks Limited as customer care executive. Since she was appointed in our Company with effect from August 8, 2024, she did not receive any remuneration in Fiscal 2024.

#### **Relationship among Key Managerial Personnel and Senior Management**

None of our Key Managerial Personnel and Senior Management are related to each other.

#### **Contingent or 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 or Directors, which does not form part of their remuneration.

#### **Status of Key Managerial Personnel and Senior Management**

All the Key Managerial Personnel and Senior Management are permanent employees of our Company.

#### **Shareholding of Key Managerial Personnel and Senior Management**

For details in relation to shareholding of Key Managerial Personnel and Senior Management, see "*Capital Structure - Shareholding of our Directors and Key Managerial Personnel and Senior Management in our Company*" on page 95.

#### **Arrangement and understanding with major Shareholders, customers, suppliers of our Company or others**

None of our Key Managerial Personnel or Senior Management have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

#### **Conflict of interest between the suppliers of raw materials and third-party service providers**

There is no conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations) of our Company and the Key Managerial Personnel and Senior Management of our Company.

#### **Conflict of interest between the lessor of the immovable properties of the Company**

There is no conflict of interest the between lessor of the immovable properties (crucial for operations) of the Company and the Key Managerial Person and Senior Management of our Company.

#### **Bonus or profit-sharing plans**

None of the Key Managerial Personnel or Senior Management are party to any bonus or profit-sharing plan of our Company other than the performance linked incentives given to Key Managerial Personnel or Senior Management.

#### **Interests of Key Managerial Personnel and Senior Management**

Except as disclosed under "*Interests of Directors*" on page 226, the Key Managerial Personnel and Senior Management do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them in the ordinary course of business.



None of the Key Managerial Personnel or Senior Management have been paid any consideration of any nature from our Company on whose rolls they are employed, other than their remuneration.

### **Changes in the Key Management Personnel and Senior Management**

Except as disclosed below and as set forth in “*Our Management - Changes in the Board in the last three years*” on page 227, there has been no changes in the Key Managerial Personnel and Senior Management in the last three years prior to the date of this Prospectus.

<b>Name</b>	<b>Designation</b>	<b>Date of resolution/ change</b>	<b>Reason for change</b>
Vidhyavathi M	Human Resources Manager	September 12, 2023	Appointment
Yerra Praveen Kumar	Senior General Manager (Designing and Planning)	September 12, 2023	Appointment
Pramatha Suremane K	Senior Finance Officer	September 12, 2023	Appointment
Sujata Gaonkar	Company Secretary and Compliance Officer	September 12, 2023	Appointment
G V Surendra Kumar	Chief Financial Officer	September 12, 2023	Appointment
Mahesh Kumar	Finance Controller	May 13, 2024	Appointment
G V Surendra Kumar	Chief Financial Officer	June 1, 2024	Resignation
Deepa S	Chief Financial Officer	June 1, 2024	Appointment
Vidhyavathi M	Human Resources Manager	July 16, 2024	Resignation
Yerra Praveen Kumar	Senior General Manager (Designing and Planning)	August 05, 2024	Resignation
Sirisha Kanuru	Human Resources Manager	August 8, 2024	Appointment
H R Shree Harsha	General Manager	August 19, 2024	Appointment
Deepa S	Chief Financial Officer	November 19, 2024	Resignation
Sujith T R	Chief Financial Officer	November 19, 2024	Appointment

Further, the attrition rate of Key Managerial Personnel and Senior Management of our Company is not high as compared to our peers.

### **Payment or Benefit to Key Managerial Personnel and Senior Management of our Company**

No non-salary amount or benefit has been paid or given or is intended to be paid or given to any of our Company’s employees including the Key Managerial Personnel and Senior Management within the two preceding years.

### **Service contracts with Key Managerial Personnel and Senior Management**

No officer of our Company, including the Key Managerial Personnel and Senior Management has entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

### **Employee Stock Option**



As on the date of this Prospectus, our Company does not have any employee stock option schemes.


## OUR PROMOTERS AND PROMOTER GROUP


The Promoters of our Company are Sowbhagyamma, Sujith T R, C Mruthyunjaya Swamy and Hema H M.

As on the date of this Prospectus, our Promoters hold 18,436,000 Equity Shares of face value ₹ 10 each, equivalent to 96.02% of the issued, subscribed and paid-up Equity Share capital of our Company. All Equity Shares issued to our Promoters were fully paid up at the time of allotment. For further details on shareholding of our Promoters and Promoter Group, please see section titled “*Capital Structure – Notes to the Capital Structure*” on page 87.

### OUR PROMOTERS

	<p><b>1. Sowbhagyamma</b></p> <p>Sowbhagyamma (DIN: 07637396), aged 79 years is one of our Promoter.</p> <p><i>Date of birth:</i> November 6, 1944</p> <p><i>Address:</i> No. 7, 2<sup>nd</sup> Main Muneshwarnagar, Kaderanahalli Padmanabhanagar, Bengaluru – 560070, Karnataka, India</p> <p><i>Permanent Account Number:</i> CXJPS5698N</p> <p>She has passed secondary school examination. She has been associated with the Company since the year 2016. She is not involved in any other venture.</p>
	<p><b>2. Sujith T R</b></p> <p>Sujith T R, aged 39 years, is one of our Promoter.</p> <p><i>Date of birth:</i> May 13, 1985</p> <p><i>Address:</i> Madhumasa 80 Feet Road, Gokula Extension, Tumakuru – 572104, Karnataka, India</p> <p><i>Permanent Account Number:</i> CNLPS9540R</p> <p>He holds bachelors’ degree in medicine &amp; surgery from Rajiv Gandhi University of Health Sciences Karnataka and masters’ degree in business administration from Annamali University. He also holds post graduate degree of Doctor of Medicine in pharmacology from Dr. NTR University of Health Sciences and post graduate diploma in diabetology from Vinayak Mission University. In the past, he was associated with Johnson &amp; Johnson Private Limited. He is not involved in any other venture.</p>

	<p><b>3. C Mruthyunjaya Swamy</b></p> <p>C Mruthyunjaya Swamy aged 61 years is one of our Promoter.</p> <p><b>Date of birth:</b> March 28, 1963</p> <p><b>Address:</b> No. 401, Vaishnavi Springs M Ranga Rao Road, Shankarapuram, Bangalore – 560004, Karnataka, India</p> <p><b>Permanent Account Number:</b> AGZPS6411Q</p> <p>He holds bachelors’ degree in civil engineering from Bangalore University. In the past, he was associated with the Karnataka State Road Transport Corporation, Karnataka Engineering services and Government of Karnataka. He is not involved in ventures other than Denta Engineers and Consultants HUF.</p>
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	<p><b>4. Hema H M</b></p> <p>Hema H M aged 52 years is one of our Promoter.</p> <p><b>Date of birth:</b> April 02, 1971</p> <p><b>Address:</b> No. 3799, 13<sup>th</sup> Cross, near Thyagarajanagar Police Station, Banashankari 2<sup>nd</sup> Stage, Bangalore, South Bangalore - 560 070, Karnataka, India.</p> <p><b>Permanent Account Number:</b> AALPH0753L</p> <p>She holds bachelor’s degree in dental surgery from Bangalore University. In the past, she was associated with Coorguva Infra and Hospitality Private Limited and UVASANDS Private Limited. She is not involved in any other venture.</p>
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Our Company confirms that the permanent account number, bank account number(s), passport number, aadhar card number and driving license number of our Promoters were submitted to the Stock Exchanges at the time of filing of the Draft Red Herring Prospectus.

### Change in Control of our Company

Sowbhagyamma, Sujith T R, C Mruthyunjaya Swamy and Hema H M have been identified as promoters of our Company vide resolutions of our Board of Directors dated September 12, 2023. Except as disclosed below, there has been no change in the control of our Company in the five years immediately preceding the date of this Prospectus:

Name of Promoter	Name of the transferor	Date of transfer	Number of equity shares of face value ₹ 10 each acquired
Hema H M	Sowbhagyamma	June 30, 2023	1,680,000
C Mruthyunjaya Swamy	Sowbhagyamma	June 30, 2023	1,200,000

For further details of acquisition of Equity Shares by our Promoters, please see section titled “*Capital Structure - Build-up of the shareholding of our Promoters in our Company*” on page 89.

### Interests of our Promoters

#### *Interest in the promotion of our Company*

Our Promoters are interested in our Company to the extent (a) that they are the promoters of our Company; (b) of their respective shareholding in our Company, the shareholding of their relatives and entities in which our Promoters are interested and which hold the Equity Shares, and the dividends payable upon such shareholding, if

any; (c) any other distributions in respect of the Equity Shares held by them, their relatives or such entities, if any; and (d) 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, please see sections titled “*Capital Structure*” and “*Restated Consolidated Financial Information – Note no. 51 – Related Party Disclosures*” on pages 87 and 304, respectively.

*Interest in the property (including acquisition of land, construction of building and supply of machinery) of our Company*

Our Promoters have no interest, whether direct or indirect, in any property acquired by our Company within the preceding three years from the date of this Prospectus or proposed to be acquired by it as on the date of filing of this Prospectus or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery.

*Interest in our Company arising out of being a member of a firm or company*

Our Promoters are not interested as a member of a firm or company which has any interest in our Company. Further, no sum has been paid or agreed to be paid to them or to such firm or company in cash or shares or otherwise by any person either to induce any of our Promoters to become, or qualify them as a director, or otherwise for services rendered by any of our Promoters or by such firm or company in connection with the promotion or formation of our Company.

*Interest in our Company other than as Promoter*

Our Promoters are interested in the Company to the extent of the dividends payable, if any, and any other distribution in respect of their respective shareholding in our Company or the shareholding of their relatives in our Company. For further details, please see sections titled “*Our Management*”, “*Capital Structure*” and “*Financial Information*” on pages 222, 87 and 249 respectively, our Promoters do not have any other interest in our Company.

**Payment of benefits to our Promoters or our Promoter Group**

Except as disclosed in section titled “*Restated Consolidated Financial Information – Note no. 51 - Related Party Disclosures*” and “*Our Management*” on pages 304 and 222, respectively, there has been no amounts paid or benefits granted by our Company to our Promoters or members of our Promoter Group during the two years preceding the date of this Prospectus nor is there any intention to pay any amount or provide any benefit to our Promoters or members of our Promoter Group as on the date of this Prospectus.

**Material Guarantees given by our Promoters with respect to the Equity Shares**

Our Promoters have not given any material guarantee to any third party with respect to the Equity Shares, as on the date of this Prospectus.

**Experience of our Promoters in the business of our Company**

Our Promoters have adequate experience in the business activities undertaken by our Company.

**Confirmations**

None of our Promoters and members of our Promoter Group have been declared as Wilful Defaulter or Fraudulent Borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrower issued by Reserve Bank of India.

None of our Promoters have been declared as Fugitive Economic Offenders.

None of our Promoters and members of our Promoter Group have been debarred or prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

None of our Promoters are and have been a promoter, director or person in control of any other company which is debarred or prohibited from accessing capital markets under any order or direction passed by SEBI.

None of our Promoters are related to any of the sundry debtors or beneficiaries of loans and advances of our Company.

There is no conflict of interests between the suppliers of raw materials and third-party service providers of our Company (crucial for operations), our Promoters or members of our Promoter Group.

There is no conflict of interests between the lessors of the immovable properties of our Company (crucial for operations), our Promoters or members of our Promoter Group.

#### **Companies or Firms with which our Promoters have disassociated in the last three years**

None of our Promoters have disassociated themselves from any company or firm in the three years immediately preceding the date of this Prospectus.

#### **Litigation involving our Promoters**

Except as disclosed in “*Outstanding Litigation and Other Material Developments*” on page 348, there are no legal and regulatory proceedings involving our Promoters as on the date of this Prospectus.

#### **Our Promoter Group**

In addition to the Promoters named above, the following individuals and entities form part of our Promoter Group of the Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations.

##### **A. Natural persons who are part of the Promoter Group**

The natural persons who are part of our Promoter Group (due to their relationship with our individual Promoters or whose shareholding is aggregated under the heading “shareholding of the promoter group”), other than our Promoters, are as follows:

<b>Name of the Promoter</b>	<b>Name of the Immediate relative</b>	<b>Relationship</b>
Sowbhagyamma	S. Chandrashekariah*	Brother
	Dr Gurumurthy*	Brother
	Thontdarya S	Brother
	H M Prabhu	Son
	H M Viswanath	Son
	Hema H M	Daughter
Sujith T R	Anusha M	Spouse
	Rajashekar S	Father
	Sumithamma B D	Mother
	Indu Tumkur Rajshekar	Sister
	S. Sudarshan	Son
	C Mruthyunjaya Swamy	Spouse's father
	Hema H M	Spouse's mother
C Mruthyunjaya Swamy	Hema H M	Spouse
	C. Siddhalinga Devaru*	Brother
	C Mangala*	Sister
	C Mahadevi*	Sister
	Anusha M	Daughter
	Sowbhagyamma	Spouse's mother
	H M Viswanath	Spouse's brother
	H M Prabhu	Spouse's brother
Hema H M	C Mruthyunjaya Swamy	Spouse
	Sowbhagyamma	Mother
	H M Prabhu	Brother
	H M Viswanath	Brother

Name of the Promoter	Name of the Immediate relative	Relationship
	Anusha M	Daughter
	Siddalinga Devaru	Spouse's brother
	C Mangala*	Spouse's sister
	C Mahadevi*	Spouse's sister

\* Our Company had filed an exemption application dated September 25, 2023 with SEBI along with the due diligence letters dated October 23, 2023 and November 21, 2023 issued by the Book Running Lead Managers for seeking exemption under Regulation 300(1) of the SEBI ICDR Regulations from identifying and disclosing the following as members of the Promoter Group (i) C. Siddhalinga Devaru (brother and immediate relative of C. Mruthyunjayaswamy, one of the Promoters and Spouse's Brother and immediate relatives of H M Hema, one of promoters), (ii) C. Mangala (sister and immediate relative of C. Mruthyunjayaswamy, one of the Promoters and spouse's sister and immediate relatives of H M Hema, one of Promoters), (iii) C. Mahadevi (sister and immediate relative of C. Mruthyunjayaswamy, one of the Promoters and spouse's sister and immediate relatives of H M Hema, one of Promoters), (iv) S. Chandrashekariah (brother and immediate relative of Sowbhagyamma, one of the Promoters) and (v) Dr. Gurumurthy (brother and immediate relative of Sowbhagyamma, one of the Promoters) (vi) anybody corporate in which 20% or more of the equity share capital is held by C. Siddhalinga Devaru or C. Mangala or C. Mahadevi or S. Chandrashekariah or Dr. Gurumurthy or a firm or any Hindu Undivided Family where C. Siddhalinga Devaru or C. Mangala or C. Mahadevi or S. Chandrashekariah or Dr. Gurumurthy may be a member; and (vii) anybody corporate in which anybody corporate mentioned under 'vi' above holds 20% or more of the equity share capital, in accordance with the SEBI ICDR Regulations.

SEBI pursuant to its letter bearing reference number SEBI/HO/CFD/RAC-DIL1/P/OW/2023/48613/1 dated December 4, 2023 rejected our application and directed our Company to include C. Siddhalinga Devaru or C. Mangala or C. Mahadevi or S. Chandrashekariah or Dr. Gurumurthy (hereinafter collectively to be referred as "Relevant Persons"), as part of the Promoter Group of our Promoters and include applicable disclosures based on the information as available in the public domain.

Accordingly, based on a careful examination of the search results available on public platforms including Watchout Investors database and CIBIL database, our Company confirms that the Relevant Persons (a) are not debarred or prohibited from accessing capital markets under any order or direction passed by SEBI; and (b) have not been declared as Wilful Defaulter or Fraudulent Borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrower issued by Reserve Bank of India. Our Company had also issued letters dated December 9, 2023 via registered post on December 10, 2023 as an attempt to establish communication with C. Siddhalinga Devaru, C Mangala, C Mahadevi, S. Chandrashekariah and Dr Gurumurthy. As of the date of this Prospectus, our Company has not been able to establish communication with the Relevant Persons. In this regard, suitable disclosures have been included in this Prospectus based on diligence of publicly available information and public domain search including on the websites of CIBIL and watchout investors.

For further details, please see "Risk Factors - The immediate relatives of our promoters, who are deemed to be a part of the Promoter Group under the SEBI ICDR Regulations have not provided consent, information or any confirmations or undertakings pertaining to themselves which are required to be disclosed as part of the Promoter Group in this Prospectus." on page 38.

## B. Entities forming part of the Promoter Group

The entities forming part of our Promoter Group are as follows:

Sr. No.	Entities forming part of our Promoter Group
1.	Denta Engineers and Consultants HUF
2.	UVASANDS Private Limited
3.	Coorguva Infra and Hospitality Private Limited

## OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term “group companies”, includes (i) such companies (other than promoters and subsidiaries) with which the relevant issuer company had related party transactions, during the period for which financial information is disclosed in this Prospectus, as covered under applicable accounting standards (i.e., Ind AS 24 issued by the Institute of Chartered Accountants of India), and (ii) any other companies considered “material” by the Board.

Accordingly, for (i) above, all such companies with which the Company had related party transactions during the period covered in the Restated Consolidated Financial Information included in the Offer Document, as covered under the applicable accounting standards, shall be considered as ‘group companies’ of the Company in terms of the SEBI ICDR Regulations.

Further, for (ii) above, the Board pursuant to the Materiality Policy, has determined that a company (other than the companies covered under the schedule of related party transactions as per the Restated Consolidated Financial Information) shall be considered “material” and will be disclosed as ‘group companies’ in this Prospectus, if it is a member of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations and has entered into one or more transactions with our company as per the latest fiscal covered in the Restated Consolidated Financial Information, that individually or cumulatively in value exceeds 10% of the total income of our Company for the latest fiscal covered in the Restated Consolidated Financial Information.

Accordingly, in terms of the Materiality Policy, the Board has identified UVASANDS Private Limited and Coorguva Infra and Hospitality Private Limited as the Group Companies of the Company.

### Details of our Group Company

#### 1. UVASANDS Private Limited

##### *Corporate Information*

The registered office of UVASANDS Private Limited is situated at Prafulla Enclaves, Haladi Road, Koteshwara, Kundapura, Udupi- 576 222 Karnataka, India.

##### *Financial Performance*

In accordance with the SEBI ICDR Regulations, the details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the audited financial statements of UVASANDS Private Limited for the financial years ended March 31, 2023 and March 31, 2022 are available on the website of our Company at [www.denta.co.in](http://www.denta.co.in). It is clarified that such details available in relation to UVASANDS Private Limited on its website do not form a part of this Prospectus. Anyone placing reliance on any other source of information would be doing so at their own risk. The link above has been provided solely to comply with the requirements of the SEBI ICDR Regulations.

(₹ in million)

Particulars	March 31, 2024	As on March 31, 2023	As on March 31, 2022
Share Capital	0.10	0.10	0.10
Reserves and Surplus	2.01	1.31	0.94
Revenue from Operations	12.47	9.04	3.26
Other Income	0.01	0.01	-
Total Revenue	12.46	9.05	3.26
EBIDTA	1.79	1.33	1.37
PBT	0.91	0.60	1.30
PAT	0.71	0.37	0.94
NAV	2.10	1.41	1.04
EPS	70.66	37	2.25

##### *Board of Directors*

#### 1. Hema H M

2. B Uday Kumar Shetty
3. Vinay Kumar Shetty
4. Nista U Shetty

*Shareholding pattern*

Sl. No	Name of Equity shareholders	No. of Shares	Percentage of Holding
1.	H M Hema	5,100	51.00%
2.	Vinay Kumar Shetty	2,450	24.50%
3.	Nista Shetty	2,450	24.50%
<b>Total</b>		<b>10,000</b>	<b>100.00%</b>

## 2. Coorguva Infra and Hospitality Private Limited

*Corporate Information*

The registered office of Coorguva Infra and Hospitality Private Limited is situated at No 1/57-4, Prafulla Enclaves, Halady Road, Koteswara, Kundapura, Udupi- 576 222 Karnataka, India.

*Financial Performance*

In accordance with the SEBI ICDR Regulations, the details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the audited financial statements of Coorguva Infra and Hospitality Private Limited for the financial year ended March 31, 2023 are available on the website of our Company at [www.denta.co.in](http://www.denta.co.in). It is clarified that such details available in relation to Coorguva Infra and Hospitality Private Limited on its website do not form a part of this Prospectus. Anyone placing reliance on any other source of information would be doing so at their own risk. The link above has been provided solely to comply with the requirements of the SEBI ICDR Regulations.

(₹ in million)

Particulars	March 31, 2024	As on March 31, 2023
Share Capital	0.10	0.10
Reserves and Surplus	(0.19)	(0.10)
Revenue from Operations	1.39	-
Other Income	-	-
Total Revenue	1.39	-
EBIDTA	(0.10)	(0.10)
PBT	(0.10)	(0.10)
PAT	(0.10)	(0.10)
NAV	(0.19)	0.0016
EPS	(9.49)	(23.63)

*Board of Directors*

1. Hema H M
2. Nista U Shetty
3. Vinay Kumar Shetty
4. B Uday Kumar Shetty

*Shareholding pattern*

Sl. No	Name of Equity shareholders	No. of Shares	Percentage of Holding
1.	Hema H M	5,000	50.00%
2.	B Uday Kumar Shetty	2,000	20.00%
3.	Vinay Kumar Shetty	2,500	25.00%
4.	Nista U Shetty	500	5.00%
<b>Total</b>		<b>10,000</b>	<b>100.00%</b>



### **Nature and extent of interest of our Group Companies**

**a. *In the promotion of our Company***

Our Group Companies does not have any interest in the promotion of our Company.

**b. *In the properties acquired by us in the preceding three years before filing this Prospectus or proposed to be acquired by our Company***

Our Group Companies are not interested in the properties acquired by us in the three years preceding the filing of this Prospectus or proposed to be acquired by us as on the date of this Prospectus.

**c. *In transactions for acquisition of land, construction of building and supply of machinery***

Our Group Companies are not interested in any transactions for the acquisition of land, construction of building or supply of machinery.

### **Common Pursuits between our Group Company and our Company**

There are no common pursuits amongst our Group Companies and our Company. There is no conflict of interests between the suppliers of raw materials and third-party service providers of our Company (crucial for operations of our Company) and our Group Companies or its Directors.

### **Related Business Transactions with the Group Companies and significance on the financial performance of our Company**

Other than the transactions disclosed in the section titled “*Restated Consolidated Financial Information – Note no. 51 – Related Party Disclosures*” on page 304, there are no other related business transactions with our Group Company.

### **Business interest of our Group Companies in our Company**

Other than the transactions disclosed in the section titled “*Restated Consolidated Financial Information – Note no. 51 – Related Party Disclosures*” on page 304, our Group Companies have no business interest in our Company.

### **Litigation**

As on the dated of this Prospectus, our Group Companies are not a party to any pending litigations which will have a material impact on our Company.

### **Confirmations**

The securities of our Group Companies are not listed on any stock exchange. Our Group Companies have not made any public / rights / composite issue (as defined under the SEBI ICDR Regulations) in the three years preceding the date of this Prospectus.

## DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act. Our Board approved the formal dividend policy of the Company, at the Board meeting held on November 2, 2023, which includes parameters to be considered by the Board for declaration of dividend, with an objective of rewarding the shareholders of our Company.

The dividend, if any, will depend on a number of factors, including but not limited, consolidated net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. For further details, please see the section titled “*Financial Indebtedness*” on page 345. For details in relation to the risks involved in this regard, please see section titled “*Risk Factors – We cannot assure payment of dividends on the Equity Shares in the future. Our ability to pay dividends in the future will depend upon our earnings, financial condition, cash flows and capital requirements.*” on page 59.

The Company has not declared and paid any dividends on the Equity Shares in the six months period ended September 30, 2024 and the Fiscals 2024, 2023 and 2022 till the date of this Prospectus.

**SECTION VII: FINANCIAL INFORMATION**  
**RESTATED CONSOLIDATED FINANCIAL INFORMATION**

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**INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION**

The Board of Directors,

**Denta Water and Infra Solutions Limited**

(Formerly known as Denta Properties and Infrastructure Private Limited)

CIN: - U70109KA2016PLC097869

40, 3rd Floor, Sri Lakshminarayana Mansion,

South End Road, Basavanagudi,

Bangalore, South Bangalore,

Karnataka 560 004, India

Dear Sirs,

- 1) We have examined, the attached restated consolidated financial information of Denta Water and Infra Solutions Limited (Formerly known as Denta Properties and Infrastructure Private Limited) (the "**Company**" or the "**Issuer**") and its associate firm (the Company and its associate firm are collectively referred to as the "**Group**") comprising the Restated Consolidated Financial Information of Assets and Liabilities as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Consolidated Financial Information of Profit and Loss (including other comprehensive income), the Restated Consolidated Financial Information of Changes in Equity, the Restated Consolidated Cash Flow Statement for the period/years ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, a summary of Significant Accounting policies, and other explanatory information (Collectively referred to as, the "**Restated Consolidated Financial Information**"), as approved by the Board of Directors of the Company (the "**Board**") at their meeting held on December 06, 2024 for the purpose of inclusion in the Red Herring Prospectus ("**RHP**") and Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("**Issue**") prepared in terms of the requirements of:
  - (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended and an (the "**Act**");
  - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("**ICDR Regulations**"); and
  - (c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) ("as amended") issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended from time to time (the "**Guidance Note**").
  - (d) E-mail dated June 24, 2022 received from BRLMs, which confirms that the Company should prepare financial statements in accordance with Indian Accounting Standards (Ind AS) and that these financial statements are required for all the three years including stub period, based on email dated October 28, 2021 from Securities and Exchange Board of India ("**SEBI**") to Association of Investment Bankers of India ("**SEBI Letter**")



### **Management's Responsibility for the Restated Financial Information**

- 2) The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information which have been approved by the Board for the purpose of inclusion in the issue documents to be filed with Securities and Exchange Board of India ("SEBI"), the stock exchanges where the equity shares of the Company are proposed to be listed (the "Stock Exchanges"), in connection with the Issue.

The Restated Consolidated Financial Information have been prepared by the Management of the Company on the basis of preparation as mentioned in Note 2a of Annexure V to the Restated Consolidated Financial Information, as applicable. The responsibility of the respective Board of Directors of the companies included in the Group includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the respective restated financial information, which have been used for the purpose of preparation of these Restated Consolidated Financial Information by the management of the Company, as aforesaid. The respective Board of Directors are also responsible for identifying and ensuring that the Company/Group complies with the Act, ICDR Regulations and the Guidance Note.

### **Auditor's Responsibilities**

- 3) We have examined such Restated Consolidated Financial Information taking into consideration:
  - (a) The terms of reference and our engagement agreed upon with you vide our engagement letter dated June 23, 2023, in connection with the Issue;
  - (b) E-mail dated June 24, 2022 received from BRLM, which confirms that the Company should prepare financial statements in accordance with Indian Accounting Standards (Ind AS) and that these financial statements are required for all the three years including stub period, based on email dated October 28, 2021 from Securities and Exchange Board of India to Association of Investment Bankers of India.
  - (c) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India;
  - (d) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
  - (e) The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations, and the Guidance Note in connection with Issue.



**Restated Consolidated Financial Statements as per audited financial statements**

- 4) The Restated Consolidated Financial Information have been compiled by the management from:
- (a) The Audited Special Purpose Consolidated Ind AS financial statements of the Group as at and for the period ended September 30, 2024 prepared by the Company in accordance with Indian Accounting Standards 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 at their meeting held on December 06, 2024.
  - (b) The Audited Special Purpose Consolidated Ind AS financial statements of the Group as at and for the year ended March 31, 2024 prepared by the Company in accordance with Indian Accounting Standards 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 at their meeting held on June 20, 2024.
  - (c) The Audited Special Purpose Consolidated Ind AS financial statements of the Group as at and for the year ended March 31, 2023, prepared in accordance with Indian Accounting Standards as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("**Ind AS**") and other accounting principles generally accepted in India, which have been approved by the Board at their meeting held on September 16, 2023.
  - (d) The Audited Special Purpose Consolidated Ind AS financial statements of the Group for the year ended March 31, 2022 prepared by the Company in accordance with Indian Accounting Standards 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 at their meeting held on September 16, 2023.
- 5) For the purpose of our examination, we have relied on:
- (a) Reports issued by us dated December 07, 2024 on the Special Purpose Consolidated Ind AS financial statements of the Group as at and for the period ended September 30, 2024, as referred in Para 4(a) above.
  - (b) Reports issued by us dated June 21, 2024 on the Special Purpose Consolidated Ind AS financial statements of the Group as at and for the year ended March 31, 2024, as referred in Para 4(b) above.
  - (c) Reports issued by us dated September 16, 2023 on the Special Purpose Consolidated Ind AS financial statements of the Group as at and for the year ended March 31, 2023, as referred in Paragraph 4 (c) above.



- (d) Reports issued by us dated September 16, 2023 on the Special Purpose Consolidated Ind AS financial statements of the Group as at and for the year ended March 31, 2022 as referred in Para 4(d) above.
- 6) The audit reports on Special Purpose Consolidated Ind AS financial statements of the Company for the period/years ended September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 referred to in paragraph 4(c) and 4(d) above included the following emphasis of matter which did not require any corrections:

“Emphasis of matter – Basis of Accounting and Restriction on Distribution and Use”

We draw attention to Note 2a of Annexure V to the Special Purpose Consolidated Ind AS Financial Statements, which describes the purpose and basis of preparation. The Special Purpose Consolidated Ind AS Financial Statements have been prepared by the Company solely for the purpose of preparation of the restated financial information as required under the ICDR Regulations in relation to the proposed initial public issue of the Company. As a result, the Special Purpose Consolidated Ind AS Financial Statements may not be suitable for any another purpose and are not financial statements prepared pursuant to any requirements under Section 129 of the Companies Act, 2013, as amended. The Special Purpose Consolidated Ind AS Financial Statements cannot be referred to or distributed or included in any offering document or used for any other purpose except with our prior consent in writing. Our report is intended solely for the purpose of preparation of the restated financial information and is not to be used, referred to or distributed for any other purpose without our prior written consent.

Our opinion is not modified in respect of this matter.

### **Opinion**

- 7) Based on our examination and according to the information and explanations given to us, we report that the Restated Consolidated Financial Information:
- (a) have been prepared after incorporating adjustments for the change in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial period/year ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at period ended September 30, 2024;
  - (b) do not require any adjustment for modification as there is no modification in the underlying audit reports; and
  - (c) have been prepared in accordance with the Act, the ICDR Regulations, and the Guidance note.



- 8) The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the date of the reports on the audited financial statements mentioned in paragraph 5 above.
- 9) This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
- 10) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- 11) Our report is intended solely for use of the Board for inclusion in the issue documents to be filed with SEBI and the Stock Exchanges in connection with the Issue. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For Maheshwari & Co.  
Chartered Accountants  
Firm's Registration No.105834W**

**Pawan Gattani  
Partner  
Membership No. 144734  
UDIN: 24144734BKBIWI7170**

**Place: Mumbai  
Date: December 07, 2024**





**Denta Water and Infra Solutions Limited**

(Formerly known as Denta Properties and Infrastructure Private Limited)

CIN: - U70109KA2016PLC097869

**Restated Consolidated Financial Information**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Annexure Number</b>
1	RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES	Annexure – I
2	RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS	Annexure – II
3	RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS	Annexure – III
4	RESTATED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	Annexure – IV
5	NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATION- ACCOUNTING POLICY	Annexure – V
6	RESTATED CONSOLIDATED STATEMENT ON ADJUSTMENTS TO AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND FIRST TIME ADOPTION OF IND AS	Annexure – VI
7	NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATION	Annexure – VII

**Denta Water and Infra Solutions Limited**  
(Formerly known as Denta Properties and Infrastructure Private Limited)  
CIN: U70109KA2016PLC097869  
**Annexure I : Restated Consolidated Financial Information of Assets and Liabilities**  
(All amounts in ₹ Million, unless otherwise stated)

Particulars	Note No.	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>I. ASSETS</b>					
<b>Non-Current Assets</b>					
a) Property, Plant and Equipment	4a	242.63	245.06	243.21	100.64
b) Other Intangible Assets	4b	0.19	0.24	0.11	-
c) Financial Assets					
(i) Investments	5	101.14	-	-	-
(ii) Loans	6	-	68.63	66.29	-
(ii) Other Financial Assets	7	50.85	97.34	94.35	5.00
d) Other Non-Current Assets	8	44.20	44.33	50.49	0.35
<b>Total Non-Current Assets (A)</b>		<b>439.00</b>	<b>455.60</b>	<b>454.45</b>	<b>105.99</b>
<b>Current Assets</b>					
a) Inventories	9	223.91	195.13	64.98	33.59
b) Financial Assets					
(i) Trade Receivables	10	101.87	254.63	231.52	134.54
(ii) Cash and Cash Equivalents	11 (a)	5.48	125.77	359.07	135.75
(iii) Bank Balances Other than Cash and Cash Equivalents	11 (b)	171.56	503.82	4.12	-
(iv) Other Financial Assets	12	12.83	38.75	5.25	88.24
c) Other Current Assets	13	1,248.80	624.78	113.37	108.26
<b>Total Current Assets (B)</b>		<b>1,764.46</b>	<b>1,742.88</b>	<b>778.31</b>	<b>500.38</b>
<b>Total Assets (A+B)</b>		<b>2,203.46</b>	<b>2,198.48</b>	<b>1,232.76</b>	<b>606.37</b>
<b>II. EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
a) Equity Share Capital	14	192.00	192.00	48.00	48.00
b) Other Equity	15	1,692.63	1,450.56	997.47	496.31
<b>Total Equity attributable to Equity Holders</b>		<b>1,884.63</b>	<b>1,642.56</b>	<b>1,045.47</b>	<b>544.31</b>
Non-Controlling Interest	16	0.09	0.70	0.64	-
<b>Total Equity (A)</b>		<b>1,884.72</b>	<b>1,643.26</b>	<b>1,046.11</b>	<b>544.31</b>
<b>Liabilities</b>					
<b>Non-Current Liabilities</b>					
a) Financial Liabilities					
(i) Borrowings	17	3.83	5.49	8.63	-
b) Provisions	18	1.88	1.07	0.35	0.12
c) Deferred Tax Liabilities (Net)	19	1.80	1.91	1.03	0.57
d) Other Non-Current Liabilities	20	2.66	2.66	2.66	2.66
<b>Total Non-Current Liabilities</b>		<b>10.18</b>	<b>11.13</b>	<b>12.67</b>	<b>3.35</b>
<b>Current Liabilities</b>					
a) Financial Liabilities					
(i) Borrowings	21	3.26	3.13	2.89	-
(ii) Trade Payables	22	-	-	-	-
- Total Outstanding Dues of Micro and Small Enterprises		0.36	6.29	0.62	0.81
- Total Outstanding Dues of Creditors other than Micro and Small		43.65	106.04	101.12	35.05
b) Other Current Liabilities	23	15.32	117.21	56.46	10.72
c) Provisions	24	171.53	236.79	1.10	0.91
d) Current Tax Liabilities (Net)	25	74.44	74.63	11.79	11.22
<b>Total Current Liabilities</b>		<b>308.56</b>	<b>544.08</b>	<b>173.98</b>	<b>58.71</b>
<b>Total Liabilities (B)</b>		<b>318.74</b>	<b>555.22</b>	<b>186.65</b>	<b>62.06</b>
<b>Total Equity and Liabilities (A+B)</b>		<b>2,203.46</b>	<b>2,198.48</b>	<b>1,232.76</b>	<b>606.37</b>

Note: The above statement should be read with Significant Accounting Policies forming part of the Restated Consolidated Financial Statements.

As per our report of even date attached

For Maheshwari and Co.  
Chartered Accountants  
FRN: 105834W

For and on behalf of Board of Directors of Denta Water and Infra Solutions Limited  
(Formerly known as Denta Properties and Infrastructure Private Limited)

Pawan Gattani  
(Partner)  
M. No. 144734

Manish Shetty  
Managing Director  
DIN - 09075221

R. Narendra Babu  
Director  
DIN - 10330389

Sujata Gaonkar  
Company Secretary  
M. No.: A53988

Sujith T R  
Chief Financial Officer

Place: Mumbai  
Date : December 07, 2024

Place: Bengaluru  
Date: December 06, 2024

**Denta Water and Infra Solutions Limited**  
(Formerly known as Denta Properties and Infrastructure Private Limited)  
CIN: U70109KA2016PLC097869  
Annexure II : Restated Consolidated Statement of Profit and Loss  
(All amounts in ₹ Million, unless otherwise stated)

Particulars	Note No.	For the Period 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
Revenue From Operations	26	977.80	2,385.98	1,743.24	1,195.72
Other Income	27	7.30	32.39	14.23	0.63
<b>Total Income (A)</b>		<b>985.10</b>	<b>2,418.37</b>	<b>1,757.47</b>	<b>1,196.35</b>
<b>Expenses</b>					
Cost of Materials Consumed	28	603.08	1,519.78	1,045.02	668.84
Employee Benefits Expense	29	26.48	36.21	11.26	0.97
Finance Costs	30	1.06	5.07	0.93	-
Depreciation and Amortisation	31	2.58	4.85	3.71	0.86
Other Expenses	32	20.57	38.61	17.36	7.80
<b>Total Expenses (B)</b>		<b>653.78</b>	<b>1,604.53</b>	<b>1,078.28</b>	<b>678.47</b>
<b>Profit Before Tax (A-B)</b>		<b>331.32</b>	<b>813.84</b>	<b>679.19</b>	<b>517.88</b>
<b>Tax Expense:</b>					
- Current Tax	45	89.47	215.64	177.64	134.49
- Deferred Tax	19	(0.14)	0.95	0.44	0.02
<b>Total Tax Expenses</b>		<b>89.33</b>	<b>216.59</b>	<b>178.08</b>	<b>134.51</b>
<b>Restated Profit after Tax attributable to owners of the company</b>		<b>241.99</b>	<b>597.25</b>	<b>501.12</b>	<b>383.37</b>
<b>Other Comprehensive Income/(Loss)</b>					
<b>Items that will not be Reclassified to Statement of Profit and Loss</b>					
Remeasurement of Defined Employee Benefit Plans		0.10	0.23	0.06	0.01
Tax impact of items that will not be reclassified to statement of profit and loss		(0.03)	(0.06)	(0.02)	-
<b>Other Comprehensive Income is Attributable to Owners of the Company</b>		<b>0.08</b>	<b>0.17</b>	<b>0.04</b>	<b>0.01</b>
<b>Total Comprehensive Income</b>		<b>242.06</b>	<b>597.42</b>	<b>501.16</b>	<b>383.38</b>
<b>Earnings Per Share (EPS) attributable to Equity Holder</b>					
<b>Equity Shares of Par Value Rs 10/- Each</b>					
Basic and Diluted	49	12.60	31.11	26.10	19.97

Note: The above statement should be read with Significant Accounting Policies forming part of the Restated Consolidated Financial Statements.

As per our report of even date attached  
For Maheshwari and Co.  
Chartered Accountants  
FRN: 105834W

For and on behalf of Board of Directors of Denta Water and Infra Solutions Limited  
(Formerly known as Denta Properties and Infrastructure Private Limited)

Pawan Gattani  
(Partner)  
M. No. 144734

Manish Shetty  
Managing Director  
DIN - 09075221

R. Narendra Babu  
Director  
DIN - 10330389

Sujata Gaonkar  
Company Secretary  
M. No.: A53988

Sujith T R  
Chief Financial Officer

Place: Mumbai  
Date : December 07, 2024

Place: Bengaluru  
Date: December 06, 2024

**Denta Water and Infra Solutions Limited**  
**(Formerly known as Denta Properties and Infrastructure Private Limited)**  
**CIN: U70109KA2016PLC097869**  
**Annexure III : Restated Consolidated Cash Flow Statement**  
**(All amounts in ₹ Million, unless otherwise stated)**

Particulars		For the Period 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
<b>Cash Flow from/(Used in) Operating Activities</b>					
Profit Before Tax		331.32	813.84	679.19	517.88
<b>Adjustments to Reconcile Net Profit to Net Cash Provided by Operating Activities:</b>					
Depreciation and Amortization		2.58	4.85	3.71	0.86
Finance Cost		1.06	5.07	0.93	-
Interest Income		(4.48)	(17.76)	(6.49)	(0.61)
<b>Operating Profit before Working Capital Changes</b>		<b>330.48</b>	<b>806.00</b>	<b>677.34</b>	<b>518.13</b>
<b>Movement in Working Capital:</b>					
Changes in Trade Receivables		152.76	(23.11)	(96.97)	(97.69)
Changes in Other Financial Assets		25.92	(33.50)	82.99	(88.24)
Changes in Other Current Assets		(623.90)	(505.25)	(55.25)	(54.63)
Changes in Trade Payable		(68.32)	10.59	65.88	1.64
Changes in Borrowings		0.13	0.24	2.89	-
Changes in Provisions		(64.33)	236.18	0.48	0.91
Changes in Other Current Liabilities		(101.89)	60.75	45.74	(189.66)
Changes in Inventories		(28.78)	(130.15)	(31.39)	(22.21)
Repayment of security deposit		(0.01)	-	-	-
<b>Cash Generated/(Used) in Operations</b>		<b>(377.94)</b>	<b>421.75</b>	<b>691.71</b>	<b>68.25</b>
Income Tax Paid (Net)		(89.65)	(152.80)	(177.07)	(146.28)
<b>Cash Generated/(Used) in Operating Activities</b>	<b>(A)</b>	<b>(467.59)</b>	<b>268.95</b>	<b>514.64</b>	<b>(78.03)</b>
<b>Cash Flow from Investing Activities</b>					
Purchase of Property, Plant and Equipment/Capital Expenditure Including Intangible Asset		(0.09)	(6.83)	(146.39)	(45.16)
Interest Received		4.48	17.76	6.49	0.61
Investment/Proceeds from Fixed Deposit with Bank		46.49	(2.99)	(89.35)	-
Investment in Mutual Fund		(101.14)	-	-	-
Loans Given		68.63	(2.34)	(66.29)	-
<b>Cash Generated/ (Used) in Investing Activities</b>	<b>(B)</b>	<b>18.37</b>	<b>5.60</b>	<b>(295.54)</b>	<b>(44.55)</b>
<b>Cash Flow from Financing Activities</b>					
Proceed/(Repayment) of Borrowings (Net)		(1.66)	(3.14)	8.63	(0.47)
Proceed from Non Controlling Interest		(0.61)	0.06	0.64	-
Interest Paid		(1.06)	(5.07)	(0.93)	-
<b>Cash Generated/(Used) in Financing Activities</b>	<b>(C)</b>	<b>(3.33)</b>	<b>(8.15)</b>	<b>8.34</b>	<b>(0.47)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(A+B+C)</b>	<b>(452.55)</b>	<b>266.40</b>	<b>227.44</b>	<b>(123.05)</b>
Cash and Cash Equivalent at Beginning of Period/Year		629.59	363.19	135.75	258.80
Cash and Cash Equivalent at End of Period/Year		177.04	629.59	363.19	135.75
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		<b>(452.55)</b>	<b>266.40</b>	<b>227.44</b>	<b>(123.05)</b>

Note: The above statement should be read with Significant Accounting Policies forming part of the Restated Consolidated Financial Statements.

As per our report of even date attached  
For Maheshwari and Co.  
Chartered Accountants  
FRN: 105834W

For and on behalf of Board of Directors of Denta Water and Infra Solutions Limited  
(Formerly known as Denta Properties and Infrastructure Private Limited)

Pawan Gattani  
(Partner)  
M. No. 144734

Manish Shetty  
Managing Director  
DIN - 09075221

R. Narendra Babu  
Director  
DIN - 10330389

Sujata Gaonkar  
Company Secretary  
M. No.: A53988

Sujith T R  
Chief Financial Officer

Place: Mumbai  
Date : December 07, 2024

Place: Bengaluru  
Date: December 06, 2024

**A Equity Share Capital**

Balance at April 01, 2024	Changes in Equity Share Capital During the Current Period	Balance at the End of the Current Reporting Period September 30, 2024
192.00	-	192.00

Balance at April 01, 2023	Changes in Equity Share Capital During the Current Year	Balance at the End of the Current Reporting Year March 31, 2024
48.00	144.00	192.00

Balance at April 01, 2022	Changes in Equity Share Capital During the Current Year	Balance at the End of the Current Reporting Year March 31, 2023
48.00	-	48.00

Balance at April 01, 2021	Changes in Equity Share Capital During the Current Year	Balance at the End of the Current Reporting Year March 31, 2022
48.00	-	48.00

**B Other Equity**

Particulars	Reserves & Surplus			Other Item of other comprehensive Income (Actuarial gains and losses)	Total
	Capital Reserve	Securities Premium	Retained Earnings		
<b>Balance as at September 30, 2024</b>	-	-	<b>1,692.66</b>	<b>(0.03)</b>	<b>1,692.63</b>
Remeasurement of Defined Benefit Obligation (Net)	-	-	-	0.08	0.08
Opening difference adjustments	-	-	-	0.02	0.02
Transfer to Retained Earnings	-	-	241.99	-	241.99
<b>Balance as at March 31, 2024</b>	-	-	<b>1,450.67</b>	<b>(0.12)</b>	<b>1,450.55</b>
Remeasurement of Defined Benefit Obligation (Net)	-	-	-	(0.17)	(0.17)
Issue of bonus shares	-	-	(144.00)	-	(144.00)
Transfer to Retained Earnings	-	-	597.25	-	597.25
<b>Balance as at March 31, 2023</b>	-	-	<b>997.42</b>	<b>0.05</b>	<b>997.47</b>
Remeasurement of Defined Benefit Obligation (Net)	-	-	-	0.04	0.04
Transfer to Retained Earnings	-	-	501.12	-	501.12
<b>Balance as at March 31, 2022</b>	-	-	<b>496.30</b>	<b>0.01</b>	<b>496.31</b>
Remeasurement of Defined Benefit Obligation (Net)	-	-	-	0.01	0.01
Transfer to Retained Earnings	-	-	383.37	-	383.37
<b>Balance as at March 31, 2021</b>	-	-	<b>112.93</b>	-	<b>112.93</b>

Note: The above statement should be read with Significant Accounting Policies forming part of the Restated Consolidated Financial Statements.

As per our report of even date attached

For Maheshwari and Co.  
Chartered Accountants  
FRN: 105834W

For and on behalf of Board of Directors of Denta Water and Infra Solutions Limited  
(Formerly known as Denta Properties and Infrastructure Private Limited)

Pawan Gattani  
(Partner)  
M. No. 144734

Manish Shetty  
Managing Director  
DIN - 09075221

R. Narendra Babu  
Director  
DIN - 10330389

Sujata Gaonkar  
Company Secretary  
M. No.: A53988

Sujith T R  
Chief Financial Officer

Place: Mumbai  
Date : December 07, 2024

Place: Bengaluru  
Date: December 06, 2024

**Denta Water and Infra Solutions Limited**  
**(Formerly known as Denta Properties and Infrastructure Private Limited)**  
**CIN: U70109KA2016PLC097869**  
**Annexure V**  
**(All amounts in Rs Million, unless otherwise stated)**

**Notes to the Restated Consolidated Financial Information including a summary of significant accounting policies and other explanatory information.**

**1 Company overview:**

The Restated Consolidated Financial Information comprise financial information of Denta Water and Infra Solutions Limited (the Company) and its associate firm (collectively, the group) for each period/year ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022.

Denta Water and Infra Solutions Limited (Formerly known as Denta Properties and Infrastructure Private Limited) is a Public Limited Company situated in India and incorporated under the provisions of the Companies Act, 2013 having registered office at 40, 3rd Floor, Sri Lakshminarayana Mansion, South End Road, Basavanagudi, Bangalore, South Bangalore, Karnataka 560004, India. It came into existence on the 17th day of November 2016. The Company is engaged in the business to establish, provide, maintain and perform engineering and related technical and consultancy services, quality control, construction and related services in connection with the projects related to development and revitalising of water resources and water resources development projects to achieve the ultimate goal of ground water recharging which is the focus area of company, irrigation, water supply, including planning, design, supervision of construction, operation and maintenance of all kinds of works involved in the development and utilisation of water resources, along with undertaking in India and abroad, preparation of Feasibility Reports, Detailed Project Reports, Field Investigations, Engineering Designs, Tender Engineering, Quality Control, Monitoring and Evaluation, Work Measurement and Billing, Capacity Building, Rehabilitation and Modernization, Operation & Maintenance, Project Management, Turnkey Execution, EPC Contracts, Upgradation encompassing revitalising of water Resources and Infrastructure Development, Watershed Management including Water Harvesting, Rain fed and Irrigated agriculture and Farm Mechanization works, Water Supply, Drainage and Sewerage Systems including Treatment Plants, Lift irrigation projects, Inlands Waterways, Ponds & Tanks, Lakes and Wetlands, and natural resources management and other related/allied works and undertake and carry on in-house Research and Development involving use and application of Computer Systems in Water Resources Projects and to carry on the business such as contractors, builders, developers, planners, operators, facilitator, engineers, consultants, surveyors and agents to construct, execute, carryout, support, maintain, operate, improve, work, develop, administer, manage, control all kinds and type of mechanical, civil and infrastructure projects including environmental engineering, roads and buildings, railway, bridges, flyovers hotels, airports including Repairs, Construction and Implementation of all kinds of civil works, which may include all but not limited to Roads, Highways and Bridges, Buildings including Industrial and Office Buildings, Housing, Airports, Railways/ Metros, all allied and ancillary activities related thereto either independently or jointly in partnership, joint venture or on agency or sub contracts basis with or on behalf of any individual, firm, body corporate, association or society, Central or State Government, or any local authority in India or outside.

The Restated Consolidated Financial Information are authorized for issue by the Company's Board of Directors on December 06, 2024.

**2 Basis of Preparation of Financial Information**

**a. Statement of Compliance with Ind AS**

The Consolidated Financial Information of the company comprise of 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), the restated consolidated statement of changes in equity and the restated consolidated statement of cash flows for the period/year ended

September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, and the statement of significant accounting policies, and other explanatory information relating to such financial periods; (together referred to as **‘Restated Consolidated Financial Information’**).

The Restated Consolidated Financial Information has been prepared on a going-concern basis.

These Restated Consolidated Financial Information does not reflect the effects of events that occurred subsequent to the respective dates of the board meeting held for the approval of the Financial Information as at and for the period/year ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 as mentioned above.

The accounting policies are applied consistently to all the periods presented in the Restated Consolidated Financial Information except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

The restated consolidated financial information of Denta Water and Infra Solutions Limited (Formerly Known as Denta Water and Infra Solutions Private Limited) (the “Company” or the “Issuer”) and its associate firm (the Company and its associate firm are collectively 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), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the period/year ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, a summary of Significant Accounting policies, and other explanatory information (Collectively referred to as, the “Restated Consolidated Financial Information”), as approved by the Board of Directors of the Company (the “Board”) at their meeting held on December 06, 2024 for the purpose of inclusion in the Red Herring Prospectus` (“RHP”) and Prospectus (“Prospectus”) prepared by the Company in connection with its proposed Initial Public Offer of equity shares (“Issue”) prepared in terms of the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended and an (the “Act”);
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (“ICDR Regulations”); and
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).

The Restated Consolidated Financial Information has been compiled by the management of the Company from:

- a) Audited Consolidated Ind AS financial information of the Group as at and for the period ended September 30, 2024 prepared in accordance with Indian Accounting Standard (Ind AS), specified under section 133 of the Act and other accounting principles generally accepted in India (the “Consolidated Financial Information 2024”) which have been approved by the Board of Directors in their meeting held on December 06, 2024. The Consolidated Ind AS Financial Information for September, 2024 has been prepared by the management of the Company, using recognition and measurement principles of Ind AS, by adjusting audited consolidated statutory financial information as at and for the period ended September, 2024.
- b) Audited Consolidated Ind AS financial information of the Group as at and for the year ended March 31, 2024 prepared in accordance with Indian Accounting Standard (Ind AS), specified under section 133 of the Act and other accounting principles generally accepted in India (the “Consolidated Financial Information 2024”) which have been approved by the Board of Directors in their meeting held on June 20, 2024. The Consolidated Ind AS Financial Information for March 2024 has been prepared by the management of the

Company, using recognition and measurement principles of Ind AS, by adjusting audited consolidated statutory financial information as at and for the year ended March, 2024.

- c) Audited Consolidated Ind AS financial information of the Group as at and for the year ended March 31, 2023, prepared in accordance with Indian Accounting Standard (Ind AS), specified under section 133 of the Act and other accounting principles generally accepted in India (the “Special Purpose Consolidated Ind AS Financial Information 2023”) which have been approved by the Board of Directors in their meeting held on September 16, 2023. The Special Purpose Consolidated Ind AS Financial Information 2023 has been prepared by the management of the Company, using recognition and measurement principles of Ind AS.
- d) Audited special purpose Consolidated Ind AS financial information of the Group as at and for the year ended March 31, 2022 prepared in accordance with Indian Accounting Standard (Ind AS), specified under section 133 of the Act and other accounting principles generally accepted in India (the “Special Purpose Consolidated Ind AS Financial Information 2022”) which have been approved by the Board of Directors in their meeting held on September 16, 2023. The Special Purpose Consolidated Ind AS Financial Information 2022 has been prepared by the management of the Company, using recognition and measurement principles of Ind AS, by adjusting audited consolidated statutory financial information as at and for the year ended March 31, 2022, which were prepared in accordance with the Accounting Standards prescribed under the section 133 of the Act (“Indian GAAP”) and approved by the Board of Directors in their meeting held on September, 01, 2022.

These Restated Consolidated Financial Information have been prepared to comply in all material respects with the Indian Accounting Standard (‘Ind AS’) notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) as applicable.

This note provides a list of the significant accounting policies adopted in the preparation of the Restated Consolidated Financial Information. These policies have been consistently applied to all the year presented unless otherwise stated.

The Restated Consolidated Financial Information has been prepared on an accrual basis under the historical cost convention except where the Ind AS requires a different accounting treatment.

#### **b. Functional and presentation currency**

These Restated Consolidated Financial Information are presented in ₹, which is also functional currency of the Company. All amounts disclosed in the Restated Consolidated Financial Information and notes have been rounded off to the nearest “million” with two decimals, unless otherwise stated.

#### **c. Use of estimates**

The preparation of Restated Consolidated Financial Information in conformity with Ind AS requires the Management to make estimates and assumptions that affect the reported amount of assets and liabilities as at the Statement of assets and liabilities date, reported amount of revenue and expenditure for the year and disclosures of contingent liabilities as at the Statement of assets and liabilities date. Actual results could differ from those estimates.



This note provides an overview of the areas where there is a higher degree of judgment or complexity. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation.

**The areas involving critical estimates or judgments are:**

- Valuation of financial instruments.
- Useful life of property, plant, and equipment.
- Defined benefit obligation.
- Provisions.
- Recoverability of trade receivables.
- Recognition of revenue and allocation of the transaction price.
- Current tax expense and current tax payable.

Estimates and judgments are regularly revisited. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the company.

**d. Current / non-current classification**

The Company presents assets and liabilities in the statement of assets and liabilities based on current / non-current classification.

An asset is classified as current when it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle, held primarily for the purpose of being traded, expected to be realized within 12 months after the reporting date; cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current if it is expected to be settled in the Company's normal operating cycle, it is held primarily for the purpose of being traded, it is due to be settled within 12 months after the reporting date, or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current only.

The company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

**3 Significant Accounting Policies**

**(a) Basis of accounting**

The Company maintains its accounts on an accrual basis following historical cost convention, except for certain assets and liabilities that are measured at fair value in accordance with Ind AS.

Fair value measurements are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date;

- Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the assets or liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

Above levels of fair value hierarchy are applied consistently and generally, there are no transfers between the levels of the fair value hierarchy unless the circumstances change warranting such transfer.

**(b) Presentation of Restatement of Consolidated Financial Information**

The Restatement of Consolidated Statement of assets and liabilities, the Restatement of Consolidated Statement of Profit and Loss and the Restatement of Consolidated Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (the Act). The Restatement of Consolidated Statement of Cash Flows has been prepared and presented in accordance with Ind AS 7 “Statement of Cash Flows”. The disclosures with respect to items in the Restatement of Consolidated Statement of assets and liabilities and Restatement of Consolidated Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the Restatement of Consolidated Financial Information along with the other notes required to be disclosed under the notified Accounting Standards.

Amounts in the Restatement of Consolidated Financial Information are presented in Indian Rupee in millions [one million = Ten Lakhs] rounded off to two decimal places as permitted by Schedule III to the Act. Per share data are presented in Indian Rupee in millions to two decimals places.

**(c) Operating cycle for current and non-current classification**

Operating cycle for the business activities of the Company covers the duration of the specific project or contract or product line or service including the defect liability period wherever applicable and extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business.

**(d) Revenue recognition**

Revenue from contracts with customers is recognised when a performance obligation is satisfied by the transfer of promised goods or services to a customer.

For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to date, to the total estimated cost attributable to the performance obligation. The Company transfers control of a good or service over time and therefore satisfies a performance obligation and recognises revenue over a period of time if one of the following criteria is met:

- (a) the customer simultaneously consumes the benefit of the Company’s performance or
- (b) the customer controls the asset as it is being created/ enhanced by the Company’s performance or
- (c) there is no alternative use of the asset, and the Company has either explicit or implicit right of payment considering legal precedents,

In all other cases, performance obligation is considered as satisfied at a point in time.

The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. The Company includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved. 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 the financing component, if significant, is separated from the transaction price and accounted as interest income.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged off in profit or loss immediately in the period in which such costs are incurred. The Company recognises asset from the cost, if any, incurred to fulfill the contract such as set up and mobilisation costs and amortises it over the contract tenure on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

Significant judgments are used in:

- a. Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation.
- b. Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.
- c. Determining the method to be applied to arrive at the variable consideration requiring an adjustment to the transaction price.

(i) Revenue from operations

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.

A. Revenue from sale of goods including contracts for supply/commissioning of complex plant and equipment is recognised as follows:

Revenue is recognised when the control of the same is transferred to the customer and it is probable that the Company will collect the consideration to which it is entitled for the exchanged goods. Revenue from commissioning of complex plant and equipment is recognised either 'over time' or 'in time' based on an assessment of the transfer of control as per the terms of the contract.

B. Revenue from construction/project related activity is recognised as follows:

- Cost plus contracts: Revenue from cost plus contracts is recognised over time and is determined with reference to the extent performance obligations have been satisfied. The amount of transaction price allocated to the performance obligations satisfied represents the recoverable costs incurred during the period plus the margin as agreed with the customer.
- Fixed price contracts: Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at an allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method.

Percentage of completion is the proportion of cost of work performed to date, to the total estimated contract costs. 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 and termed as "Due from customers". For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "Due to customers". Amounts received before the related work is performed are disclosed in the Restatement of Consolidated Statement of assets and liabilities as contract liability and termed as "Advances from customer." The amounts billed on customer for work performed and are unconditionally due for payment i.e., only passage of time is required before payment falls due, are disclosed in the Restatement of Consolidated Statement of assets and liabilities as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

Provision for foreseeable losses in the Restatement of Consolidated Financial Information is recognised in profit or loss to the extent the carrying amount of the contract asset exceeds the remaining amount of consideration that the Company expects to receive towards remaining performance obligations (after deducting the costs that relate directly to fulfill such remaining

- performance obligations). The Company recognises impairment loss (termed as provision for expected credit loss on contract assets in the Restatement of Consolidated Financial Information) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.
- C. Revenue from property development activities is recognised when performance obligation is satisfied, the customer obtains control of the property transferred and a reasonable expectation of collection of the sale consideration from the customer exists.
  - D. Revenue from rendering of services is recognised over time as the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred.
- Unbilled revenue represents the value of services performed in accordance with the contract terms but not billed.
- E. Revenue from contracts for rendering of engineering design services and other services which are directly related to the construction of an asset is recognised on the same basis as stated in (B) above.
  - F. Other operational revenue represents income earned from the activities incidental to the business and is recognised when the performance obligation is satisfied and the right to receive the income is established as per the terms of the contract.
- (ii) Other income
- A. 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 Company and the amount of income can be measured reliably.

**(e) Property, plant and equipment (PPE)**

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation, and cumulative impairment, if any. All directly attributable costs related to the acquisition of PPE and borrowing costs in the case of qualifying assets are capitalised in accordance with the Company's accounting policy.

Own manufactured PPE is capitalised at cost including an appropriate share of overheads. Administrative and other general overhead expenses that are specifically attributable to construction or acquisition of PPE or bringing the PPE to working condition are allocated and capitalised as a part of the cost of the PPE.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

PPE not ready for the intended use on the date of the Restatement of Consolidated Statement of assets and liabilities are disclosed as "capital work-in-progress." (Also refer to the policies on leases, borrowing costs, impairment of assets and foreign currency transactions infra).

Depreciation is recognised using straight line method so as to write off the cost of the assets (other than freehold land and capital work-in-progress) over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

The depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Where cost of a part of the asset (“asset component”) is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately, and such asset component is depreciated over its separate useful life.

Depreciation on additions to/deductions from, owned assets is calculated pro rata to the period of use.

PPE is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from derecognition is recognised in the Statement of Restatement of Consolidated Profit and Loss in the same period.

#### **(f) Intangible assets**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortization, and cumulative impairment. All directly attributable costs and other administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets. Research and development expenditure on new products:

#### **(g) Employee Benefits**

##### **(i) Short term employee benefits:**

Employee benefits such as salaries, wages, short term compensated absences, bonus, ex-gratia and performance-linked rewards falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the service.

##### **(ii) Post-employment benefits:**

A. Defined contribution plans: The Company’s superannuation scheme, state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the service.

B. Defined benefit plans: The employees’ gratuity fund schemes and employee provident fund schemes managed by the board of trustees established by the Company, the post-retirement medical care plan and the company pension plan represent defined benefit plans. The present value of the obligation under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method. The obligation towards defined benefit plans is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Restatement of Consolidated Statement of assets and liabilities date.

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Restatement of Consolidated Profit and Loss as employee benefits expense. Interest cost implicit in defined benefit employee cost is recognised in the Statement of Restatement of

Consolidated Profit and Loss under finance costs. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Company recognises related restructuring costs or termination benefits.

In the case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

(i) Long-term employee benefits:

The obligation recognised in respect of long-term benefits such as compensated absences, long service award etc. is measured at present value of estimated future cash flows expected to be made by the Company and is recognised in a similar manner as in the case of defined benefit plans vide (ii)(B) above.

Long-term employee benefit costs comprising current service cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognised in the Statement of Restatement of Consolidated Profit and Loss as employee benefits expenses. Interest cost implicit in long-term employee benefit cost is recognised in the Restatement of Consolidated Statement of Profit and Loss under finance costs.

(ii) Termination benefits:

Termination benefits such as compensation under employee separation schemes are recognised as expense when the Company's offer of the termination benefit can no longer be withdrawn or when the Company recognises the related restructuring costs whichever is earlier.

**(h) Leases**

Assets taken on lease are accounted as right-of-use assets and the corresponding lease liability is recognised at the lease commencement date. Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, as reduced by any lease incentives received.

The lease liability is initially measured at the present value of the lease payments, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate, or a change in the estimate of the guaranteed residual value, or a change in the assessment of purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The right-of-use asset is measured by applying cost model i.e., right-of-use asset at cost less accumulated depreciation and cumulative impairment, if any. The right-of-use asset is depreciated using the written down value method from the commencement date to the end of the lease term or useful life of the underlying asset whichever is earlier. The carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

Lease payments associated with following leases are recognised as expense on written down value basis:

- (i) Low value leases; and
- (ii) Leases which are short-term.

Assets given on lease are classified either as operating lease or as finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Asset held under finance lease is initially recognized in Restatement of Consolidated Statement of assets and liabilities and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the Company's net investment in the lease. A lease which is not classified as a finance lease is an operating lease. The Company recognises lease payments in the case of assets given on operating leases as income on a written down value basis. The Company

presents underlying assets subject to operating lease in its Restatement of Consolidated Statement of assets and liabilities under the respective class of asset. (Also refer to policy on depreciation, above).

### **(i) Financial instruments**

Financial assets and/or financial liabilities are recognised when the Company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at fair value except for trade receivables not containing a significant financing component which are initially measured at transaction price. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such financial assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

In the case of funding to subsidiary companies in the form of interest free or concession loans and preference shares, the excess of the actual amount of the funding over initially measured fair value is accounted as an equity investment. A financial asset and a financial liability are offset and presented on net basis in the Restatement of Consolidated Statement of assets and liabilities when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

#### **(i) Financial assets:**

A. All recognised financial assets are subsequently measured in their entirety either at amortised cost or at fair value as follows:

1. Investments in debt instruments that are designated as fair value through profit or loss (FVTPL) - at fair value. Debt instruments at FVTPL are a residual category for debt instruments, if any, and all changes are recognised in profit or loss.
2. Investments in debt instruments that meet the following conditions are subsequently measured at amortised cost (unless the same designated as fair value through profit or loss):
  - The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
  - The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
3. Investment in debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income [FVTOCI] (unless the same are designated as fair value through profit or loss)
  - The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
  - The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
4. Investment in equity instruments issued by subsidiary, associate and joint venture companies are measured at cost less impairment.
5. Investment in preference shares of the subsidiary companies are treated as equity instruments if the same are convertible into equity shares or are redeemable out of the proceeds of equity instruments issued for the purpose of redemption of such investments. Investment in preference shares not meeting the aforesaid conditions are classified as debt instruments at FVTPL.

6. Investments in equity instruments issued by other than subsidiaries are classified as at FVTPL, unless the related instruments are not held for trading and the Company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income.

7. Trade receivables, security deposits, cash and cash equivalents, employee and other advances – at amortised cost.

B. For financial assets that are measured at FVTOCI, income by way of interest and dividend, provision for impairment and exchange difference, if any, (on debt instrument) are recognised in profit or loss and changes in fair value (other than on account of above income or expense) are recognised in other comprehensive income and accumulated in other equity. On disposal of debt instruments at FVTOCI, the cumulative gain or loss previously accumulated in other equity is reclassified to profit or loss. In the case of equity instruments at FVTOCI, such cumulative gain or loss is not reclassified to profit or loss on disposal of investments.

C. A financial asset is primarily derecognised when:

1. the right to receive cash flows from the asset has expired, or
2. the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount at the date of derecognition and the consideration received is recognised in profit or loss.

D. Impairment of financial assets: Impairment loss on trade receivables is recognised using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 and is adjusted for forward looking information. Impairment loss on investments is recognised when the carrying amount exceeds its recoverable amount. For all other financial assets, expected credit losses are recognised based on the difference between the contractual cashflows and all the expected cash flows, discounted at the original effective interest rate. ECLs are measured at an amount equal to 12-month expected credit losses or at an amount equal to lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(ii) Financial liabilities:

A. Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the amount of impairment loss allowance, or the amount recognised at inception net of cumulative amortisation, whichever is higher. All other financial liabilities including loans and borrowings are measured at amortised cost using the Effective Interest Rate (EIR) method.

B. Financial liability is derecognised when the related obligation expires or is discharged or cancelled.

(iii) The Company designates certain hedging instruments, such as derivatives, embedded derivatives and in respect of foreign currency risk, certain non-derivatives, as either fair value hedges, cash flow hedges or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges.

A. Fair value hedges: Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.



Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

B. Cash flow hedges: In case of transaction related hedges, the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity as 'hedging reserve.' The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Amounts previously recognised in other comprehensive income and accumulated in equity relating to the effective portion, are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as the hedged item. The effective portion of the hedge is determined at the lower of the cumulative gain or loss on the hedging instrument from inception of the hedge and the cumulative change in the fair value of the hedged item from the inception of the hedge and the remaining gain or loss on the hedging instrument is treated as ineffective portion.

In the case of time period related hedges, the premium element and the spot element of a forward contract is separated and only the change in the value of the spot element of the forward contract is designated as the hedging instrument. Similarly, wherever applicable, the foreign currency basis spread is separated from the financial instrument and is excluded from the designation of that financial instrument as the hedging instrument in case of time period related hedges. The changes in the fair value of the premium element of the forward contract or the foreign currency basis spread of the financial instrument is accumulated in a separate component of equity as "cost of hedging reserve." The changes in the fair value of such a premium element or foreign currency basis spread are reclassified to profit or loss as a reclassification adjustment on a written down basis over the period of the forward contract or the financial instrument.

The cash flow hedges are allocated to the forecast transactions on a gross exposure basis. Where the hedged forecast transaction results in the recognition of a non-financial asset, such gains/losses are transferred from hedge reserve (but not as reclassification adjustment) and included in the initial measurement cost of the non-financial asset.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised in profit or loss.

(iv) Compound financial instruments issued by the Company which can be converted into fixed number of equity shares at the option of the holders irrespective of changes in the fair value of the instrument are accounted by recognising the liability and the equity components separately. The liability component is initially recognised at the fair value of a comparable liability that does not have an equity conversion option. The equity component is initially recognised as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. The directly attributable transaction costs are allocated to the liability and the equity components in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequently.

## **(j) Inventories**

Inventories are valued after providing for obsolescence, as under:

- (i) Raw materials, components, construction materials, stores, spares and loose tools at lower of weighted average cost or net realisable value. However, these items are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or above cost.
- (ii) Construction work-in-progress at lower of weighted average cost including related overheads or net realisable value. In some cases, manufacturing work-in-progress are valued at lower of specifically

identifiable cost or net realisable value. In the case of qualifying assets, cost also includes applicable borrowing costs vide policy relating to borrowing costs.

- (iii) Finished goods and stock-in-trade (in respect of goods acquired for trading) at lower of weighted average cost or net realizable value. Cost includes costs of purchases, costs of conversion and other costs incurred in bringing the inventories to their present location. Taxes which are subsequently recoverable from taxation authorities are not included in the cost.
- (iv) Completed property/work-in-progress (including land) in respect of property development activity at lower of specifically identifiable cost or net realisable value.

Assessment of net realisable value is made at each reporting period end and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

#### **(k) Cash and bank balances**

Cash and bank balances include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short-term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

#### **(l) Securities premium**

(i) Securities premium includes:

- A. The difference between the face value of the equity shares and the consideration received in respect of shares issued.
- B. The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme.

(ii) The issue expenses of securities which qualify as equity instruments are written off against securities premium.

#### **(m) Borrowing Costs**

Borrowing costs include finance costs calculated using the effective interest method, finance charges in respect of assets acquired on lease and exchange differences arising on foreign currency borrowings to the extent they are regarded as an adjustment to finance costs.

In cases where hedging instruments are acquired for protection against exchange rate risk related to borrowings and are accounted as hedging a time-period related hedge item, the borrowing costs also include the amortisation of premium element of the forward contract and foreign currency basis spread as applicable, over the period of the hedging instrument.

Borrowing costs net of any investment income from the temporary investment of related borrowings that are attributable to the acquisition, construction or production of a qualifying asset are capitalised/inventorised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### **(n) Share-based payment arrangements**

The stock options granted to employees in terms of the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight-line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the general reserve within equity.

The fair value of the stock options granted to employees of the Company by the Company's subsidiaries is accounted as employee compensation cost over the vesting period and where such fair value is not recovered by the subsidiaries, the same is treated as dividend declared by them. The share-based payment equivalent to the fair value as on the date of grant of employee stock options granted to key managerial personnel is disclosed as a related party transaction in the year of grant.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

#### **(o) Foreign currencies**

(i) The functional currency of the Company is the ₹. This Restated Consolidated Financial Information are presented in ₹.

#### **(p) Taxes on income**

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and using estimates and judgments based on the expected outcome of assessments/appeals and the relevant rulings in the areas of allowances and disallowances.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's Restatement of Consolidated Financial Information and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates as per laws enacted or substantively enacted as on the Restatement of Consolidated Statement of assets and liabilities date.

Deferred tax liabilities are generally recognised for all taxable temporary differences including the temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Transactions or events which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

#### **(q) Interests in joint operations**

The Company as a joint operator recognises in relation to its interest in a joint operation, its share in the assets/liabilities held/ incurred jointly with the other parties of the joint arrangement. Revenue is recognised for its share of revenue from the sale of output by the joint operation. Expenses are recognised for its share of expenses incurred jointly with other parties as part of the joint arrangement. Interests in joint operations are included in the segments to which they relate.

#### **(r) Provisions, contingent liabilities and contingent assets**

Provisions are recognised only when:

- (i) the Company has a present obligation (legal or constructive) as a result of a past event; and
- (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (iii) a reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

- (i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- (ii) a present obligation arising from past events when no reliable estimate is possible. Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Restatement of Consolidated Statement of assets and liabilities date. Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

#### **(s) Commitments**

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- (i) estimated amount of contracts remaining to be executed on capital account and not provided for;
- (ii) uncalled liability on shares and other investments partly paid;
- (iii) funding related commitment to subsidiary, associate and joint venture companies; and
- (iv) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

#### **(t) Discontinued operations and non-current assets held for sale**

Discontinued operation is a component of the Company that has been disposed of or classified as held for sale and represents a major line of business.

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

#### **(u) Restatement of Consolidated Statement of Cash Flows**

Restatement of Consolidated Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the profit before tax excluding exceptional items for the effects of:

- (i) changes during the period in inventories and operating receivables and payables;
- (ii) non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses; and
- (iii) all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Restatement of Consolidated Statement of Cash Flows exclude items which are not available for general use as at the date of Restatement of Consolidated Statement of assets and liabilities.

#### **(v) Key sources of estimation**

The preparation of Restatement of Consolidated Financial Information in conformity with Ind AS requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the Restatement of Consolidated Financial Information. The estimates and underlying assumptions made by management are explained under respective policies. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value/recoverable amount measurement, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

#### **4 Recent pronouncements:**

On March 31, 2023, Ministry of Corporate Affairs amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, which becomes effective from April 1, 2023. The gist of the amendments is as follows:

- Ind AS 1, Presentation of Restatement of Consolidated Financial Information - It is specified when the accounting policy information is material, and the requirement to disclose significant accounting policies is substituted with the disclosure of material accounting policy information.
- Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors - The definition of “change in accounting estimate” is substituted with the definition of “accounting estimates”. Accounting estimates are monetary amounts in Restatement of Consolidated Financial Information that are subject to measurement uncertainty.
- Ind AS 12, Income Taxes – it is required to recognise deferred tax liability or asset for all temporary differences arising from initial recognition of an asset or liability in a transaction that gives rise to equal taxable and deductible temporary differences.

The above amendments will not have material impact on the Company’s Restatement of Consolidated Financial Information.

**Denta Water and Infra Solutions Limited**

(Formerly known as Denta Properties and Infrastructure Private Limited)

CIN: U70109KA2016PLC097869

**Annexure VI : Restated Statement on Adjustments to Consolidated Audited Financial Statements**

(All amounts in ₹ Million, unless otherwise stated)

**A) Restatement Adjustments**

Summarised below are the restatement adjustments made to the equity of the Consolidated Audited financial statements of the company for the period/years ended September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 and their consequential impact on the profit / (loss) of the company :

**(i) Reconciliation between Profit After Tax for the Year as per Audited / Consolidated Financial Statements and Profit after Tax as per Restated Consolidated Financial Information:**

Particulars	Notes	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>As reported under Audited / Consolidated Financial Statements</b>					
<b>Profit After Tax</b>		<b>241.99</b>	<b>604.68</b>	<b>498.55</b>	<b>400.16</b>
<b>Adjustments:</b>					
Remeasurement of Post-employment benefit obligations	1	-	-	-	(0.03)
Provision for Expected Credit Loss on trade receivables	2	-	-	-	(0.49)
<b>Rectification of Prior Year Errors</b>	3				
Adjustments to Property, Plant & Equipment and its Amortisation		-	-	-	(0.02)
Deferred Tax	4	-	-	(4.85)	0.85
Tax effect of Adjustments		-	-	7.42	-
CSR		-	-	-	(0.91)
Unbilled Revenue		-	-	-	(15.60)
Repair and Maintenance Building		-	-	-	(0.47)
Property Tax		-	-	-	(0.12)
<b>Total adjustments</b>			<b>-</b>	<b>2.57</b>	<b>(16.79)</b>
<b>Profit after tax as per Audited / Consolidated Financial Statements</b>		<b>241.99</b>	<b>604.68</b>	<b>501.12</b>	<b>383.37</b>
Restatement Adjustments		-	7.43	-	-
<b>Profit After Tax as per Restated Consolidated Financial Information</b>		<b>241.99</b>	<b>597.25</b>	<b>501.12</b>	<b>383.37</b>

**ii) Reconciliation of Other Equity**

Particulars	Notes	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Other Equity as per Audited / Consolidated Financial Statements</b>					
		<b>1,692.63</b>	<b>1,450.56</b>	<b>994.90</b>	<b>499.72</b>
<b>Adjustments:</b>					
Remeasurement of Post-employment benefit obligations	1	-	-	-	(0.09)
Provision for Expected Credit Loss on trade receivables	2	-	-	-	(0.72)
<b>Rectification of Prior Year Errors</b>	3				
Adjustments to Property, Plant & Equipment and its Amortisation		-	-	-	0.16
Deferred Tax	4	-	-	(4.85)	0.91
Unbilled Revenue		-	-	-	(3.08)
Repair and Maintenance Building		-	-	-	(0.47)
Tax effect of Adjustments		-	-	7.42	-
Property Tax		-	-	-	(0.12)
<b>Total adjustments</b>			<b>-</b>	<b>2.57</b>	<b>(3.41)</b>
<b>Other Comprehensive Income</b>					
		-	-	-	-
<b>Other Equity as per Restated Consolidated Financial Information</b>		<b>1,692.63</b>	<b>1,450.56</b>	<b>997.47</b>	<b>496.31</b>

**Notes to Adjustments**
**1. Remeasurements of Post-Employment Benefit Obligations**

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year.

**Annexure VI : Restated Statement on Adjustments to Consolidated Audited Financial Statements**  
**(All amounts in ₹ Million, unless otherwise stated)**

**2. Expected Credit Loss**

As per Ind AS 109, the company is required to apply expected credit loss model for recognising the allowance for doubtful debt.

**3. Impact of Ind AS 8**

Accounting Policies, Changes in Accounting Estimates and Errors are corrected retrospectively by restating the comparative amount for prior period presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position.

**4. Deferred Tax**

Deferred tax have been recognised on the adjustments made on transition to Ind AS.

**(iii) Reconciliation between Other Comprehensive Income for the year as per audited consolidated financial statements and Other Comprehensive Income as per Restated of Consolidated Financial Information.**

Particulars	Notes	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Other Comprehensive Income as per Audited / Consolidated Financial Statements</b>		<b>(0.03)</b>	<b>(0.12)</b>	-	-
Ind AS Adjustment		-	-	0.05	0.01
<b>Other comprehensive Income after IND AS Adjustments</b>		<b>(0.03)</b>	<b>(0.12)</b>	<b>0.05</b>	<b>0.01</b>
Restatement Adjustment		-	-	-	-
<b>Restated Other Comprehensive Income</b>		<b>(0.03)</b>	<b>(0.12)</b>	<b>0.05</b>	<b>0.01</b>

**Notes to Adjustments**

1) The Tax rate applicable for the respective years has been used to calculate the deferred tax impact on the adjustments made on account of restatement and IND AS.

2) Appropriate adjustments have been made in the Restated Balance Sheet, Restated Statement of Profit and Loss, Restated Cash Flow Statement and other disclosures, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company for the period ended September 30, 2024.

**B) Non Adjusting Items**

**(i) Audit Qualifications for the Respective Years, which do not require any adjustments in the Financial Statement**

There are no audit qualification in auditor's report for the period/ year ended September 30, 2024, March 31, 2024 March 31, 2023 and March 31, 2022.

**(ii)** No audit qualifications included in the annexure to the Auditors' reports issued under Companies (Auditor's Report) Order, 2020, on the consolidated financial statements for the year ended as on March 31, 2024 and March 31, 2023 and no audit qualifications included in the annexure to the Auditors' reports issued under Companies (Auditor's Report) Order, 2016 (as amended) on the financial statements for the year ended March 31, 2022.

**Denta Water and Infra Solutions Limited**  
(Formerly known as Denta Properties and Infrastructure Private Limited)  
CIN: U70109KA2016PLC097869  
Annexure VII : Notes to Restated Consolidated Financial Information  
(All amounts in ₹ Million, unless otherwise stated)

**4a Property, Plant and Equipment**

Particulars	Land	Building	Plant and Machinery	Office Equipment	Vehicles	Resort Furniture and Fitting	Furniture And Fixtures	Computer and Printers	Total Tangible Assets
<b>Gross Cost</b>									
<b>As at March 31, 2021</b>	<b>48.04</b>	<b>8.48</b>	<b>-</b>	<b>0.11</b>	<b>0.12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56.75</b>
Additions	6.20	18.10	0.28	0.60	13.70	6.28	-	-	45.16
Deductions/Adjustments	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>54.24</b>	<b>26.58</b>	<b>0.28</b>	<b>0.71</b>	<b>13.82</b>	<b>6.28</b>	<b>-</b>	<b>-</b>	<b>101.91</b>
Additions	129.72	0.53	11.99	-	1.79	1.39	0.33	0.51	146.26
Deductions/Adjustments	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2023</b>	<b>183.96</b>	<b>27.11</b>	<b>12.27</b>	<b>0.71</b>	<b>15.61</b>	<b>7.67</b>	<b>0.33</b>	<b>0.51</b>	<b>248.17</b>
Additions	-	1.23	-	0.14	4.90	-	-	0.37	6.64
Deductions/Adjustments	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2024</b>	<b>183.96</b>	<b>28.34</b>	<b>12.27</b>	<b>0.85</b>	<b>20.51</b>	<b>7.67</b>	<b>0.33</b>	<b>0.88</b>	<b>254.81</b>
Additions	-	-	-	0.05	-	-	-	0.05	0.09
Deductions/Adjustments	-	-	-	-	-	-	-	-	-
<b>As at September 30, 2024</b>	<b>183.96</b>	<b>28.34</b>	<b>12.27</b>	<b>0.90</b>	<b>20.51</b>	<b>7.67</b>	<b>0.33</b>	<b>0.93</b>	<b>254.90</b>
<b>Accumulated Depreciation</b>									
<b>Up to March 31, 2021</b>	<b>-</b>	<b>0.40</b>	<b>-</b>	<b>0.01</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.41</b>
Depreciation Expense For the Year	-	0.13	0.01	0.08	0.64	-	-	-	0.86
Deductions/Adjustments	-	-	-	-	-	-	-	-	-
<b>Up to March 31, 2022</b>	<b>-</b>	<b>0.53</b>	<b>0.01</b>	<b>0.09</b>	<b>0.64</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.27</b>
Depreciation Expense For the Year	-	0.43	0.39	0.13	1.73	0.90	0.02	0.09	3.69
Deductions/Adjustments	-	-	-	-	-	-	-	-	-
<b>Up to March 31, 2023</b>	<b>-</b>	<b>0.96</b>	<b>0.40</b>	<b>0.22</b>	<b>2.37</b>	<b>0.90</b>	<b>0.02</b>	<b>0.09</b>	<b>4.96</b>
Depreciation Expense For the Year	-	0.44	0.78	0.14	2.27	0.91	0.03	0.22	4.79
Deductions/Adjustments	-	-	-	-	-	-	-	-	-
<b>Up to March 31, 2024</b>	<b>-</b>	<b>1.40</b>	<b>1.18</b>	<b>0.36</b>	<b>4.64</b>	<b>1.81</b>	<b>0.05</b>	<b>0.31</b>	<b>9.75</b>
Depreciation Expense For the Period	-	0.22	0.39	0.08	1.21	0.46	0.02	0.14	2.53
Deductions/Adjustments	-	-	-	-	-	-	-	-	-
<b>Up to September 30, 2024</b>	<b>-</b>	<b>1.62</b>	<b>1.57</b>	<b>0.44</b>	<b>5.85</b>	<b>2.27</b>	<b>0.07</b>	<b>0.45</b>	<b>12.28</b>
<b>Carrying Amount</b>									
<b>As at March 31, 2021</b>	<b>48.04</b>	<b>8.08</b>	<b>-</b>	<b>0.10</b>	<b>0.12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56.34</b>
<b>As at March 31, 2022</b>	<b>54.24</b>	<b>26.05</b>	<b>0.27</b>	<b>0.62</b>	<b>13.18</b>	<b>6.28</b>	<b>-</b>	<b>-</b>	<b>100.64</b>
<b>As at March 31, 2023</b>	<b>183.96</b>	<b>26.15</b>	<b>11.87</b>	<b>0.49</b>	<b>13.24</b>	<b>6.77</b>	<b>0.31</b>	<b>0.42</b>	<b>243.21</b>
<b>As at March 31, 2024</b>	<b>183.96</b>	<b>26.94</b>	<b>11.09</b>	<b>0.49</b>	<b>15.87</b>	<b>5.86</b>	<b>0.28</b>	<b>0.57</b>	<b>245.06</b>
<b>As at September 30, 2024</b>	<b>183.96</b>	<b>26.72</b>	<b>10.70</b>	<b>0.46</b>	<b>14.66</b>	<b>5.40</b>	<b>0.26</b>	<b>0.47</b>	<b>242.63</b>



**Denta Water and Infra Solutions Limited**  
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**(All amounts in ₹ Million, unless otherwise stated)**

**4b Intangible Asset**

<b>Particulars</b>	<b>Total</b>
<b><u>Software</u></b>	
<b>Gross Cost</b>	
<b>As at March 31, 2021</b>	-
Additions	-
Deductions/Adjustments	-
<b>As at March 31, 2022</b>	-
Additions	0.13
Deductions/Adjustments	-
<b>As at March 31, 2023</b>	<b>0.13</b>
Additions	0.19
Deductions/Adjustments	-
<b>As at March 31, 2024</b>	<b>0.32</b>
Additions	-
Deductions/Adjustments	-
<b>As at September 30, 2024</b>	<b>0.32</b>
<b>Accumulated Amortisation</b>	
<b>Up to March 31, 2021</b>	-
Amortisation for the Year	-
Deductions/Adjustments	-
<b>Up to March 31, 2022</b>	-
Amortisation for the Year	0.02
Deductions/Adjustments	-
<b>Up to March 31, 2023</b>	<b>0.02</b>
Amortisation for the Year	0.06
Deductions/Adjustments	-
<b>Up to March 31, 2024</b>	<b>0.08</b>
Amortisation for the Year	0.05
Deductions/Adjustments	-
<b>Up to September 30, 2024</b>	<b>0.13</b>
<b>Carrying Amount</b>	
<b>As at March 31, 2021</b>	-
<b>As at March 31, 2022</b>	-
<b>As at March 31, 2023</b>	<b>0.11</b>
<b>As at March 31, 2024</b>	<b>0.24</b>
<b>As at September 30, 2024</b>	<b>0.19</b>

**5 Investments**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Market value of Quoted Investments</b>				
Mutual Fund	101.14	-	-	-
<b>Total</b>	<b>101.14</b>	<b>-</b>	<b>-</b>	<b>-</b>

**6 Loan**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Unsecured Loan*</b>				
Fourwalls Builders and Developers	-	68.63	66.29	-
<b>Total</b>	<b>-</b>	<b>68.63</b>	<b>66.29</b>	<b>-</b>

\* The unsecured loan is given by the partnership firm, in which the Denta Water and Infra Solutions Limited is holding 99 percent share in profit/loss of the firm.

**7 Other Financial Assets (Non Current)**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Fixed Deposits*	50.85	97.34	94.35	5.00
<b>Total</b>	<b>50.85</b>	<b>97.34</b>	<b>94.35</b>	<b>5.00</b>

\* Fixed Deposit having maturity more than 12 months.

**8 Other Non-Current Assets**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Security Deposit	43.70	43.70	49.50	-
Rental Deposit	0.50	0.63	0.99	0.35
<b>Total</b>	<b>44.20</b>	<b>44.33</b>	<b>50.49</b>	<b>0.35</b>

**9 Inventories**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Coffee Beans	-	0.86	3.37	-
Work In Progress of Construction Contracts	26.21	130.98	61.61	33.59
Raw Material	197.71	63.29	-	-
<b>Total</b>	<b>223.91</b>	<b>195.13</b>	<b>64.98</b>	<b>33.59</b>

10 Trade Receivables

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(Unsecured, Considered Good)				
Trade Receivables	102.01	254.66	233.00	135.22
Less:- Allowance for Expected Credit Loss	(0.14)	(0.03)	(1.48)	(0.68)
<b>Total</b>	<b>101.87</b>	<b>254.63</b>	<b>231.52</b>	<b>134.54</b>

Note-Ageing analysis of the trade receivable amounts that are past due as at the end of reporting year but not impaired:

Particulars	As at September 30, 2024								
	Not Due	Outstanding for Following Periods from Due Date of Payment						Allowances for Expected Credit Loss	Total
		Less than 6 month	6 months to - 1 year	1-2 Year	2-3 Year	More than 3 Year			
i) Undisputed - Considered Good	-	1.89	99.19	0.93	-	-	(0.14)	101.87	
ii) Undisputed - Which have Significant Increase in Credit Risk	-	-	-	-	-	-	-	-	
iii) Undisputed - Credit Impaired	-	-	-	-	-	-	-	-	
i) Disputed - Considered Good	-	-	-	-	-	-	-	-	
ii) Disputed - Which have Significant Increase in Credit Risk	-	-	-	-	-	-	-	-	
iii) Disputed - Credit Impaired	-	-	-	-	-	-	-	-	
<b>Total</b>	-	<b>1.89</b>	<b>99.19</b>	<b>0.93</b>	-	-	<b>(0.14)</b>	<b>101.87</b>	

Particulars	As at March 31, 2024								
	Not Due	Outstanding for Following Periods from Due Date of Payment						Allowances for Expected Credit Loss	Total
		Less than 6 month	6 months to - 1 year	1-2 Year	2-3 Year	More than 3 Year			
i) Undisputed - Considered Good	-	254.21	0.45	-	-	-	(0.03)	254.63	
ii) Undisputed - Which have Significant Increase in Credit Risk	-	-	-	-	-	-	-	-	
iii) Undisputed - Credit Impaired	-	-	-	-	-	-	-	-	
i) Disputed - Considered Good	-	-	-	-	-	-	-	-	
ii) Disputed - Which have Significant Increase in Credit Risk	-	-	-	-	-	-	-	-	
iii) Disputed - Credit Impaired	-	-	-	-	-	-	-	-	
<b>Total</b>	-	<b>254.21</b>	<b>0.45</b>	-	-	-	<b>(0.03)</b>	<b>254.63</b>	

Particulars	As at March 31, 2023								
	Not Due	Outstanding for Following Periods from Due Date of Payment						Allowances for Expected Credit Loss	Total
		Less than 6 month	6 months to - 1 year	1-2 Year	2-3 Year	More than 3 Year			
i) Undisputed - Considered Good	-	232.22	0.15	0.63	-	-	(1.48)	231.52	
ii) Undisputed - Which have Significant Increase in Credit Risk	-	-	-	-	-	-	-	-	
iii) Undisputed - Credit Impaired	-	-	-	-	-	-	-	-	
i) Disputed - Considered Good	-	-	-	-	-	-	-	-	
ii) Disputed - Which have Significant Increase in Credit Risk	-	-	-	-	-	-	-	-	
iii) Disputed - Credit Impaired	-	-	-	-	-	-	-	-	
<b>Total</b>	-	<b>232.22</b>	<b>0.15</b>	<b>0.63</b>	-	-	<b>(1.48)</b>	<b>231.52</b>	

Particulars	As at March 31, 2022								
	Not due	Outstanding for Following Periods from Due Date of Payment						Allowances for Expected Credit Loss	Total
		Less than 6 month	6 months to - 1 year	1-2 Year	2-3 Year	More than 3 Year			
i) Undisputed - Considered Good	-	135.22	-	-	-	-	(0.68)	134.54	
ii) Undisputed - Which have Significant Increase in Credit Risk	-	-	-	-	-	-	-	-	
iii) Undisputed - Credit Impaired	-	-	-	-	-	-	-	-	
i) Disputed - Considered Good	-	-	-	-	-	-	-	-	
ii) Disputed - Which have Significant Increase in Credit Risk	-	-	-	-	-	-	-	-	
iii) Disputed - Credit Impaired	-	-	-	-	-	-	-	-	
<b>Total</b>	-	<b>135.22</b>	-	-	-	-	<b>(0.68)</b>	<b>134.54</b>	

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**11 (a) Cash and Cash Equivalents**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Cash on Hand	0.21	0.51	0.60	0.03
<b>Balances with Banks:-</b>				
Current Account	5.17	125.18	50.78	13.99
Demand Deposits with Banks	0.10	0.08	307.69	121.73
<b>Total</b>	<b>5.48</b>	<b>125.77</b>	<b>359.07</b>	<b>135.75</b>

**11 (b) Bank Balances other than Cash and Cash Equivalents as above**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Fixed Deposits	171.56	503.82	4.12	-
<b>Total</b>	<b>171.56</b>	<b>503.82</b>	<b>4.12</b>	<b>-</b>

**12 Other Financial Assets**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, Considered Good</b>				
<b>Others</b>				
Interest Accrued but Not Due on Deposit	1.92	3.37	1.15	-
Earnest Money Deposit	10.91	35.38	4.10	88.24
<b>Total</b>	<b>12.83</b>	<b>38.75</b>	<b>5.25</b>	<b>88.24</b>

**13 Other Current Assets**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Advance given for Purchase of Property, Plant & Equipment	2.50	2.50	2.50	2.50
Advances other than Capital Advances:				
Prepaid Expenses	0.24	0.19	0.14	-
Unbilled Revenue*	949.30	500.05	77.42	12.27
Advance to JV	14.40	14.40		
Advances to Suppliers	198.18	67.72	32.52	93.49
Loan and Advances to Employees	0.06	1.80	0.15	-
Statutory dues Receivable	56.83	15.51	-	-
Advance for IPO	27.28	21.97	-	-
Other Receivable	-	0.64	0.64	
<b>Total</b>	<b>1,248.80</b>	<b>624.78</b>	<b>113.37</b>	<b>108.26</b>

\* Unbilled revenue is the revenue for which work completed but invoice not raised.

**14 Equity Share Capital**

Particulars	As at	As at	As at	As at
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Authorised:</b> 3,00,00,000 (September 30, 2024: 3,00,00,000, March 31, 2024: 3,00,00,000, March 31, 2023: 48,50,000, March 31, 2022: 48,50,000) Equity Shares of ₹ 10 each	300.00	300.00	48.50	48.50
	<b>300.00</b>	<b>300.00</b>	<b>48.50</b>	<b>48.50</b>
<b>Issued, Subscribed and Paid up:</b> 1,92,00,000 (September 30, 2024: 1,92,00,000, March 31, 2024: 1,92,00,000, March 31, 2023: 48,00,000, March 31, 2022: 48,00,000) Equity Shares of ₹ 10 each	192.00	192.00	48.00	48.00
<b>Total Equity</b>	<b>192.00</b>	<b>192.00</b>	<b>48.00</b>	<b>48.00</b>

i) The Company Board of Directors, at its meeting held on August 02, 2023, proposed/recommended to the members of the Company, an increase in the authorised share capital from Rs. 48.5 million to Rs. 300 million in terms of Section 61 and other applicable provisions of the Companies Act, 2013, which was further approved by the members in the general meeting held on August 14, 2023.

ii) The Company Board of Directors, at its meeting held on August 02, 2023, proposed/recommended to the members of the Company, a bonus share in the proportion of 3 new bonus shares of Rs 10 each per equity share for every existing fully paid-up equity shares of Rs 10 each, by capitalisation an amount of Rs 144 million in terms of Sections 63 and 123(5) and other applicable provisions of the Companies Act, 2013, which was further approved by the members in the general meeting held on August 14, 2023.

**a) Details of Reconciliation of the Number of Shares Outstanding:  
(Numbers of Shares in Million)**

Particulars	As at September 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	No. of Shares	₹ Million	No. of Shares	₹ Million	No. of Shares	₹ Million	No. of Shares	₹ Million
<b>Equity Shares:</b>								
Shares Outstanding at the Beginning of the Year (refer note (d) below)	19.20	192.00	4.80	48.00	4.80	48.00	4.80	48.00
Add: Bonus Shares Issued during the Year	-	-	14.40	144.00	-	-	-	-
Less: Buy Back during the year	-	-	-	-	-	-	-	-
<b>Shares Outstanding at the End of the Period/Year</b>	<b>19.20</b>	<b>192.00</b>	<b>19.20</b>	<b>192.00</b>	<b>4.80</b>	<b>48.00</b>	<b>4.80</b>	<b>48.00</b>

**b) Terms/ Rights attached to Equity Shares**

The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The dividend proposed, if any by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Details of Shares in the Company held by each Shareholder Holding more than 5 percent:  
(Numbers of Shares in Million)**

Name of Shareholder	As at September 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Sowbhagyamma	6.72	35.00%	6.72	35.00%	4.75	98.98%	4.75	98.98%
Hema H M	6.72	35.00%	6.72	35.00%	-	0.00%	-	0.00%
C Mrutyunjaya Swamy	4.80	25.00%	4.80	25.00%	-	0.00%	-	0.00%

**d) Details of Shares hold by Promoters :  
(Numbers of Shares in Million)**

**Shareholding of Promoters as at September 30, 2024 :**

Promoter Name	No of Shares	% of Total Shares	% Changes During the Year
Sowbhagyamma	6.72	35.00%	0.00%
Sujith T R	0.20	1.02%	0.00%
Hema H M	6.72	35.00%	0.00%
C Mrutyunjaya Swamy	4.80	25.00%	0.00%

**Shareholding of Promoters as at March 31, 2024 :**

Promoter Name	No of Shares	% of Total Shares	% Changes During the Year
Sowbhagyamma	6.72	35.00%	41%
Sujith T R	0.20	1.02%	300%
Hema H M	6.72	35.00%	100%
C Mrutyunjaya Swamy	4.80	25.00%	100%

**Shareholding of Promoters as at March 31, 2023 :**

Promoter Name	No of Shares	% of Total Shares	% Changes During the Year
Sowbhagyamma	4.75	98.98%	-
Sujith T R	0.05	1.02%	-

**Shareholding of Promoters as at March 31, 2022 :**

Promoter Name	No of Shares	% of Total Shares	% Changes During the Year
Sowbhagyamma	4.75	98.98%	-
Sujith T R	0.05	1.02%	-

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(All amounts in ₹ Million, unless otherwise stated)

**15 Other Equity**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Other Comprehensive Income</b>				
Balance as per Last Financial Statement	(0.12)	0.05	0.01	-
Opening Difference Adjustment	0.02			
Remeasurement of Defined Benefit Obligation (Net)	0.08	(0.17)	0.04	0.01
<b>Closing Balances</b>	<b>(0.03)</b>	<b>(0.12)</b>	<b>0.05</b>	<b>0.01</b>
<b>Retained Earnings</b>				
Balance as at Beginning of the Year	1,450.67	997.42	496.30	112.93
Profit for the Year	241.99	597.25	501.12	383.37
Less: Bonus Shares issued during the period	-	(144.00)	-	-
Dividend (Including dividend distribution tax)	-	-	-	-
Transfer from Other Comprehensive income	-	-	-	-
Remeasurement of the net defined benefit plans	-	-	-	-
<b>Total Retained Earning</b>	<b>1,692.66</b>	<b>1,450.67</b>	<b>997.42</b>	<b>496.30</b>
<b>Total</b>	<b>1,692.63</b>	<b>1,450.56</b>	<b>997.47</b>	<b>496.31</b>

**16 Non-Controlling Interest**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Non-Controlling Interest	0.09	0.70	0.64	-
<b>Total</b>	<b>0.09</b>	<b>0.70</b>	<b>0.64</b>	<b>-</b>

17 Borrowings (Non-Current)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Financial Liabilities at Amortised Cost</b>				
<b>Secured #</b>				
Term Loans - From Banks	3.83	5.49	8.63	-
<b>Total</b>	<b>3.83</b>	<b>5.49</b>	<b>8.63</b>	<b>-</b>

#Footnote 17: Terms of Borrowings

a) Secured Loans: The details of Secured Loans, Balances and the Securities Offered for each Loan is as under:

Name of Institution- Security- Repayment Term	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
HDFC Bank- Vehicle- Monthly Installments along with Interest Rate @ 8.11% P.A.	2.33	2.84	3.79	-
HDFC Bank- Vehicle- Monthly Installments along with Interest Rate @ 8.11% P.A.	2.99	3.64	4.86	-
HDFC Bank- Vehicle- Monthly Installments along with Interest Rate @ 7.76% P.A.	1.76	2.14	2.87	-

Note: Amount Includes both Current and Non Current Portion

18 Provisions (Non Current)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Provision for Employee Benefits.</b>				
Gratuity (Unfunded)	0.94	0.63	0.17	0.12
Leave Encashment	0.95	0.44	0.18	-
<b>Total</b>	<b>1.88</b>	<b>1.07</b>	<b>0.35</b>	<b>0.12</b>

19 Deferred Tax Assets / (Liabilities) - Net

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Deferred Tax Assets / (Liabilities)</b>				
<b>On Account of Fixed Assets :</b>				
Impact of difference between Tax Depreciation and Charged in Financial Statement	(2.56)	(2.38)	(1.71)	(0.86)
	<b>(2.56)</b>	<b>(2.38)</b>	<b>(1.71)</b>	<b>(0.86)</b>
<b>On Account of Timing Difference as per Section 43B of The Income Tax Act, 1961</b>				
Employee Benefit:				
Gratuity	0.27	0.19	0.07	0.03
Leave Encashment	0.28	0.08	0.06	-
Expected Credit Loss	0.03	0.01	0.37	0.17
Expenses Disallowed	-	-	-	-
	<b>0.58</b>	<b>0.28</b>	<b>0.50</b>	<b>0.20</b>
<b>On Account of Timing Difference as per Section 40(a)(ia) of The Income Tax Act, 1961</b>				
Audit and Other Fees	0.18	0.19	0.18	0.09
	<b>0.18</b>	<b>0.19</b>	<b>0.18</b>	<b>0.09</b>
<b>Deferred Tax Assets / (Liabilities)</b>	<b>(1.80)</b>	<b>(1.91)</b>	<b>(1.03)</b>	<b>(0.57)</b>

20 Other Non-Current Liabilities

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Security Deposits	2.66	2.66	2.66	2.66
<b>Total</b>	<b>2.66</b>	<b>2.66</b>	<b>2.66</b>	<b>2.66</b>

21 Borrowings

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Current Maturities of Long Term Borrowings	3.26	3.13	2.89	-
<b>Total</b>	<b>3.26</b>	<b>3.13</b>	<b>2.89</b>	<b>-</b>

Refer footnote 17 above for terms of borrowings

22 Trade Payable

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Financial Liabilities at Amortised Cost</b>				
Trade Payables				
A. Total Outstanding Dues of Micro and Small Enterprises	0.36	6.29	0.62	0.81
B. Total Outstanding Dues of Creditors other than Micro and Small Enterprises	43.65	106.04	101.12	35.05
<b>Total</b>	<b>44.01</b>	<b>112.33</b>	<b>101.74</b>	<b>35.86</b>

Note- Ageing Analysis of the Trade Payable Amounts that are Past due as at the End of Reporting Year :

Particulars	As at September 30, 2024						
	Not Due	Outstanding for following Periods from Due Date of Payment					Total
		Less than 1 Year	1-2 Year	2-3 Year	More than 3 year		
i) MSME	-	0.36	-	-	-	0.36	
ii) Others	-	37.65	6.00	-	-	43.65	
iii) Disputed Dues - MSME	-	-	-	-	-	-	
iv) Disputed Dues - Others	-	-	-	-	-	-	
<b>Total</b>	-	<b>38.01</b>	<b>6.00</b>	-	-	<b>44.01</b>	

Particulars	As at March 31, 2024						
	Not Due	Outstanding for following Periods from Due Date of Payment					Total
		Less than 1 Year	1-2 Year	2-3 Year	More than 3 year		
i) MSME	-	6.29	-	-	-	6.29	
ii) Others	-	98.23	7.81	-	-	106.04	
iii) Disputed Dues - MSME	-	-	-	-	-	-	
iv) Disputed Dues - Others	-	-	-	-	-	-	
<b>Total</b>	-	<b>104.52</b>	<b>7.81</b>	-	-	<b>112.33</b>	

Particulars	As at March 31, 2023						
	Not Due	Outstanding for following Periods from Due Date of Payment					Total
		Less than 1 Year	1-2 Year	2-3 Year	More than 3 year		
i) MSME	-	0.62	-	-	-	0.62	
ii) Others	-	101.12	-	-	-	101.12	
iii) Disputed Dues - MSME	-	-	-	-	-	-	
iv) Disputed Dues - Others	-	-	-	-	-	-	
<b>Total</b>	-	<b>101.74</b>	-	-	-	<b>101.74</b>	

Particulars	As at March 31, 2022						
	Not Due	Outstanding for following Periods from Due Date of Payment					Total
		Less than 1 Year	1-2 Year	2-3 Year	More than 3 year		
i) MSME	-	0.81	-	-	-	0.81	
ii) Others	-	34.79	0.03	0.23	-	35.05	
iii) Disputed Dues - MSME	-	-	-	-	-	-	
iv) Disputed Dues - Others	-	-	-	-	-	-	
<b>Total</b>	-	<b>35.60</b>	<b>0.03</b>	<b>0.23</b>	-	<b>35.86</b>	

Disclosures Required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	0.36	6.29	0.62	0.81
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-	-	-
(iv) The amount of interest due and payable for the year	-	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-	-	-

Dues to Micro and Small Enterprises have been determined on the basis of information collected by the Management.



**Denta Water and Infra Solutions Limited**  
**(Formerly known as Denta Properties and Infrastructure Private Limited)**  
**CIN: U70109KA2016PLC097869**  
**Annexure VII : Notes to Restated Consolidated Financial Information**  
**(All amounts in ₹ Million, unless otherwise stated)**

**23 Other Current Liabilities**

<b>Particulars</b>	<b>As at September 30, 2024</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Advances from Customers	0.88	0.09	-	2.50
Statutory Dues Payable	1.48	117.12	56.46	8.22
Retention Money	12.97			
<b>Total</b>	<b>15.32</b>	<b>117.21</b>	<b>56.46</b>	<b>10.72</b>

**24 Provisions**

<b>Particulars</b>	<b>As at September 30, 2024</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Provision for Employee Benefits:</b>				
Gratuity (Unfunded)	0.14	0.13	0.09	-
Leave Encashment	0.15	0.09	0.05	-
Employee Dues	3.45	2.84	0.96	-
<b>Other Provisions:</b>				
Other Dues	167.79	233.73	-	0.91
<b>Total</b>	<b>171.53</b>	<b>236.79</b>	<b>1.10</b>	<b>0.91</b>

**25 Current Tax Liabilities (Net)**

<b>Particulars</b>	<b>As at September 30, 2024</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Provision for Income Tax (Net)	74.44	74.63	11.79	11.22
<b>Total</b>	<b>74.44</b>	<b>74.63</b>	<b>11.79</b>	<b>11.22</b>

**26 Revenue From Operations**

Particulars	For the Period 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
<b>Sale of Services</b>				
-Contract	524.83	1,900.94	1,550.73	975.05
-Project Management Consulting Service	-	57.98	110.66	203.91
<b>Unbilled Revenue</b>	449.25	422.63	77.42	12.27
<b>Other Operating Revenue</b>				
-Rental	3.72	4.43	4.43	4.49
<b>Total</b>	<b>977.80</b>	<b>2,385.98</b>	<b>1,743.24</b>	<b>1,195.72</b>

**27 Other Income**

Particulars	For the Period 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
<b>Interest Income:</b>				
From Fixed Deposit with Banks	4.48	8.17	4.73	0.61
From Unsecured Loan	-	9.59	1.76	-
<b>Others:</b>				
Sale Of Coffee Beans	0.86	13.18	2.02	-
Sale of Avocado	0.45	-	-	-
Sale of Black Papper	0.95	-	-	-
M2M Gain on Mutual Funds	0.14	-	-	-
Provision for Expected Credit Loss	-	1.45	-	-
Miscellaneous Income	0.42	-	5.72	-
<b>Total</b>	<b>7.30</b>	<b>32.39</b>	<b>14.23</b>	<b>0.63</b>

**28 Cost of Raw Materials Consumed**

Particulars	For the Period 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
<b>Materials consumed</b>				
Opening Stock	195.13	64.98	33.59	11.38
Add: Purchases	315.91	748.21	621.92	484.53
Add: Construction Expenses*	315.95	901.72	454.49	206.52
Less: Closing Stock	223.91	195.13	64.98	33.59
<b>Total</b>	<b>603.08</b>	<b>1,519.78</b>	<b>1,045.02</b>	<b>668.84</b>

**\*Construction Expenses**

Particulars	For the Period 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
Equipment Hire Charges	8.04	34.80	30.83	8.82
Power & Fuel Expenses	8.55	30.15	37.72	26.62
Site Labour Charges	32.23	104.51	91.19	36.79
Site Running Expenses	35.34	53.34	26.10	33.14
Site Technical & Professional Charges	3.72	36.02	29.37	22.63
Sub- Contract Charges	227.87	641.45	238.50	77.69
Vehicle Insurance Charges	-	0.20	-	-
Transportation Charges	0.21	1.25	0.78	0.83
<b>Total</b>	<b>315.95</b>	<b>901.72</b>	<b>454.49</b>	<b>206.52</b>

**Annexure VII : Notes to Restated Consolidated Financial Information**

(All amounts in ₹ Million, unless otherwise stated)

**29 Employee Benefits Expense**

Particulars	For the Period 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
Salaries, Bonus, Commission and Allowances	18.98	29.87	8.43	0.94
Director's Remuneration	5.61	4.30	1.86	-
Contribution to Provident and Other Funds	0.91	1.46	0.53	-
Gratuity	0.41	0.28	0.21	0.03
Leave Encashment Expense	0.57	0.30	0.23	-
<b>Total</b>	<b>26.48</b>	<b>36.21</b>	<b>11.26</b>	<b>0.97</b>

**30 Finance Costs**

Particulars	For the Period 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
Interest	1.06	5.07	0.90	-
Other Charges	-	-	0.03	-
<b>Total</b>	<b>1.06</b>	<b>5.07</b>	<b>0.93</b>	<b>-</b>

**31 Depreciation and Amortisation**

Particulars	For the Period 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
Property Plant & Equipment	2.53	4.79	3.69	0.86
Intangibles	0.05	0.06	0.02	-
<b>Total</b>	<b>2.58</b>	<b>4.85</b>	<b>3.71</b>	<b>0.86</b>

**32 Other Expenses**

Particulars	For the Period 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
Insurance Expense	0.19	0.43	0.13	-
Printing and Stationery	0.09	0.16	0.02	-
Travelling and Conveyance Expenses	0.06	0.12	0.03	-
Legal and Professional Fees	5.13	10.26	0.18	0.19
Rent	-	0.08	0.12	0.12
Rates and Taxes	4.62	7.10	3.93	3.96
Repairs and Maintenance				
- Buildings	-	-	0.15	0.47
- Office	0.14	0.26	0.33	-
- Vehicle	0.04	0.52	0.06	-
Bank Charges	0.23	0.20	-	0.08
Property Tax	0.36	0.88	0.12	0.12
Auditor's Remuneration:				
- For Statutory Audit	0.80	1.61	1.50	1.20
- For Other Audits	0.39	0.92	0.80	-
CSR Expenditure	6.65	10.41	5.52	0.91
Commission	0.63	0.63	1.26	-
Directors Sitting Fees	0.16	-	-	-
Provision for Expected Credit Loss	0.11	-	0.80	0.49
Miscellaneous Expenses	0.83	0.52	2.41	0.26
Road Tax	-	0.60	-	-
Administration Charges	0.12	3.60	-	-
Interest on Creditors	0.04	0.32	-	-
<b>Total</b>	<b>20.57</b>	<b>38.61</b>	<b>17.36</b>	<b>7.80</b>

(Formerly known as Denta Properties and Infrastructure Private Limited)

CIN: U70109KA2016PLC097869

Annexure VII : Notes to Restated Consolidated Financial Information

(All amounts in ₹ Million, unless otherwise stated)

### 33 Contingent Liability

#### For Bank Guarantee given by Bank on behalf of the Company

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Bank Guarantee's issued by Kotak Mahindra Bank and State Bank of India	570.15	264.49	238.90	-

#### For Income Tax

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Income Tax Demand for Assessment Year 2021-2022 (The Company has Filed the Response Showing Disagreement towards the Demand Raised by the Income Tax Department)	3.14	2.97	2.81	-
Income Tax Demand for Assessment Year 2022-2023	-	0.51	-	-

#### For Indirect Tax

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Intimation to pay Tax/Interest/Penalty under section 74 for period April 23 to November 23	-	3.12	-	-

#### Litigation Matters With Small Causes Court Case

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
This Suit has been filed under section 166 of Motor Vehicle Act, 1989, dated 04.11.2023 before the Chief Judge, Court of Small Causes. Next hearing date is 16.12.2024	5.00	5.00	-	-

34 Ratio  
As at September 30, 2024

Sr. No	Ratio	Numerator	Denominator	Numerator (Rs.)	Denominator (Rs.)	As at September 30, 2024	As at March 31, 2024	Variance %	Reason for Variance (In case of deviation for more than 25%)
1	Current Ratio	Total Current Assets	Total Current Liabilities	1,737.18	308.56	5.63	3.16	78.00%	Mainly due to decrease in current liabilities in comparison of Current Asset
2	Debt-to-Equity Ratio	Debt Consists of Borrowings	Total Equity	7.09	1,884.72	0.00	0.01	-0.28299109	Mainly due to high increase in Equity and reduction in borrowings.
3	Return on Equity Ratio(in %)	Profit after Tax for the Year Less Preference Dividend (if any)	Average Total Equity	241.99	1,763.99	0.14	0.44	-0.691141357	Mainly due to increase in profit for the period and increase in average total equity.
4	Inventory Turnover Ratio	Revenues from Operations	Average Inventory	977.80	209.52	4.67	18.35	-0.745622949	Mainly due to increase in revenue from operations and increase in average inventory during the period.
5	Receivables Turnover Ratio	Revenues from Operations	Average Accounts Receivable	977.80	178.25	5.49	9.82	-0.441160305	Mainly due to increase in revenue from operations and increase in average trade receivables during the period.
6	Payables Turnover Ratio	Total Purchases	Average Trade Payables	603.08	78.17	7.72	14.20	-0.456640673	Mainly due to decrease in total purchase and increase in average trade payables during the period.
7	Net Working Capital Turnover Ratio	Revenues from Operations	Working Capital	977.80	1,428.62	0.68	2.03	-0.662419258	Mainly due to increase in revenue from operations and increase in working capital during the period.
8	Net Profit Ratio(in %)	Net Profit	Revenues from Operations	241.99	977.80	0.25	0.25	-0.011321229	
9	Return on Capital Employed Ratio	Earning before Interest and Taxes	Capital Employed	332.38	1,867.62	0.18	0.50	-0.645235107	Mainly due to increase in capital employed.

As at March 31, 2024

Sr. No	Ratio	Numerator	Denominator	Numerator (Rs.)	Denominator (Rs.)	As at March 31, 2024	As at March 31, 2023	Variance %	Reason for Variance (In case of deviation for more than 25%)
1	Current Ratio	Total Current Assets	Total Current Liabilities	1,720.91	544.08	3.16	4.28	-0.261516236	Mainly due to high increase in Current Liabilities in comparison of Current Asset
2	Debt-to-Equity Ratio	Debt Consists of Borrowings	Total Equity	8.62	1,643.26	0.01	0.01	-0.525120086	Mainly due to high increase in Equity and reduction in borrowings.
3	Return on Equity Ratio(in %)	Profit after Tax for the Year Less Preference Dividend (if any)	Average Total Equity	597.25	1,344.68	0.44	0.63	-0.292957042	Mainly due to increase in Equity in comparison of Profits
4	Inventory Turnover Ratio	Revenues from Operations	Average Inventory	2,385.98	130.06	18.35	16.08	14.08%	-
5	Receivables Turnover Ratio	Revenues from Operations	Average Accounts Receivable	2,385.98	243.08	9.82	9.52	3.06%	-
6	Payables Turnover Ratio	Total Purchases	Average Trade Payables	1,519.78	107.04	14.20	15.19	-0.065199266	-
7	Net Working Capital Turnover Ratio	Revenues from Operations	Working Capital	2,385.98	1,176.83	2.03	2.92	-0.30670753	Mainly due to increase in Revenue in comparison of Increase in Working Capital
8	Net Profit Ratio(in %)	Net Profit	Revenues from Operations	597.25	2,385.98	0.25	0.29	-0.124700987	-
9	Return on Capital Employed Ratio	Earning before Interest and Taxes	Capital Employed	818.91	1,632.43	0.50	0.64	-0.222156956	-

As at March 31, 2023

Sr. No	Ratio	Numerator	Denominator	Numerator (Rs.)	Denominator (Rs.)	As at March 31, 2023	As at March 31, 2022	Variance %	Reason for Variance (In case of deviation for more than 25%)
1	Current Ratio	Total Current Assets	Total Current Liabilities	778.31	173.98	4.47	8.52	-0.475113478	Mainly due to increase in total current liabilities and decrease in total current assets during the period.
2	Debt-to-Equity Ratio	Debt Consists of Borrowings	Total Equity	11.52	1,046.11	0.01	-	0.00%	-
3	Return on Equity Ratio(in %)	Profit after Tax for the Year Less Preference Dividend (if any)	Average Total Equity	501.12	795.21	0.63	1.09	-0.420376695	Mainly due to increase in profit for the year and increase in average total equity.
4	Inventory Turnover Ratio	Revenues from Operations	Average Inventory	1,045.02	64.98	16.08	19.91	-0.192332954	-
5	Receivables Turnover Ratio	Revenues from Operations	Average Accounts Receivable	1,743.24	183.03	9.52	13.95	-0.317448301	Mainly due to increase in revenue from operation and increase in average trade receivables during the year.
6	Payables Turnover Ratio	Total Purchases	Average Trade Payables	1,045.02	68.80	15.19	19.09	-0.204248023	-
7	Net Working Capital Turnover Ratio	Revenues from Operations	Working Capital	1,743.24	604.33	2.88	2.71	6.55%	-
8	Net Profit Ratio(in %)	Net Profit	Revenues from Operations	501.12	1,743.24	0.29	0.32	-0.103414489	-
9	Return on Capital Employed Ratio	Earning before Interest and Taxes	Capital Employed	680.12	1,058.78	0.64	0.95	-0.320699152	Mainly due to decrease in net of earning during the year.

As at March 31, 2022

Sr. No	Ratio	Numerator	Denominator	Numerator (Rs.)	Denominator (Rs.)	As at March 31, 2022	As at March 31, 2021	Variance %	Reason for Variance (In Case of Deviation for more than 25%)
1	Current Ratio	Total Current Assets	Total Current Liabilities	500.38	58.71	8.52	1.39	511.87%	Mainly due to increase in total current assets and decrease in total current liabilities during the year.
2	Debt-to-equity Ratio	Debt Consists of Borrowings	Total Equity	-	544.31	-	-	0.00%	-
3	Return on Equity Ratio(in %)	Profit after Tax for the Year Less Preference Dividend (if any)	Average Total Equity	383.37	352.62	1.09	1.05	3.16%	-
4	Inventory Turnover Ratio	Revenues from Operations	Average Inventory	668.84	33.59	19.91	15.13	31.57%	Mainly due to decrease in Cost of Material Consumed
5	Receivables Turnover Ratio	Revenues from Operations	Average Accounts Receivable	1,195.72	85.69	13.95	17.10	-0.183957583	-
6	Payables Turnover Ratio	Total Purchases	Average Trade Payables	668.84	35.04	19.09	10.02	90.56%	Mainly due to increase in purchase during the year increase in average trade payables during the end of year.
7	Net Working Capital Turnover Ratio	Revenues from Operations	Working Capital	1,195.72	441.67	2.71	3.18	-0.149435507	-
8	Net Profit Ratio(in %)	Net Profit	Revenues from Operations	383.37	1,195.72	0.32	0.35	-0.073810378	-
9	Return on Capital Employed Ratio	Earning before Interest and Taxes	Capital Employed	517.88	547.66	0.95	0.88	6.94%	-

### 35 Employee Benefit Obligations

#### i. Defined Contribution Plans:

The following amount recognized as an expense in Statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

Particulars	For the Period 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
Contribution to Provident Fund	0.80	1.28	0.45	-
Contribution to ESIC	0.11	0.18	0.09	-

#### ii. Defined Benefit Plan:

The Company has a unfunded defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. 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 as per the provision of the Payment of Gratuity Act, 1972 with total ceiling on gratuity of ₹ 20,00,000.

The following tables summaries the components of net benefit expense recognised in the Statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

#### Assets and Liabilities

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Defined Benefit Obligation	2.00	0.77	0.26	0.12
Fair Value Of Plan Assets	-	-	-	-
Effect of Assets Ceiling if any	-	-	-	-
<b>Net Liability(Asset)</b>	<b>2.00</b>	<b>0.77</b>	<b>0.26</b>	<b>0.12</b>

#### Bifurcation Of Liability

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Current Liability	0.28	0.13	0.09	0.00
Non-Current Liability	1.72	0.63	0.17	0.12
<b>Net Liability(Asset)</b>	<b>2.00</b>	<b>0.77</b>	<b>0.26</b>	<b>0.12</b>

#### Income/Expenses Recognized during the Period/ Year

Particulars	For the Period 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
Employee Benefit Expense	0.41	0.28	0.21	0.03
Other Comprehensive Income	(0.10)	(0.23)	(0.06)	(0.01)

#### Valuation Assumptions

Financial Assumptions				
Particulars	For the Period 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
Discount Rate	6.90% p.a.	7.20% p.a.	7.40% p.a.	6.10% p.a.
Salary Growth Rate	7.00% p.a.	7.00% p.a.	7.00% p.a.	7.00% p.a.

**Valuation Results**

<b>Assets and Liability (Balance Sheet Position)</b>				
<b>Particulars</b>	<b>As at September 30, 2024</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Present Value of Defined Benefit Obligation	1.08	0.77	0.26	0.12
Fair Value of Plan Assets	-	-	-	-
<b>Net Defined Benefit Liability/(Assets)</b>	<b>1.08</b>	<b>0.77</b>	<b>0.26</b>	<b>0.12</b>

<b>Bifurcation of Net Liability</b>				
<b>Particulars</b>	<b>As at September 30, 2024</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Current (Short Term) Liability	0.14	0.13	0.09	0.00
Non Current (Long Term) Liability	0.94	0.63	0.17	0.12
<b>Net Defined Benefit Liability/(Assets)</b>	<b>1.08</b>	<b>0.77</b>	<b>0.26</b>	<b>0.12</b>

**Detailed Disclosures**

<b>Funded Status of the Plan</b>				
<b>Particulars</b>	<b>As at September 30, 2024</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Present Value of Unfunded Obligations	1.08	0.77	0.26	0.12
Present Value of Funded Obligations	-	-	-	-
Fair Value of Plan Assets	-	-	-	-
<b>Net Defined Benefit Liability/(Assets)</b>	<b>1.08</b>	<b>0.77</b>	<b>0.26</b>	<b>0.12</b>

**Profit and Loss Account for the Period / Year**

<b>Particulars</b>	<b>For the Period Ended September 30, 2024</b>	<b>For the Year Ended March 31, 2024</b>	<b>For the Year Ended March 31, 2023</b>	<b>For the Year Ended March 31, 2022</b>
Service Cost:				
Current Service Cost	0.39	0.26	0.20	0.03
Past Service Cost	-	-	-	-
Loss/(Gain) on Curtailments and Settlement	-	-	-	-
Net Interest Cost	0.03	0.02	0.01	0.01
<b>Total Included in 'Employee Benefit Expenses/(Income)</b>	<b>0.41</b>	<b>0.28</b>	<b>0.21</b>	<b>0.04</b>

**Other Comprehensive Income for the period / Year**

<b>Particulars</b>	<b>For the Period Ended September 30, 2024</b>	<b>For the Year Ended March 31, 2024</b>	<b>For the Year Ended March 31, 2023</b>	<b>For the Year Ended March 31, 2022</b>
<b>Components of Actuarial Gain/Losses on Obligations:</b>				
Due to Change in Financial Assumptions	0.03	(0.02)	(0.03)	-
Due to Change in Demographic Assumption	-	-	-	-
Due to Experience Adjustments	(0.13)	(0.21)	(0.03)	-
Return on Plan Assets Excluding Amounts Included in Interest Income	-	-	-	-
<b>Amounts Recognized in Other Comprehensive (Income) / Expense</b>	<b>(0.10)</b>	<b>(0.23)</b>	<b>(0.06)</b>	<b>-</b>



**Reconciliation of Defined Benefit Obligation**

Particulars	For the Period 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
Opening Defined Benefit Obligation	0.77	0.26	0.12	0.09
Transfer in/(out) Obligation	-	-	-	-
Current Service Cost	0.39	0.26	0.20	0.03
Interest Cost	0.03	0.02	0.01	0.01
<b>Components of Actuarial Gain/losses on Obligations:</b>	-	-	-	-
Due to Change in Financial Assumptions	0.03	(0.02)	(0.03)	-
Due to Change in Demographic Assumption	-	-	-	-
Due to Experience Adjustments	(0.13)	(0.21)	(0.04)	(0.01)
Past Service Cost	-	-	-	-
Loss (gain) on Curtailments	-	-	-	-
Liabilities Extinguished on Settlements	-	-	-	-
Liabilities Assumed in an Amalgamation in the Nature of Purchase	-	-	-	-
Exchange Differences on Foreign Plans	-	-	-	-
Benefit Paid from Fund	-	0.46	-	-
Benefits Paid by Company	-	-	-	-
<b>Closing Defined Benefit Obligation</b>	<b>1.08</b>	<b>0.77</b>	<b>0.26</b>	<b>0.12</b>

**Reconciliation of Net Defined Benefit Liability/(Assets)**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Net Opening Provision in Books of Accounts	0.77	0.26	0.11	0.09
Transfer in/(out) Obligation	-	-	-	-
Transfer (in)/out Plan Assets	-	-	-	-
Employee Benefit Expense as per 3.2	0.41	0.28	0.21	0.03
Amounts Recognized in Other Comprehensive (Income) /	(0.10)	(0.23)	(0.06)	(0.01)
Benefits Paid by the Company	-	0.46	-	-
Contributions to Plan Assets	-	-	-	-
<b>Closing Provision in Books of Accounts</b>	<b>1.08</b>	<b>0.77</b>	<b>0.26</b>	<b>0.11</b>

**Expected Future Cashflows (Undiscounted)**

Particulars	For the Period 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
Year 1 Cashflow	0.14	0.13	0.09	0.00
Year 2 Cashflow	0.01	0.00	0.00	0.08
Year 3 Cashflow	0.01	0.01	0.00	0.00
Year 4 Cashflow	0.10	0.09	0.00	0.00
Year 5 Cashflow	0.07	0.07	0.05	0.00
Year 6 to Year 10 Cashflow	0.36	0.24	0.06	0.01

**36 Segmental Information**

In accordance with Ind-AS 108, 'Operating Segments', the Company does not have a business segment. Further, the Company operates in India and accordingly no disclosures are required under secondary segment reporting.

**37 Corporate Social Responsibility (CSR)**

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The areas for CSR activities are eradicating hunger, poverty and malnutrition, promoting preventive health care including preventive health care, ensuring environmental sustainability education, promoting gender equality and empowering women and other activities. The amount has to be expended on the activities which are specified in Schedule VII of the Companies Act, 2013.

**Details of CSR Expenditure required to be Spent and Amount Spent are as under:**

<b>Particulars</b>	<b>For the Period Ended September 30, 2024</b>	<b>For the Year Ended March 31, 2024</b>	<b>For the Year Ended March 31, 2023</b>	<b>For the Year Ended March 31, 2022</b>
Gross amount required to be spent by the company during the year as per Section 135 of the Companies Act, 2013 read with schedule VII	6.70	6.72	4.48	0.91
<b>Cumulative CSR Expenditure Required to be Spent</b>	<b>1.97</b>	<b>5.67</b>	<b>4.48</b>	<b>0.91</b>
<b>Amount Spent during the Year</b>				
(i) Construction/Acquisition of any Asset	6.65	10.41	5.52	0.91
(ii) On Purposes other than (i) above				
<b>Total</b>	<b>6.65</b>	<b>10.41</b>	<b>5.52</b>	<b>0.91</b>
Excess Spent of Previous Year	(4.73)	(1.04)	0.00	0.00
Total of Shortfall / (Excess)*	-	<b>(4.73)</b>	<b>(1.04)</b>	<b>0.00</b>

\*For September 30, 2024 excess/short spent to be determined at the end of Financial year.

**38 Financial Instruments**

**Financial Instrument by Category**

The Carrying Value and Fair Value of Financial Instrument by Categories as of September 30, 2024 were as follows:

Particulars	At Amortised Cost	At Fair Value Through Profit and Loss	At Fair Value Through OCI	Total Carrying Value
<b>Assets:</b>				
Cash and Cash Equivalents	5.48	-	-	5.48
Bank Balances Other than Cash and Cash Equivalents	171.56	-	-	171.56
Trade Receivables	101.87	-	-	101.87
Other Financial Assets (Current)	12.83	-	-	12.83
Loans	-	-	-	-
Investments	-	101.14	-	-
Other Financial Assets (Non-current)	50.85	-	-	50.85
<b>Total</b>	<b>342.59</b>	<b>101.14</b>	<b>-</b>	<b>342.59</b>
<b>Liabilities:</b>				
Borrowing	7.09	-	-	7.09
Trade and Other Payables	44.01	-	-	44.01
<b>Total</b>	<b>51.10</b>	<b>-</b>	<b>-</b>	<b>51.10</b>

The Carrying Value and Fair Value of Financial Instrument by Categories as of March 31, 2024 were as follows:

Particulars	At Amortised Cost	At Fair Value Through Profit and Loss	At Fair Value Through OCI	Total Carrying Value
<b>Assets:</b>				
Cash and Cash Equivalents	125.77	-	-	125.77
Bank Balances Other than Cash and Cash Equivalents	503.82	-	-	503.82
Trade Receivables	254.63	-	-	254.63
Other Financial Assets (Current)	38.75	-	-	38.75
Loans	68.63	-	-	68.63
Investments	-	-	-	-
Other Financial Assets (Non-current)	97.34	-	-	97.34
<b>Total</b>	<b>1,088.94</b>	<b>-</b>	<b>-</b>	<b>1,088.94</b>
<b>Liabilities:</b>				
Borrowing	8.62	-	-	8.62
Trade and Other Payables	112.33	-	-	112.33
<b>Total</b>	<b>120.95</b>	<b>-</b>	<b>-</b>	<b>120.95</b>

The Carrying Value and Fair Value of Financial Instrument by Categories as of March 31, 2023 were as follows:

Particulars	At Amortised Cost	At Fair Value Through Profit and Loss	At Fair Value Through OCI	Total Carrying Value
<b>Assets:</b>				
Cash and Cash Equivalents	359.07	-	-	359.07
Bank Balances Other than Cash and Cash Equivalents	4.12	-	-	4.12
Trade Receivables	231.52	-	-	231.52
Other Financial Assets (Current)	5.25	-	-	5.25
Loans	66.29	-	-	66.29
Investments	-	-	-	-
Other Financial Assets (Non-current)	94.35	-	-	94.35
<b>Total</b>	<b>760.60</b>	<b>-</b>	<b>-</b>	<b>760.60</b>
<b>Liabilities:</b>				
Borrowing	11.52	-	-	11.52
Trade and Other Payables	101.74	-	-	101.74
<b>Total</b>	<b>113.26</b>	<b>-</b>	<b>-</b>	<b>113.26</b>

The Carrying Value and Fair Value of Financial Instrument by Categories as of March 31, 2022 were as follows:

Particulars	At Amortised Cost	At Fair Value Through Profit and Loss	At Fair Value Through OCI	Total Carrying Value
<b>Assets:</b>				
Cash and Cash Equivalents	135.75	-	-	135.75
Bank Balances Other than Cash and Cash Equivalents	-	-	-	-
Trade Receivables	134.54	-	-	134.54
Other Financial Assets (Current)	88.24	-	-	88.24
Loans	-	-	-	-
Investments	-	-	-	-
Other Financial Assets (Non-current)	5.00	-	-	5.00
<b>Total</b>	<b>363.53</b>	<b>-</b>	<b>-</b>	<b>363.53</b>
<b>Liabilities:</b>				
Trade and Other Payables	35.86	-	-	35.86
<b>Total</b>	<b>35.86</b>	<b>-</b>	<b>-</b>	<b>35.86</b>

### 39 Fair Value Hierarchy

**Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities

**Level 2** – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following Table Presents Fair Value Hierarchy of Assets and Liabilities Measured at Fair Value on a Recurring basis as at September 30, 2024

Particulars	As at September 30, 2024	Fair value measurement at end of the reporting year using		
		Level I	Level 2	Level 3
<b>Assets /Liabilities Measured at Fair Value</b>				
<u>Financial Assets:</u>				
Non Current Investments	101.14	101.14	-	-

The following Table Presents Fair Value Hierarchy of Assets and Liabilities Measured at Fair Value on a Recurring basis as at March 31, 2024

Particulars	As at March 31, 2024	Fair value measurement at end of the reporting year using		
		Level I	Level 2	Level 3
<b>Assets /Liabilities Measured at Fair Value</b>				
<u>Financial Assets:</u>				
Non Current Investments	-	-	-	-

The following Table Presents Fair Value Hierarchy of Assets and Liabilities Measured at Fair Value on a Recurring basis as at March 31, 2023

Particulars	As at March 31, 2023	Fair value measurement at end of the reporting year using		
		Level I	Level 2	Level 3
<b>Assets /Liabilities Measured at Fair Value</b>				
<u>Financial Assets:</u>				
Non Current Investments	-	-	-	-

The following Table Presents Fair Value Hierarchy of Assets and Liabilities Measured at Fair Value on a Recurring basis as at March 31, 2022

Particulars	As at March 31, 2022	Fair value measurement at end of the reporting year using		
		Level I	Level 2	Level 3
<b>Assets /Liabilities Measured at Fair Value</b>				
<u>Financial Assets:</u>				
Non Current Investments	-	-	-	-

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

The management assessed that cash and cash equivalents, Trade receivable and other financial asset, trade payables and other financial liabilities approximate their carrying amount largely due to short term maturity of these instruments.

### 40 Financial Risk Management Objectives and Policies

The risk management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Management has overall responsibility for the establishment and oversight of the Company's risk management framework. In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, Liquidity risk and Market risk.

**Carrying Amount of Financial Assets and Liabilities:**

The following table summaries the carrying amount of financial assets and liabilities recorded at the end of the period by categories:

Particulars	For the Period 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
<b>Financial Assets</b>				
Non Current Investment	101.14	-	-	-
Cash and Cash Equivalent	5.48	125.77	359.07	135.75
Bank Balances Other than Cash and Cash Equivalents	171.56	503.82	4.12	-
Trade Receivables	101.87	254.63	231.52	134.54
Other Financial Assets (Current)	63.68	136.09	99.60	93.24
Other Financial Assets (Non-Current)	12.83	38.75	5.25	88.24
Loans	-	68.63	66.29	-
<b>At End of the Year</b>	<b>456.56</b>	<b>1,127.69</b>	<b>765.85</b>	<b>451.77</b>
<b>Financial Liabilities</b>				
Trade Payables	44.01	112.33	101.74	35.86
Other Financial Liabilities	15.32	117.21	56.46	10.72
Borrowings	3.83	5.49	8.63	-
<b>At End of the Year</b>	<b>63.17</b>	<b>235.03</b>	<b>166.83</b>	<b>46.58</b>

**Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

**Credit Risk on Financial Assets**

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables, and other financial assets. The maximum exposure to credit risk is: the total of the fair value of the financial instruments and the full amount of any loan payable commitment at the end of the reporting year. Credit risk on cash balances with banks is limited because the counterparties are entities with acceptable credit ratings. Credit risk on other financial assets is limited because the other parties are entities with acceptable credit ratings.

As disclosed in Note 10, cash and cash equivalents balances generally represent short term deposits with a less than 90-day maturity.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is about 90-360 days. But some customers take a longer period to settle the amounts.

**Exposure to Credit Risk**

Financial Asset for which Loss Allowance is Measured using Expected Credit Loss Model

Particulars	For the Period 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
<b>Financial Assets</b>				
Non Current Investment	101.14	-	-	-
Cash and Cash Equivalent	5.48	125.77	359.07	135.75
Bank Balances Other than Cash and Cash Equivalents	171.56	503.82	4.12	-
Trade Receivables	101.87	254.63	231.52	134.54
Other Financial Assets	63.68	136.09	99.60	93.24
Loans	-	68.63	66.29	-
<b>At End of the Year</b>	<b>443.73</b>	<b>1,020.31</b>	<b>694.31</b>	<b>363.53</b>

**41 Foreign Currency Risk**

The functional currency of the Company is the ₹. These Financial Statements are presented in ₹.

During the reporting period, the company has not engaged in any foreign currency transaction.

The company does not have regular foreign currency transactions, and hence, the foreign currency risk is limited to this particular event. The loss recognized reflects the difference in exchange rates between the transaction date and the settlement date.

**42 Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Company has interest rate risk exposure mainly from changes in rate of interest on borrowing & on deposit with bank. The interest rate are disclosed in the respective notes to the financial statements of the Company.

The following table analyse the breakdown of the financial assets and liabilities by type of interest rate:

Particulars	As at	As at	As at	As at
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Financial Assets</b>				
Interest Bearing - Fixed Interest Rate				
- Non Current Fixed Deposit	50.85	97.34	94.35	5.00
- Current Fixed Deposit	171.56	503.82	4.12	-
<b>Financial Liabilities</b>				
Interest bearing	7.09	8.62	11.52	-
Borrowings - Floating interest rate	-	-	-	-
- Working capital loan in rupee	-	-	-	-

**Interest Rate Sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the excluding the credit exposure for which interest rate swap has been taken and hence the interest rate is fixed. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	As at	As at	As at	As at
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Interest Rate</b>				
Increase by 100 bps Points	-	-	-	-
Decrease by 100 bps Points	-	-	-	-

**43 Liquidity Risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from banks at an optimised cost.

The Company maximum exposure to credit risk for the components of the balance sheet at September 30 2024, March 31, 2024, March 31, 2023 and March 31, 2022 is the carrying amounts. The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 90 days. The other payables are with short-term durations. The carrying amounts are assumed to be a reasonable approximation of fair value. The following table analysis financial liabilities by remaining contractual maturities:

Particulars	On demand	Less than 3 months	More than 3 Month but Less than 12 months	More then 1 Year but less than 5 years	More than 5 years	Total
<b>Year ended September 30, 2024</b>						
Borrowings	-	0.77	2.48	4	-	7.09
Other Financial Liabilities	-	-	-	-	-	-
Trade and Other Payables	-	25.95	12.06	6.00	-	44.01
<b>Total</b>	<b>-</b>	<b>26.72</b>	<b>14.54</b>	<b>9.83</b>	<b>-</b>	<b>51.10</b>
<b>Year ended March 31, 2024</b>						
Borrowings	-	0.76	2.37	5.49	-	8.62
Other Financial Liabilities	-	-	-	-	-	-
Trade and Other Payables	-	79.73	24.79	7.81	-	112.33
<b>Total</b>	<b>-</b>	<b>80.48</b>	<b>27.16</b>	<b>13.30</b>	<b>-</b>	<b>120.95</b>
<b>Year ended March 31, 2023</b>						
Borrowings	-	0.70	2.19	8.63	-	11.52
Other Financial Liabilities	-	-	-	-	-	-
Trade and Other Payables	-	88.25	13.49	-	-	101.74
<b>Total</b>	<b>-</b>	<b>88.95</b>	<b>15.68</b>	<b>8.63</b>	<b>-</b>	<b>113.26</b>
<b>Year ended March 31, 2022</b>						
Borrowings	-	-	-	-	-	-
Other Financial Liabilities	-	-	-	-	-	-
Trade and Other Payables	28.15	7.71	-	-	-	35.86
<b>Total</b>	<b>28.15</b>	<b>7.71</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35.86</b>

At present, the Company does expects to repay all liabilities at their contractual maturity. In order to meet such cash commitments, the operating activity is expected to generate sufficient cash inflows.

#### 44 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep optimum gearing ratio. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Borrowings	7.09	8.62	11.52	-
Trade Payables	44.01	112.33	101.74	35.86
Less: Cash and Cash Equivalents	(5.48)	(125.77)	(359.07)	(135.75)
<b>Net Debt (a)</b>	<b>45.62</b>	<b>(4.82)</b>	<b>(245.81)</b>	<b>(99.89)</b>
Total Equity				
Total Member's Capital	1,884.72	1,643.26	1,046.11	544.31
<b>Capital and Net Debt (b)</b>	<b>1,930.34</b>	<b>1,638.44</b>	<b>800.30</b>	<b>444.42</b>
<b>Gearing Ratio (%) (a/b)*100</b>	<b>2.36</b>	<b>(0.29)</b>	<b>(30.71)</b>	<b>(22.48)</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the period/years ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022.

#### 45 Income Tax

The major components of income tax expense for the years are:

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Current Income Tax:</b>				
Current Income Tax Charge	85.72	215.64	174.39	134.49
Previous Year Tax	3.75	-	3.25	-
	<b>89.47</b>	<b>215.64</b>	<b>177.64</b>	<b>134.49</b>
<b>Deferred Tax:</b>				
Relating to Origination and Reversal of Temporary Differences	(0.14)	0.95	0.44	0.02
<b>Income Tax Expense Reported in the Statement of Profit or Loss</b>	<b>89.33</b>	<b>216.59</b>	<b>178.08</b>	<b>134.51</b>

The tax rate used for the reconciliation above is the corporate tax rate payable by corporate entity in India on taxable profits under the Indian tax law. The Company elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) ordinance, 2019 in FY 2020-21, which gives a one time irreversible option to domestic companies for payment of corporate tax at reduced rates. Accordingly, the Company has re-measured its deferred tax asset (net) basis the rate prescribed in the said section.

A Reconciliation of income tax provision to the amount computed by applying the statutory income tax rate to the income before Income taxes is summarized as follow:

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Profit Before Income Tax</b>	331.32	813.84	679.19	517.88
Rate of Income Tax*	25.17%	25.17%	25.17%	25.17%
Computed Expected Tax Expenses	83.39	204.83	170.94	130.34
Additional Allowances for Tax Purpose	(0.95)	(3.08)	(1.89)	(0.74)
Expenses Not Allowed for Tax Purposes	3.28	3.81	2.87	0.45
Disallowance of Expense due to IND AS Adjustments	-	-	-	4.44
Income Tax on Partnership Firm Income	-	1.43	-	-
Interest Under Sec 234B	-	1.76	-	-
Interest Under Sec 234C	-	6.89	2.47	-
<b>Current Income Tax</b>	<b>85.72</b>	<b>215.64</b>	<b>174.39</b>	<b>134.49</b>

\*Applicable statutory tax rate for financial Year

The Gross Movement in the Current Income Tax Asset/(Liability) for the Period/Year ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 is as follows:

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Net Current Income Tax Asset/(Liability) at	74.62	11.79	11.22	23.01
Income Tax Paid	(89.65)	(152.80)	(177.07)	(146.28)
Previous Year Tax Adjustment	3.75	-	3.25	-
Current Tax Expenses	85.72	215.64	174.39	134.49
<b>Net Current Income Tax Asset/(Liability) at the end</b>	<b>74.44</b>	<b>74.62</b>	<b>11.79</b>	<b>11.22</b>

**46 Estimates**

The estimates at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 are consistent with those made for the same dates in accordance with Ind As (after adjustments to reflect any differences in accounting policies).

**47** Balances in the accounts of trade receivables, loans and advances, trade payables and other current liabilities are subject to confirmation / reconciliation, if any. The management does not expect any material adjustment in respect of the same effecting the financial statements on such reconciliation / adjustments.

**48** There was no impairment loss on the fixed assets on the basis of review carried out by the management in accordance with Indian Accounting Standard (Ind AS)–36 ‘Impairment of Assets.

**49 Earnings Per Share**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	As at	As at	As at	As at
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Net Profit for the year attributable to equity	241.99	597.25	501.12	383.37
<b>Weighted average number of equity shares for basic and diluted earning per share (No's)</b>				
Opening No. of equity share for the period / year	19.20	4.80	4.80	4.80
No. of bonus equity share	-	14.40	14.40	14.40
Total weighted average number of equity share	<b>19.20</b>	<b>19.20</b>	<b>19.20</b>	<b>19.20</b>
Face Value per Share	10	10	10	10
Basic and Diluted Earnings per shares	12.60	31.11	26.10	19.97



**Annexure VII : Notes to Restated Consolidated Financial Information**

(All amounts in ₹ Million, unless otherwise stated)

50 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Restated Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

**For the year ended September 30, 2024**

Name of Entities	Net Assets i.e. Total Assets		Share in Profit/(Loss)		Share in OCI	
	As % of Consolidated Net Assets	₹ Million	As % of Consolidated Net Assets	₹ Million	As % of Consolidated Net Assets	₹ Million
<b>Parent:</b> Denta Water and Infra Solutions Limited	99.00	(2.38)	99.00	0.00	-	-
<b>Partner:</b> Sowmylatha	1.00	(0.02)	1.00	0.00	-	-
<b>Total</b>	<b>100.00</b>	<b>(2.41)</b>	<b>100.00</b>	<b>0.00</b>	<b>-</b>	<b>-</b>

**For the year ended March 31, 2024**

Name of Entities	Net Assets i.e. Total Assets		Share in Profit/(Loss)		Share in OCI	
	As % of Consolidated Net Assets	₹ Million	As % of Consolidated Net Assets	₹ Million	As % of Consolidated Net Assets	₹ Million
<b>Parent:</b> Denta Water and Infra Solutions Limited	99.00	70.02	99.00	3.11	-	-
<b>Partner:</b> Sowmylatha	1.00	0.71	1.00	0.03	-	-
<b>Total</b>	<b>100.00</b>	<b>70.73</b>	<b>100.00</b>	<b>3.14</b>	<b>-</b>	<b>-</b>

**For the year ended March 31, 2023**

Name of Entities	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit/(Loss)		Share in OCI	
	As % of Consolidated Net Assets	₹ Million	As % of Consolidated Net Assets	₹ Million	As % of Consolidated Net Assets	₹ Million
<b>Parent:</b> Denta Water and Infra Solutions Limited	99.00	66.43	99.00	0.02	-	-
<b>Partner:</b> Sowmylatha	1.00	0.67	1.00	0.00	-	-
<b>Total</b>	<b>100.00</b>	<b>67.10</b>	<b>100.00</b>	<b>0.02</b>	<b>-</b>	<b>-</b>

**For the year ended March 31, 2022**

Name of Entities	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit/(Loss)		Share in OCI	
	As % of Consolidated Net Assets	₹ Million	As % of Consolidated Net Assets	₹ Million	As % of Consolidated Net Assets	₹ Million
<b>Parent:</b> Denta Water and Infra Solutions Limited	-	-	-	-	-	-
<b>Partner:</b> Sowmylatha	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

51 RELATED PARTY DISCLOSURES

Name of Related Parties and Nature of Relationship:

Description of Relationship	Names of Related Parties
(i) Key Management Personnel (KMP)	<b>Promoter</b> Sowbhagyamma Sujith T R C Mruthyunjaya Swamy Hema H M  <b>Director and KMP</b> Nista U Shetty Manish Shetty Pradeep N R Narendra Babu Gopalkrishna Kumaraswamy Deepa S Sujata Gaonkar
(ii) Relatives of KMP	Prabhu H M Chandrashekariah Dr Gurumurthy Thontadarya H M Viswanath Anusha M Rajashekar Shivanna Sumithamma B D Indu T R S. Sudarshan Sarva Mangalamma Siddalinga Devaru C Mangala C Mahadevi Jayasheel Shetty Sheela Jayasheel Shetty Udayakumar Shetty Sadhana U Shetty
(iii) Entities in which KMP or relatives of KMP can exercise significant influence	RPS ACC DPIPL Joint Venture DPIPL SPML Joint Venture DPIPL & JNS Joint Venture DWIL & SIPL & SIRL Core 4 Engineers DPIPL Joint Venture R P SHETTY Joint Venture with Denta Properties Denta Engineers and Consultants HUF JNS Neopac India Private Limited Ninetech Infra Solutions Private Limited Excelink Career Solutions Private Limited JNS CONSTRUCTIONS LLP
(iv) Company in which Directors was Interested	Coorguva Infra And Hospitality Private Limited UVA Spa & Saloon Uva Sands Private Limited

**Denta Water and Infra Solutions Limited**  
(Formerly known as Denta Properties and Infrastructure Private Limited)

CIN: U70109KA2016PLC097869

**Annexure VII : Notes to Restated Consolidated Financial Information**

(All amounts in ₹ Million, unless otherwise stated)

Sr. No.	Nature of transactions	Company in which director was interested	Entities in which KMP or relatives of KMP can exercise significant influence	KMP / Directors	Relatives of KMP	Total Period April 2024 to September 2024	Balance as at September 30, 2024
1	<b>Remuneration :-</b> Sujith T R Manish Shetty Sowbhagyamma	- - -	- - -	2.00 3.61 -	- - -	2.00 3.61 -	2.00 5.21 0.15
2	<b>Technical Services</b> Uva Sands Private Limited	0.07	-	-	-	0.07	0.69
3	<b>Contract:-</b> RPS ACC DPIPL Joint Venture JNS NEO PACK PRIVATE LIMITED JNS INFRA PROJECTS PRIVATE LIMITED	- - -	47.20 1.50 50.00	- - -	- - -	47.20 1.50 50.00	50.24 0.93 -
4	<b>Commission:-</b> Prabhu H M	-	-	-	0.63	0.63	-
5	<b>Consultancy Charges :</b> Denta Engineers and Consultants HUF	-	6.13	-	-	6.13	1.86
6	<b>Sitting Fees:</b> Pradeep N Narendra babu Gopal Krishna Kumar Swamy	- - -	- - -	0.07 0.05 0.04	- - -	0.07 0.05 0.04	0.06 0.05 0.05
7	<b>Salary:-</b> Prabhu H M	-	-	-	0.30	0.30	-
	<b>Total</b>	<b>0.07</b>	<b>104.83</b>	<b>5.77</b>	<b>0.93</b>	<b>111.60</b>	<b>61.24</b>
	<b>Revenue</b>	<b>977.80</b>	<b>977.80</b>	<b>977.80</b>	<b>977.80</b>	<b>977.80</b>	<b>977.80</b>
	<b>% to Revenue</b>	<b>0.01</b>	<b>10.72</b>	<b>0.59</b>	<b>0.10</b>	<b>11.41</b>	<b>6.26</b>

Sr. No.	Nature of transactions	Company in which director was interested	Entities in which KMP or relatives of KMP can exercise significant influence	KMP / Directors	Relatives of KMP	Total Period April 2023 to March 2024	Balance as at March 31, 2024
1	<b>Remuneration :-</b> Manish Shetty Sowbhagyamma	- -	- -	4.25 0.05	- -	4.25 0.05	2.72 0.15
2	<b>Machinery Rental Charges:-</b> R P Shetty Engineers And Contractors	-	4.33	-	-	4.33	-
3	<b>Technical Services</b> Bharadwaj Construction & Consultants Uva Sands Private Limited	21.74 1.88	- -	- -	- -	21.74 1.88	0.55 1.04
4	<b>Contract:-</b> RPS ACC DPIPL Joint Venture	-	246.63	-	-	246.63	97.44
5	<b>Salary:-</b> Prabhu H M	-	-	-	0.60	0.60	0.05
6	<b>Commission:-</b> Prabhu H M	-	-	-	0.63	0.63	-
7	<b>Rent:-</b> Sowbhagyamma Hema H M	- -	- -	0.05 0.14	- -	0.05 0.14	0.14 0.11
8	<b>Consultancy Charges :</b> Denta Engineers and Consultants HUF	-	11.33	-	-	11.33	5.15
9	<b>Sitting Fees:</b> Pradeep N Narendra babu Gopal Krishna Kumar Swamy	- - -	- - -	0.12 0.10 0.11	- - -	0.12 0.10 0.11	- - -
10	<b>JNS CONSTRUCTIONS</b>	-	58.94	-	-	58.94	-
	<b>Total</b>	<b>23.62</b>	<b>321.23</b>	<b>4.82</b>	<b>1.23</b>	<b>350.90</b>	<b>107.35</b>
	<b>Revenue</b>	<b>2,418.37</b>	<b>2,418.37</b>	<b>2,418.37</b>	<b>2,418.37</b>	<b>2,418.37</b>	<b>2,418.37</b>
	<b>% to Revenue</b>	<b>0.98</b>	<b>13.28</b>	<b>0.20</b>	<b>0.05</b>	<b>14.51</b>	<b>4.44</b>

**Denta Water and Infra Solutions Limited**  
**(Formerly known as Denta Properties and Infrastructure Private Limited)**  
**CIN: U70109KA2016PLC097869**  
**Annexure VII : Notes to Restated Consolidated Financial Information**  
**(All amounts in ₹ Million, unless otherwise stated)**

Sr. No.	Nature of transactions	Company in which director was interested	Entities in which KMP or relatives of KMP can exercise significant influence	KMP / Directors	Relatives of KMP	Total FY 2022-23	Balance as at March 31, 2023
1	<b>Remuneration :-</b> Sowbhagyamma G Manjunath Nista U Shetty Sujith T R	- - - -	- - - -	0.60 0.50 0.30 0.46	- - - -	0.60 0.50 0.30 0.46	- - - -
2	<b>Machinery Rental Charges:-</b> R P Shetty Engineers And Contractors	-	10.39	-	-	10.39	2.97
3	<b>Technical Services</b> Bharadwaj Construction & Consultants Uva Sands Private Limited	10.09 1.04	- -	- -	- -	10.09 1.04	10.09 0.56
4	<b>Commission Paid:-</b> Prabhu H M	-	-	-	0.60	0.60	-
5	<b>Contract:-</b> R P Shetty Engineers And Contractors RPS ACC DPIPL Joint Venture	- -	281.38 53.42	- -	- -	281.38 53.42	- -
6	<b>Salary:-</b> Prabhu H M	-	-	-	0.53	0.53	0.05
7	<b>Rent:-</b> Sowbhagyamma Hema H M	- -	- -	0.07 -	- 0.07	0.07 0.07	- -
8	<b>Other Exp. Reimbursement :</b> Sowbhagyamma	-	-	0.12	-	0.12	-
	<b>Total</b>	<b>11.13</b>	<b>345.19</b>	<b>2.05</b>	<b>1.20</b>	<b>359.57</b>	<b>13.67</b>
	<b>Revenue</b>	<b>1,757.47</b>	<b>1,757.47</b>	<b>1,757.47</b>	<b>1,757.47</b>	<b>1,757.47</b>	<b>1,757.47</b>
	<b>% to Revenue</b>	<b>0.63</b>	<b>19.64</b>	<b>0.12</b>	<b>0.07</b>	<b>20.46</b>	<b>0.78</b>

Sr. No.	Nature of Transactions	Company in which Director was Interested	Entities in which KMP or relatives of KMP can exercise significant influence	KMP / Directors	Relatives of Directors	Total FY 2021-22	Balance as on March 31, 2022
1	<b>Salary:-</b> Prabhu H M	-	-	-	0.64	0.64	-
2	<b>Contract:-</b> R P Shetty Engineers And Contractors RPS ACC DPIPL JV	- -	483.51 258.29	- -	- -	483.51 258.29	- -
3	<b>Rent:-</b> Sowbhagyamma Hema H M	- -	- -	0.07 -	- 0.07	0.07 0.07	- -
4	<b>Machinery Rental Charges:-</b> R P Shetty Engineers And Contractors	-	12.64	-	-	12.64	1.34
	<b>Total</b>	<b>-</b>	<b>754.44</b>	<b>0.07</b>	<b>0.71</b>	<b>755.22</b>	<b>1.34</b>
	<b>Revenue</b>	<b>1,196.35</b>	<b>1,196.35</b>	<b>1,196.35</b>	<b>1,196.35</b>	<b>1,196.35</b>	<b>1,196.35</b>
	<b>% to Revenue</b>	<b>-</b>	<b>63.06</b>	<b>0.01</b>	<b>0.06</b>	<b>63.13</b>	<b>0.11</b>

**Annexure VII : Notes to Restated Consolidated Financial Information**  
(All amounts in ₹ Million, unless otherwise stated)

**52 Other Statutory Information**

- a) The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- b) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- c) The Company is not declared willful defaulter by any bank or financial institution or other lenders.
- d) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- e) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the year.
- f) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made there under.
- g) No loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.

**53** Company has utilized non fund based Bank Guarantee Facility from the banks amounting to ₹ 570.15/- Million.

**54 Relationship with Struck off Companies**

The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

**55 Events after the End of the Reporting Year**

The company has evaluated all events or transactions that occurred between reporting date September 30, 2024, and the date the financial statements were authorized for issue by the Board of Directors.

**56** Previous years figure have been regrouped/rearranged wherever necessary, to correspond with the current year classification / disclosures.

**57** The restated consolidated balance sheet, restated consolidated statement of profit and loss, restated consolidated cash flow statement, restated consolidated statement of changes in equity, restated consolidated statement of significant accounting policies and the other explanatory notes forms an integral part of the restated consolidated financial statements of the Company.

**58** These Restated Consolidated Financial Statements were approved by Board in its meeting held on December 06, 2024.

**Signatures to Notes 1 to 58**

**As per our report of even date**

**For Maheshwari and Co.**  
**Chartered Accountants**  
**FRN: 105834W**

**For and on behalf of Board of Directors of Denta Water and Infra Solutions Limited**  
(Formerly known as Denta Properties and Infrastructure Private Limited)

**Pawan Gattani**  
(Partner)  
M. No. 144734

**Manish Shetty**  
Managing Director  
DIN - 09075221

**R. Narendra Babu**  
Director  
DIN - 10330389

**Sujata Goankar**  
Company Secretary  
M. No.: A53988

**Sujith T R**  
Chief Financial Officer

**Place: Mumbai**  
**Date : December 07, 2024**

**Place: Bengaluru**  
**Date: December 06, 2024**

**Denta Water and Infra Solutions Limited**  
**(Formerly known as Denta Properties and Infrastructure Private Limited)**  
**CIN: U70109KA2016PLC097869**  
**Annexure VII : Notes to Restated Consolidated Financial Information**  
**(All amounts in ₹ Million, unless otherwise stated)**  
**Other Financial Information**

**The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:**

Particulars	As at /for the period ended September 30, 2024	As at /for the period ended March 31, 2024	As at /for the year ended March 31, 2023	As at /for the year ended March 31, 2022
Basic earnings per share (in ₹)	12.60	31.11	26.10	19.97
Diluted earnings per share (in ₹)	12.60	31.11	26.10	19.97
Return on Net Worth (%)	12.84%	36.36%	47.93%	70.43%
Net asset value per Equity Share (in ₹)	98.16	85.55	54.45	28.35
EBITDA	334.96	823.76	683.83	518.74

**Notes:**

- 1) Earnings per Equity Share = Profit attributable to owners of our Company for the year / Weighted average number of equity shares outstanding during the year.
- 2) Basic and diluted earnings per equity share: Basic and diluted earnings per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended) read with the requirements of SEBI ICDR Regulations.
- 3) Pursuant to a resolution passed by our Board on August 02, 2023 and a resolution passed by the Shareholders on August 14, 2023, have approved the issuance of 14,400,000/- bonus equity share in the ratio of 3 equity share for every 1 existing fully paid up equity share.
- 4) Return on Net Worth (%) = Restated profit/(loss) attributable to the owners of the Company divided by total equity attributable to equity shareholders of the Company (excluding non controlling interests).
- 5) Net Worth represents equity attributable to the equity holders of our Company (excluding non controlling interests).
- 6) Net Asset Value per Equity Share = Net Worth at the end of the year / Weighted number of equity shares outstanding at the end of the year.
- 7) EBITDA is calculated as restated profit for the year plus tax expense plus finance costs plus depreciation and amortization expense less other income.

**Non-GAAP Financial Measures**

This section includes Certain Non-GAAP financial measures and other statistical information relating to our operations and financial performance (together, “Non-GAAP Measures” and each a “Non-GAAP Measure”), as presented below. These Non GAAP financial measures are not required by or presented in accordance with Ind AS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS. In addition, these Non-GAAP Measures are not standardized terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company’s management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company’s operating performance.

**Reconciliation of Non-GAAP Measures**

Reconciliation for the various Non-GAAP Measures included in this Red Herring Prospectus are given below:

**EBITDA, Operating EBITDA, EBITDA Margin (%), Operating EBITDA Margin (%)**

Particulars	As at /for the period ended September 30, 2024	As at /for the period ended March 31, 2024	As at /for the year ended March 31, 2023	As at /for the year ended March 31, 2022
Restated profit before exceptional items and tax (A)	331.32	813.84	679.19	517.88
Finance costs (B)	1.06	5.07	0.93	-
Depreciation and amortization expense (C)	2.58	4.85	3.71	0.86
<b>EBITDA (D = A+B+C)</b>	<b>334.96</b>	<b>823.76</b>	<b>683.83</b>	<b>518.74</b>
Less: Other income (E)	7.30	32.39	14.23	0.63
<b>Operating EBITDA (F = D-E)</b>	<b>327.65</b>	<b>791.37</b>	<b>669.60</b>	<b>518.11</b>
Revenue from operations (G)	977.80	2,385.98	1,743.24	1,195.72
<b>Operating EBITDA Margin (%) (H=F/G*100)</b>	<b>33.51%</b>	<b>33.17%</b>	<b>38.41%</b>	<b>43.33%</b>
Total Income (I)	985.10	2,418.37	1,757.47	1,196.35
<b>EBITDA Margin (%) (J=D/I*100)</b>	<b>34.00%</b>	<b>34.06%</b>	<b>38.91%</b>	<b>43.36%</b>

**Denta Water and Infra Solutions Limited**  
**(Formerly known as Denta Properties and Infrastructure Private Limited)**  
**CIN: U70109KA2016PLC097869**  
**Annexure VII : Notes to Restated Consolidated Financial Information**  
**(All amounts in ₹ Million, unless otherwise stated)**  
**Other Financial Information**

**Net Worth, Return on Net Worth (%), Net Asset Value per Equity Share**

Particulars	As at /for the period ended September 30, 2024	As at /for the period ended March 31, 2024	As at /for the year ended March 31, 2023	As at /for the year ended March 31, 2022
Equity attributable to owners (A)	192.00	48.00	48.00	48.00
Bonus shares (B)	-	144.00		
Other equity (C)	1,692.63	1,450.56	997.47	496.31
<b>Net Worth (D=A+B+C)</b>	<b>1,884.63</b>	<b>1,642.56</b>	<b>1,045.47</b>	<b>544.31</b>
Restated profit for the period / year attributable to Equity holders (E)	241.99	597.25	501.12	383.37
<b>Return on Net Worth (%) (F=E/D*100)</b>	<b>12.84%</b>	<b>36.36%</b>	<b>47.93%</b>	<b>70.43%</b>
Weighted average number of equity shares outstanding during the period/year (G)	19.20	19.20	19.20	19.20
<b>Net Asset Value per Equity Share (H=E/G)</b>	<b>98.16</b>	<b>85.55</b>	<b>54.45</b>	<b>28.35</b>

**Notes:**

- i) Basic and diluted earnings per equity share: Basic and diluted earnings per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended) read with the requirements of SEBI ICDR Regulations.
- ii) Pursuant to a resolution passed by our Board on August 02, 2023 and a resolution passed by the Shareholders on August 14, 2023, have approved the issuance of 14,400,000/- bonus equity share in the ratio of 3 equity share for every 1 existing fully paid up equity share.

**Return on Capital Employed (%)**

Particulars	As at /for the period ended September 30, 2024	As at /for the period ended March 31, 2024	As at /for the year ended March 31, 2023	As at /for the year ended March 31, 2022
Operating EBITDA (A)	327.65	791.37	669.60	518.11
Depreciation and amortisation expense (B)	2.58	4.85	3.71	0.86
<b>EBIT (C=A-B)</b>	<b>325.08</b>	<b>786.52</b>	<b>665.89</b>	<b>517.25</b>
Current Borrowings (including current maturity of long term borrowings) (D)	3.26	3.13	2.89	-
Non-Current Borrowings (E)	3.83	5.49	8.63	-
<b>Total Borrowings (F=D+E)</b>	<b>7.09</b>	<b>8.62</b>	<b>11.52</b>	<b>-</b>
Less:				
Cash and cash equivalents (G)	5.48	125.77	359.07	135.75
Bank balances other than cash and cash equivalents (H)	171.56	503.82	4.12	-
<b>Net Debt (I=F-G-H)</b>	<b>(169.95)</b>	<b>(620.97)</b>	<b>(351.67)</b>	<b>(135.75)</b>
Total Equity (J)	1,884.63	1,642.56	1,045.47	544.31
<b>Capital Employed (K)</b>	<b>1,714.68</b>	<b>1,021.59</b>	<b>693.80</b>	<b>408.56</b>
<b>Return on Capital Employed (%) (L=C/K*100)</b>	<b>18.96%</b>	<b>76.99%</b>	<b>95.98%</b>	<b>126.60%</b>

**Net Debt to Operating EBITDA Ratio, Net Debt to Equity Ratio (Gearing Ratio)**

Particulars	As at /for the period ended September 30, 2024	As at /for the period ended March 31, 2024	As at /for the year ended March 31, 2023	As at /for the year ended March 31, 2022
Net Debt (A)	(169.95)	(620.97)	(351.67)	(135.75)
Operating EBITDA (B)	327.65	791.37	669.60	518.11
<b>Net Debt to Operating EBITDA Ratio (C=A/B)</b>	<b>(0.52)</b>	<b>(0.78)</b>	<b>(0.53)</b>	<b>(0.26)</b>
Total Equity (D)	1,884.63	1,642.56	1,045.47	544.31
<b>Net Debt to Equity Ratio (Gearing Ratio) (E=A/D)</b>	<b>(0.09)</b>	<b>(0.38)</b>	<b>(0.34)</b>	<b>(0.25)</b>

**RELATED PARTY TRANSACTIONS**

For details of related party transactions as per the requirements under applicable accounting standards, i.e., Ind AS 24 – Related Party Disclosures, read with the SEBI ICDR Regulations, of our Company, for the years ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 and as reported in Restated Consolidated Financial Information, see “Restated Consolidated Financial Information – Note 50 – Related Party Disclosures”.

**Denta Water and Infra Solutions Limited**  
**(Formerly known as Denta Properties and Infrastructure Private Limited)**

**CIN: U70109KA2016PLC097869**

**Annexure VII : Notes to Restated Consolidated Financial Information**

**(All amounts in ₹ Million, unless otherwise stated)**

**Capitalisation Statement**

The following table sets forth our Company's capitalization as at September 30, 2024, on the basis of amounts derived from our Restated Consolidated Financial Information, and as adjusted for the Issue.

<b>Particulars</b>	<b>Pre-Issue as at September 30, 2024</b>	<b>Adjusted for the Proposed Issue</b>
<b>Total Borrowings</b>		Refer Note Below#
Current Borrowings	-	
Non-Current Borrowings (A)	3.83	
Current Maturities of Long Term Debt (B)	3.26	
<b>Total Borrowings (C)</b>	<b>7.09</b>	
<b>Total Equity attributable to Equity Holders</b>		
Equity Share Capital <sup>&amp;§</sup>	192.00	
Instruments in the Nature of Equity *	-	
Other Equity	1,692.63	
<b>Total Equity attributable to Equity Holders (D)</b>	<b>1,884.63</b>	
<b>Non-Current Borrowings (including Current Maturities of Long Term Debt) (A+B) / Total Equity attributable to Equity Holders (D)</b>		0.38%

**Notes:**

<sup>&</sup>Pursuant to a resolution passed by our Board on August 02, 2023 and a resolution passed by the Shareholders on August 14, 2023, there is an increase in the authorised share capital from Rs. 4.85 million to Rs. 300 million in terms of Section 61 and other applicable provisions of the Companies Act, 2013.

<sup>§</sup> On August 14, 2023, our Company allotted 14,400,000 Equity Shares pursuant to bonus issuance, in the ratio of 3 Equity Share for every 1 existing fully paid up Equity Shares.

\*These terms carry the same meaning as per Schedule III of the Companies Act, 2013.

<sup>#</sup>The corresponding post Issue capitalization data is not determinable at this stage pending the completion of the book building process and hence have not been furnished. To be updated upon finalization of the Issue Price.



## OTHER FINANCIAL INFORMATION

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Particulars	Six months period ended September 30, 2024	For the year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Basic EPS (₹)	12.60	31.11	26.10	19.97
Diluted EPS (₹)	12.60	31.11	26.10	19.97
Return on Net-Worth (%)	12.84	36.36	47.93	70.43
Net Asset Value per Equity Share (₹)	98.16	85.55	54.45	28.35
EBITDA (A) (₹ in million)	334.96	823.76	683.83	518.74
Total Income (B) (₹ in million)	985.10	2,418.37	1,757.47	1,196.35
EBITDA Margin (%) A/B	34.00	34.06	38.91	43.36
Operating EBITDA (C) (₹ in million)	327.65	791.37	669.60	518.11
Revenue from Operations (D) (₹ in million)	977.80	2,385.98	1,743.24	1,195.72
Operating EBITDA Margin (%) C/D	33.51	33.17	38.41	43.33
Restated profit for the period/year after tax ( "PAT" ) (E) (₹ in million)	241.99	597.25	501.12	383.37
PAT Margin (%) E/D	24.75	25.03	28.75	32.06
Return on Capital Employed (%)	18.96	76.99	95.98	126.60

The ratios based on Restated Financial Information have been computed as below:

1. *Basic Earnings per Share = Restated profit for the period/year attributable to the equity holders of our Company/Weighted average number of Equity Shares outstanding during the period/year. The weighted average number of Equity Shares outstanding during the year is adjusted for bonus issue of Equity Shares.*
2. *Diluted Earnings per Share = Restated profit for the period/year attributable to equity holders of our Company/Weighted average number of Equity Shares outstanding during the period/year considered for deriving basic earnings per share and the weighted average number of Equity Shares which could have been issued on the conversion of all dilutive potential Equity Shares including Bonus Shares.*
3. *Return on Net worth attributable to the owners of our Company (%) = Restated profit for the period/year attributable to equity holders of the Company as at the end of the period/year.*
4. *Net Asset Value per Equity Share = Net worth / Weighted average number of Equity Shares outstanding as at the end of period/year. The weighted average number of equity shares have been adjusted for bonus issuance.*
5. *Operating EBITDA is calculated as Restated profit before exceptional items and tax minus Other Income plus Finance Costs, Depreciation, and amortisation expense.*
6. *Operating EBITDA Margin (%) is the percentage of Operating EBITDA divided by Revenue from operations.*
7. *EBITDA is calculated as Operating EBITDA plus Other Income.*
8. *EBITDA Margin (%) is calculated as EBITDA divided by Total Income.*
9. *RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed. EBIT is calculated as EBITDA minus depreciations. Capital Employed is calculated as Total Equity plus borrowing (long term and short term) minus cash and bank balances.*

In accordance with the SEBI ICDR Regulations the audited consolidated financial statements of the Company for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 (collectively, the “**Audited Financial Statements**”) are available on our website at [www.denta.co.in](http://www.denta.co.in).

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this 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 Issue Document to purchase or sell any securities under the Companies Act, 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing to or purchase

any securities of our Company and should not be relied upon or used as a basis for any investment decision. Due caution is advised when accessing and placing reliance on any historic or other information available in the public domain. None of our Company or any of its advisors, nor any BRLM, 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 Financial Statements, or the opinions expressed therein.

## **RELATED PARTY TRANSACTIONS**

For further details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind AS24 'Related Party Transactions' read with SEBI ICDR Regulations for the six months period ended September 30, 2024 and Financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 as reported in the Restated Consolidated Financial Information, please see "*Restated Consolidated Financial Information – Note no. 51 – Related Party Disclosures*" on page 304.

## CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at September 30, 2024, on the basis of our Restated Consolidated Financial Information, and as adjusted for the Issue. This table should be read in conjunction with the sections titled "Risk Factors", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 33, 249 and 315 respectively.

*(in ₹ million, except ratio)*

	Pre-Issue as at September 30, 2024	As adjusted for the Issue <sup>#</sup>
<b>Total Equity</b>		
Equity share capital*	192.00	267.00
Other equity*	1,692.63	3,822.63
<b>Total Equity attributable to shareholders (A)</b>	1,884.63	4,089.63
<b>Total borrowings</b>		
Current borrowings*	-	-
Non-current borrowings (including current maturity and interest accrued and due on borrowings)*	3.83	3.83
Current Maturities of Long Term Debt	3.26	3.26
<b>Total Borrowings (B)</b>	7.09	7.09
<b>Total (A+B)</b>	1,884.63	4,089.63
<b>Non-current borrowings (including current maturity and interest accrued and due on borrowings) and Current Maturities of Long Term Debt /Total Equity</b>	0.38%	0.17%

\* These terms shall carry the meaning as per Schedule III of the Companies Act 2013 (as amended).

### Notes:

1. The above has been computed on the basis of the Restated Consolidated Financial Information prepared as per Ind AS as on September 30, 2024.
2. Short term borrowing represents borrowings due within 12 months from the balance sheet date.
3. Long term borrowings represents borrowings due after 12 months from the balance sheet date and also includes current maturities of long term borrowings.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion of our financial condition and results of operations is based on, and should be read in conjunction with, our Restated Consolidated Financial Information (including the schedules, notes, and significant accounting policies thereto), included in the section titled "Restated Consolidated Financial Information" beginning on page 249.*

*Our Restated Consolidated Financial Information have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note. Our financial statements are prepared in accordance with Ind AS, notified under the Companies (Indian Accounting Standards) Rules, 2015, and read with Section 133 of the Companies Act, 2013 to the extent applicable. Ind AS differs in certain material respects from IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. Accordingly, the degree to which the financial statements prepared in accordance with Ind AS included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS accounting policies. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial information included in this Prospectus, nor do we provide a reconciliation of our financial information to IFRS or U.S. GAAP. Any reliance by persons not familiar with Ind AS accounting policies on the financial disclosures presented in this Prospectus should accordingly be limited.*

*Unless otherwise indicated or the context requires otherwise, the financial information for the six months period ended September 30, 2024 and Fiscals 2024, 2023 and 2022 included herein have been derived from our restated balance sheets as of, March 31, 2024, March 31, 2023 and March 31, 2022 and restated consolidated statements of profit and loss, cash flows and changes in equity for the six months period ended September 30, 2024 and fiscal years ended March 31, 2024, March 31, 2023 and March 31, 2022 of the Company, together with the statement of significant accounting policies, and other explanatory information thereon.*

*Unless stated otherwise, industry and market data used in this Prospectus has been obtained or derived from the report titled "India Water and Wastewater Treatment Market – Forecast to 2033" released in December, 2024 prepared by Marketysers Global Consulting LLP (the "**Marketysers Global Report**") and publicly available information as well as other industry publications and sources. The Report has been exclusively commissioned at the request of our Company and paid for by our Company for the purposes of this Issue and is available on the website of the Company at [www.denta.co.in](http://www.denta.co.in). Unless otherwise indicated, all financial, operational, industry and other related information derived from the Marketysers Global Report and included herein with respect to any particular year, refers to such information for the relevant calendar year. Marketysers Global was appointed by our Company and is not connected to our Company, our Directors, our Promoters, our Key Managerial Personnel, Senior Management or BRLM. Copy of the Marketysers Global Report is available on the website of our Company at [www.denta.co.in](http://www.denta.co.in), further Marketysers Global Report, is already part of the "Material Contracts and Documents for Inspection" on page 412 of this RHP under Section titled -Material Documents and Contracts for Inspection 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 33. 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.*

*Our fiscal year ends on March 31 of each year, and references to a particular fiscal period are to the 12 months ended March 31 of that year. All references to a year are to that Fiscal Year, unless otherwise noted. Some of the information contained in this section, including information with respect to our strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled "Forward Looking Statements" beginning on page 21 for a discussion of the risks and uncertainties related to those statements and also the section titled "Risk*

Factors” and “Our Business” beginning on page 33 and 178, respectively, for a discussion of certain factors that may affect our business, results of operations and financial condition. The actual results of the Company may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise stated, references to “the Company”, “our Company”, “we”, “us”, and “our” are to Denta Water and Infrastructure Limited.

## I. OVERVIEW

We are a growing water and infrastructure solutions company engaged in design, installation and commissioning of water management infrastructure projects with expertise in ground water recharging projects. In addition, we also undertake construction projects in the field of railways and highways. We are one of the few companies in India having experience and expertise in design, installation, commissioning, operations and maintenance of ground water recharging using recycled water. For further details, please see section titled “Our Business” on page 178.

## II. KEY PERFORMANCE INDICATORS

(₹ in million except as stated)

KPIs	Six months period 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 <sup>(1)</sup>	977.80	2,385.98	1,743.24	1,195.72
Revenue Growth (%) <sup>(2)</sup>	NA	36.87	45.79	272.84
Total Income <sup>(3)</sup>	985.10	2,418.37	1,757.47	1,196.35
Operating EBITDA <sup>(4)</sup>	327.65	791.37	669.60	518.11
Operating EBITDA Margin (%) <sup>(5)</sup>	33.51	33.17	38.41	43.33
Restated profit for the period / year after tax (“PAT”) <sup>(6)</sup>	241.99	597.25	501.12	383.37
PAT Margin (%) <sup>(7)</sup>	24.75	25.03	28.75	32.06
Operating Cash Flow	(467.59)	268.95	514.64	(78.03)
Net Worth <sup>(8)</sup>	1,884.63	1,642.56	1,045.47	544.31
Return on Equity (RoE) (%) <sup>(9)</sup>	12.84	36.36	47.93	70.43
Return on Capital Employed (RoCE) (%) <sup>(10)</sup>	18.96	76.99	95.98	126.60
EPS <sup>(11)</sup>	12.60	31.11	26.10	19.97
Unbilled Revenue <sup>(12)</sup>	449.25	422.63	77.42	12.27

Notes:

1. Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Information.
2. Revenue Growth (%) is calculated as Revenue from operations for the current year / period minus Revenue from operations for the previous year as a % of Revenue from operations for the previous year / period.
3. Total income includes revenue from operation and other income.
4. Operating EBITDA is calculated as profit before tax, plus finance costs and depreciation and amortisation expenses, less other income.
5. Operating EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations
6. Restated profit for the period / year after tax (“PAT”) refers to profit after tax attributable to owners of the Company as appearing in the Restated Financial Information.
7. PAT Margin (%) is calculated as PAT divided by revenue from operations.
8. ‘Net worth’ means the aggregate value of the paid-up equity share capital and other equity, each on a restated basis.
9. RoE is calculated as PAT divided by total equity.
10. RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed. EBIT is calculated as EBITDA minus depreciations. Capital Employed is calculated as Total Equity plus borrowing (long term and short term) minus cash and bank balances.
11. EPS is calculated as Restated profit for the year attributable to equity shareholders / Weighted average number of equity shares.
12. Unbilled revenue is the revenue for which work completed but invoice not raised.

### **III. FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION**

Our business, financial condition and results of operations have been, and are expected to be, influenced by numerous factors. A summary of the most important factors that have had, and that we expect will continue to have, a significant impact on our business, results of operations, cash flow and financial condition follows below:

#### ***Government policies relating to wastewater management***

Our business is substantially dependent on water management projects in the State of Karnataka. We are currently and, in the future, expect to derive a significant portion of our revenue from water management focused infrastructure projects in India. These are primarily dependent on budgetary allocations made by the central and state Government of Karnataka. We believe that replicating project model like GWR projects undertaken by State Government of Karnataka by other states of India as well as by Central Government of India will result in several wastewater management projects like GWR projects being launched in India.

#### ***Our capabilities regarding execution of existing order book***

As on November 30, 2024, out of total contract value of ₹ 11,004.36 million we have completed work amounting to ₹ 3,479.85 million and our outstanding order book is of ₹ 7,524.51 million. For the purposes of calculating the Order Book value, our Company does not take into account any escalation or change in work scope of our ongoing projects as of the relevant date, or the work conducted by us in relation to any such escalation or change in work scope of such projects until such date. The manner in which we calculate and present our Order Book is therefore not comparable to the manner in which our revenue from operations is accounted, which takes into account revenue from work relating to escalation or changes in scope of work of our projects. The Order Book information included in this Prospectus is not audited and does not necessarily indicate our future earnings. Our Order Book should not be considered in isolation or as a substitute for performance measures.

The value of the orders we receive and our ability to execute them in a timely manner therefore impacts our future performance. As we expand our Order Book, the modified terms of payments for new projects may necessitate higher working capital requirements and therefore impact our financial performance. Any cancellation of orders or termination of projects under construction by our customers may result in a reduction of our future revenue. Any delay in payments that are due and payable to us will affect our operations and have an impact on our cash flows. This may result in an increase in our working capital borrowings thereby affecting our business and results of operations.

#### ***Our capabilities to bid for new projects***

The majority of our contracts are tender based and are awarded through a competitive bidding process. This process therefore involves pre-qualifying for bids based on the company's technical and financial strengths, and an evaluation of the nature and value of contracts executed in the past to determine a company's eligibility to bid for new projects. Further, the ability to strategically partner with other players also determines the outcome of pre-qualification and consequently the award of projects.

We bid for selective government projects in relation to water management projects where we have expertise and execution capabilities. Our ability to meet the qualification criteria, whether independently or together with other joint venture partners, depends on our technical as well as financial capabilities. We would be required to continuously improve on our operational and technical efficiency which includes amongst others site surveys, design and planning of the project in cost effective way, efficient equipment and material sourcing, efficient outsourcing strategy for labour intensive jobs etc.

#### ***Competition***

We face significant competition for the award of projects from a various company who also operate in the same regional markets as us. Further, some of our competitors are larger than us, have stronger financial resources or a more experienced management team, or have stronger engineering capabilities in executing technically complex projects. Our competition depends on various factors, such as the type of project, total contract value, potential margins, complexity, location of the project and risks relating to revenue generation. While service quality, technical ability,

performance record, experience, health and safety records and the availability of skilled personnel are key factors in client decisions among competitors, price often is the deciding factor in most tender awards. Competition from other companies may impact our ability to successfully bid for projects at price levels which would generate desired returns for us.

#### **IV. SIGNIFICANT ACCOUNTING POLICIES**

Below mentioned are the details of the significant accounting policies used in preparation of our financial statements:

##### **(a) Basis of accounting**

The Company maintains its accounts on an accrual basis following historical cost convention, except for certain assets and liabilities that are measured at fair value in accordance with Ind AS.

Fair value measurements are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the assets or liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.
- Above levels of fair value hierarchy are applied consistently and generally, there are no transfers between the levels of the fair value hierarchy unless the circumstances change warranting such transfer.

##### **(b) Presentation of Restatement of Consolidated Financial Information**

The Restatement of Consolidated Statement of assets and liabilities, the Restatement of Consolidated Statement of Profit and Loss and the Restatement of Consolidated Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (the Act). The Restatement of Consolidated Statement of Cash Flows has been prepared and presented in accordance with Ind AS 7 “Statement of Cash Flows”. The disclosures with respect to items in the Restatement of Consolidated Statement of assets and liabilities and Restatement of Consolidated Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the Restatement of Consolidated Financial Information along with the other notes required to be disclosed under the notified Accounting Standards.

Amounts in the Restatement of Consolidated Financial Information are presented in Indian Rupee in millions [one million = Ten Lakhs] rounded off to two decimal places as permitted by Schedule III to the Act. Per share data are presented in Indian Rupee in millions to two decimals places.

##### **(c) Operating cycle for current and non-current classification**

Operating cycle for the business activities of the Company covers the duration of the specific project or contract or product line or service including the defect liability period wherever applicable and extends up to the realization of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business.

##### **(d) Revenue recognition**

Revenue from contracts with customers is recognised when a performance obligation is satisfied by the transfer of promised goods or services to a customer.

For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to date, to the total estimated cost attributable to the performance obligation. The Company transfers control of a good or service over time and therefore satisfies a performance obligation and recognises revenue over a period



of time if one of the following criteria is met:

- (a) the customer simultaneously consumes the benefit of the Company's performance or
- (b) the customer controls the asset as it is being created/ enhanced by the Company's performance or
- (c) there is no alternative use of the asset, and the Company has either explicit or implicit right of payment considering legal precedents,

In all other cases, performance obligation is considered as satisfied at a point in time.

The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. The Company includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved. 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 the financing component, if significant, is separated from the transaction price and accounted as interest income.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged off in profit or loss immediately in the period in which such costs are incurred. The Company recognises asset from the cost, if any, incurred to fulfill the contract such as set up and mobilisation costs and amortises it over the contract tenure on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

Significant judgments are used in:

- a. Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation.
  - b. Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.
  - c. Determining the method to be applied to arrive at the variable consideration requiring an adjustment to the transaction price.
- (i) Revenue from operations

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.

- A. Revenue from sale of goods including contracts for supply/commissioning of complex plant and equipment is recognised as follows:

Revenue is recognised when the control of the same is transferred to the customer and it is probable that the Company will collect the consideration to which it is entitled for the exchanged goods. Revenue from commissioning of complex plant and equipment is recognised either 'over time' or 'in time' based on an assessment of the transfer of control as per the terms of the contract.

- B. Revenue from construction/project related activity is recognised as follows:

- Cost plus contracts: Revenue from cost plus contracts is recognised over time and is determined with reference to the extent performance obligations have been satisfied. The amount of transaction price allocated to the performance obligations satisfied represents the recoverable costs incurred during the period plus the margin as agreed with the customer.
- Fixed price contracts: Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at an allocable

transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method.

- Percentage of completion is the proportion of cost of work performed to date, to the total estimated contract costs. 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 and termed as “Due from customers”. For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as “Due to customers”. Amounts received before the related work is performed are disclosed in the Restatement of Consolidated Statement of assets and liabilities as contract liability and termed as “Advances from customer.” The amounts billed on customer for work performed and are unconditionally due for payment i.e., only passage of time is required before payment falls due, are disclosed in the Restatement of Consolidated Statement of assets and liabilities as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

Provision for foreseeable losses in the Restatement of Consolidated Financial Information is recognised in profit or loss to the extent the carrying amount of the contract asset exceeds the remaining amount of consideration that the Company expects to receive towards remaining performance obligations (after deducting the costs that relate directly to fulfill such remaining performance obligations). The Company recognises impairment loss (termed as provision for expected credit loss on contract assets in the Restatement of Consolidated Financial Information) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.

- C. Revenue from property development activities is recognised when performance obligation is satisfied, the customer obtains control of the property transferred and a reasonable expectation of collection of the sale consideration from the customer exists.
- D. Revenue from rendering of services is recognised over time as the customer receives the benefit of the Company’s performance and the Company has an enforceable right to payment for services transferred.

Unbilled revenue represents the value of services performed in accordance with the contract terms but not billed.

- E. Revenue from contracts for rendering of engineering design services and other services which are directly related to the construction of an asset is recognised on the same basis as stated in (B) above.
- F. Other operational revenue represents income earned from the activities incidental to the business and is recognised when the performance obligation is satisfied and the right to receive the income is established as per the terms of the contract.

(ii) Other income

- A. 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 Company and the amount of income can be measured reliably.

**(e) Property, plant and equipment (PPE)**

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation, and cumulative impairment, if any. All directly attributable costs related to the acquisition of PPE and borrowing costs in the case of qualifying assets are capitalised in accordance with the Company’s accounting policy.

Own manufactured PPE is capitalised at cost including an appropriate share of overheads. Administrative and other general overhead expenses that are specifically attributable to construction or acquisition of PPE or bringing the PPE to working condition are allocated and capitalised as a part of the cost of the PPE.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

PPE not ready for the intended use on the date of the Restatement of Consolidated Statement of assets and liabilities are disclosed as "capital work-in-progress." (Also refer to the policies on leases, borrowing costs, impairment of assets and foreign currency transactions infra).

Depreciation is recognised using written down value method so as to write off the cost of the assets (other than freehold land and capital work-in-progress) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

The depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately, and such asset component is depreciated over its separate useful life.

Depreciation on additions to/deductions from, owned assets is calculated pro rata to the period of use.

PPE is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from derecognition is recognised in the Statement of Restatement of Consolidated Profit and Loss in the same period.

**(f) Intangible assets**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortization, and cumulative impairment. All directly attributable costs and other administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets. Research and development expenditure on new products.

**(g) Employee Benefits**

**(i) Short term employee benefits:**

Employee benefits such as salaries, wages, short term compensated absences, bonus, ex-gratia and performance-linked rewards falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the service.

**(ii) Post-employment benefits:**

A. Defined contribution plans: The Company's superannuation scheme, state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The

contribution paid/payable under the schemes is recognised during the period in which the employee renders the service.

B. Defined benefit plans: The employees' gratuity fund schemes and employee provident fund schemes managed by the board of trustees established by the Company, the post-retirement medical care plan and the company pension plan represent defined benefit plans. The present value of the obligation under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method. The obligation towards defined benefit plans is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Restatement of Consolidated Statement of assets and liabilities date.

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Restatement of Consolidated Profit and Loss as employee benefits expense.

Interest cost implicit in defined benefit employee cost is recognised in the Statement of Restatement of Consolidated Profit and Loss under finance costs. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Company recognises related restructuring costs or termination benefits.

In the case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

(i) Long-term employee benefits:

The obligation recognised in respect of long-term benefits such as compensated absences, long service award etc. is measured at present value of estimated future cash flows expected to be made by the Company and is recognised in a similar manner as in the case of defined benefit plans vide (ii)(B) above.

Long-term employee benefit costs comprising current service cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognised in the Statement of Restatement of Consolidated Profit and Loss as employee benefits expenses. Interest cost implicit in long-term employee benefit cost is recognised in the Restatement of Consolidated Statement of Profit and Loss under finance costs.

(ii) Termination benefits:

Termination benefits such as compensation under employee separation schemes are recognised as expense when the Company's offer of the termination benefit can no longer be withdrawn or when the Company recognises the related restructuring costs whichever is earlier.

**(h) Leases**

Assets taken on lease are accounted as right-of-use assets and the corresponding lease liability is recognised at the lease commencement date. Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, as reduced by any lease incentives received.

The lease liability is initially measured at the present value of the lease payments, discounted using the Company's

incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate, or a change in the estimate of the guaranteed residual value, or a change in the assessment of purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The right-of-use asset is measured by applying cost model i.e., right-of-use asset at cost less accumulated depreciation and cumulative impairment, if any. The right-of-use asset is depreciated using the written down value method from the commencement date to the end of the lease term or useful life of the underlying asset whichever is earlier. The carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

Lease payments associated with following leases are recognised as expense on written down value basis:

- (i) Low value leases; and
- (ii) Leases which are short-term.

Assets given on lease are classified either as operating lease or as finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Asset held under finance lease is initially recognized in Restatement of Consolidated Statement of assets and liabilities and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the Company's net investment in the lease. A lease which is not classified as a finance lease is an operating lease. The Company recognises lease payments in the case of assets given on operating leases as income on a written down value basis. The Company presents underlying assets subject to operating lease in its Restatement of Consolidated Statement of assets and liabilities under the respective class of asset. (Also refer to policy on depreciation, above).

#### **(i) Financial instruments**

Financial assets and/or financial liabilities are recognised when the Company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at fair value except for trade receivables not containing a significant financing component which are initially measured at transaction price. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such financial assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

In the case of funding to subsidiary companies in the form of interest free or concession loans and preference shares, the excess of the actual amount of the funding over initially measured fair value is accounted as an equity investment. A financial asset and a financial liability are offset and presented on net basis in the Restatement of Consolidated Statement of assets and liabilities when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

#### **(i) Financial assets:**

A. All recognised financial assets are subsequently measured in their entirety either at amortised cost or at fair value as follows:

1. Investments in debt instruments that are designated as fair value through profit or loss (FVTPL) - at fair value. Debt instruments at FVTPL are a residual category for debt instruments, if any, and all changes are recognised in profit or loss.
2. Investments in debt instruments that meet the following conditions are subsequently measured at amortised cost (unless the same designated as fair value through profit or loss):
  - The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
3. Investment in debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income FVTOCI (unless the same are designated as fair value through profit or loss)
    - The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
    - The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
  4. Investment in equity instruments issued by subsidiary, associate and joint venture companies are measured at cost less impairment.
  5. Investment in preference shares of the subsidiary companies are treated as equity instruments if the same are convertible into equity shares or are redeemable out of the proceeds of equity instruments issued for the purpose of redemption of such investments. Investment in preference shares not meeting the aforesaid conditions are classified as debt instruments at FVTPL.
  6. Investments in equity instruments issued by other than subsidiaries are classified as at FVTPL, unless the related instruments are not held for trading and the Company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income.
  7. Trade receivables, security deposits, cash and cash equivalents, employee and other advances – at amortised cost.
- B. For financial assets that are measured at FVTOCI, income by way of interest and dividend, provision for impairment and exchange difference, if any, (on debt instrument) are recognised in profit or loss and changes in fair value (other than on account of above income or expense) are recognised in other comprehensive income and accumulated in other equity. On disposal of debt instruments at FVTOCI, the cumulative gain or loss previously accumulated in other equity is reclassified to profit or loss. In the case of equity instruments at FVTOCI, such cumulative gain or loss is not reclassified to profit or loss on disposal of investments.
- C. A financial asset is primarily de-recognised when:
1. the right to receive cash flows from the asset has expired, or
  2. the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- On derecognition of a financial asset in its entirety, the difference between the carrying amount at the date of derecognition and the consideration received is recognised in profit or loss.
- D. Impairment of financial assets: Impairment loss on trade receivables is recognised using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 and is adjusted for forward looking information. Impairment loss on investments is recognised when the carrying amount exceeds its recoverable amount. For all other financial assets, expected credit losses are recognised based on the difference between the contractual cashflows and all the expected cash flows, discounted at the original effective interest rate. ECLs are measured at an amount equal to 12-month expected credit losses or at an amount equal to lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

- (ii) Financial liabilities:
- A. Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the amount of impairment loss allowance, or the amount recognised at inception net of cumulative amortisation, whichever is higher. All other financial liabilities including loans and borrowings are measured at amortised cost using the Effective Interest Rate (EIR) method.
  - B. Financial liability is derecognised when the related obligation expires or is discharged or cancelled.
- (iii) The Company designates certain hedging instruments, such as derivatives, embedded derivatives and in respect of foreign currency risk, certain non-derivatives, as either fair value hedges, cash flow hedges or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges.

- A. Fair value hedges: Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

- B. Cash flow hedges: In case of transaction related hedges, the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity as 'hedging reserve.' The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Amounts previously recognised in other comprehensive income and accumulated in equity relating to the effective portion, are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as the hedged item. The effective portion of the hedge is determined at the lower of the cumulative gain or loss on the hedging instrument from inception of the hedge and the cumulative change in the fair value of the hedged item from the inception of the hedge and the remaining gain or loss on the hedging instrument is treated as ineffective portion.

In the case of time period related hedges, the premium element and the spot element of a forward contract is separated and only the change in the value of the spot element of the forward contract is designated as the hedging instrument. Similarly, wherever applicable, the foreign currency basis spread is separated from the financial instrument and is excluded from the designation of that financial instrument as the hedging instrument in case of time period related hedges. The changes in the fair value of the premium element of the forward contract or the foreign currency basis spread of the financial instrument is accumulated in a separate component of equity as "cost of hedging reserve." The changes in the fair value of such a premium element or foreign currency basis spread are reclassified to profit or loss as a reclassification adjustment on a written down basis over the period of the forward contract or the financial instrument.

The cash flow hedges are allocated to the forecast transactions on a gross exposure basis. Where the hedged forecast transaction results in the recognition of a non-financial asset, such gains/losses are transferred from hedge reserve (but not as reclassification adjustment) and included in the initial measurement cost of the non-financial asset.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised in profit or loss.

- (iv) Compound financial instruments issued by the Company which can be converted into fixed number of

equity shares at the option of the holders irrespective of changes in the fair value of the instrument are accounted by recognising the liability and the equity components separately. The liability component is initially recognised at the fair value of a comparable liability that does not have an equity conversion option. The equity component is initially recognised as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. The directly attributable transaction costs are allocated to the liability and the equity components in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequently.

#### **(j) Inventories**

Inventories are valued after providing for obsolescence, as under:

- (i) Raw materials, components, construction materials, stores, spares and loose tools at lower of weighted average cost or net realisable value. However, these items are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or above cost.
- (ii) Construction work-in-progress at lower of weighted average cost including related overheads or net realisable value. In some cases, manufacturing work-in-progress are valued at lower of specifically identifiable cost or net realisable value. In the case of qualifying assets, cost also includes applicable borrowing costs vide policy relating to borrowing costs.
- (iii) Finished goods and stock-in-trade (in respect of goods acquired for trading) at lower of weighted average cost or net realisable value. Cost includes costs of purchases, costs of conversion and other costs incurred in bringing the inventories to their present location. Taxes which are subsequently recoverable from taxation authorities are not included in the cost.
- (iv) Completed property/work-in-progress (including land) in respect of property development activity at lower of specifically identifiable cost or net realisable value.

Assessment of net realisable value is made at each reporting period end and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

#### **(k) Cash and bank balances**

Cash and bank balances include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short-term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

#### **(l) Securities premium**

(i) Securities premium includes:

- A. The difference between the face value of the equity shares and the consideration received in respect of shares issued.
- B. The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme.

(ii) The issue expenses of securities which qualify as equity instruments are written off against securities premium.

#### **(m) Borrowing Costs**

Borrowing costs include finance costs calculated using the effective interest method, finance charges in respect of assets acquired on lease and exchange differences arising on foreign currency borrowings to the extent they are regarded as an adjustment to finance costs.



In cases where hedging instruments are acquired for protection against exchange rate risk related to borrowings and are accounted as hedging a time-period related hedge item, the borrowing costs also include the amortisation of premium element of the forward contract and foreign currency basis spread as applicable, over the period of the hedging instrument.

Borrowing costs net of any investment income from the temporary investment of related borrowings that are attributable to the acquisition, construction or production of a qualifying asset are capitalised/inventorised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

**(n) Share-based payment arrangements**

The stock options granted to employees in terms of the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight-line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the general reserve within equity.

The fair value of the stock options granted to employees of the Company by the Company's subsidiaries is accounted as employee compensation cost over the vesting period and where such fair value is not recovered by the subsidiaries, the same is treated as dividend declared by them. The share-based payment equivalent to the fair value as on the date of grant of employee stock options granted to key managerial personnel is disclosed as a related party transaction in the year of grant.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

**(o) Foreign currencies**

The functional currency of the Company is the ₹. This Restated Consolidated Financial Information are presented in ₹.

**(p) Taxes on income**

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and using estimates and judgments based on the expected outcome of assessments/appeals and the relevant rulings in the areas of allowances and disallowances.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's Restatement of Consolidated Financial Information and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates as per laws enacted or substantively enacted as on the Restatement of Consolidated Statement of assets and liabilities date.

Deferred tax liabilities are generally recognised for all taxable temporary differences including the temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Transactions or events which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

**(q) Interests in joint operations**

The Company as a joint operator recognises in relation to its interest in a joint operation, its share in the assets/liabilities held/ incurred jointly with the other parties of the joint arrangement. Revenue is recognised for its share of revenue from the sale of output by the joint operation. Expenses are recognised for its share of expenses incurred jointly with other parties as part of the joint arrangement. Interests in joint operations are included in the segments to which they relate.

**(r) Provisions, contingent liabilities and contingent assets**

Provisions are recognised only when:

- (i) the Company has a present obligation (legal or constructive) as a result of a past event; and
- (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (iii) a reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

- (i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- (ii) a present obligation arising from past events when no reliable estimate is possible. Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Restatement of Consolidated Statement of assets and liabilities date. Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

**(s) Commitments**

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- (i) estimated amount of contracts remaining to be executed on capital account and not provided for;
- (ii) uncalled liability on shares and other investments partly paid;
- (iii) funding related commitment to subsidiary, associate and joint venture companies; and
- (iv) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

**(t) Discontinued operations and non-current assets held for sale**

Discontinued operation is a component of the Company that has been disposed of or classified as held for sale and represents a major line of business.

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be

recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

#### **(u) Restatement of Consolidated Statement of Cash Flows**

Restatement of Consolidated Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the profit before tax excluding exceptional items for the effects of:

- (i) changes during the period in inventories and operating receivables and payables;
- (ii) non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses; and
- (iii) all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Restatement of Consolidated Statement of Cash Flows exclude items which are not available for general use as at the date of Restatement of Consolidated Statement of assets and liabilities.

#### **(v) Key sources of estimation**

The preparation of Restatement of Consolidated Financial Information in conformity with Ind AS requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the Restatement of Consolidated Financial Information. The estimates and underlying assumptions made by management are explained under respective policies. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value/recoverable amount measurement, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

## **V. PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE**

### **A. Total Income**

Our total income comprises of (i) revenue from operations; and (ii) other income.

- (i) **Revenue from operations:** Our revenue from operations comprises of income from (i) sale of services such as contract revenue and project management consulting services; (ii) other operating revenue which comprises of rental revenue and (iii) unbilled revenue.
- (ii) **Other Income:** Our other income comprises of income from (i) interest income such as fixed deposits with banks, income tax refund and unsecured loan; (ii) income from sale of coffee beans; and (iii) miscellaneous income

### **B. Total Expenses**

Our total expenses comprise of (i) cost of materials consumed; (ii) employee benefits expenses; (iii) finance costs; (iv) depreciation and amortisation expense; and (v) other expenses.

- (i) **Cost of materials consumed:** Our cost of materials consumed include cost of material consumed for contract execution and construction expenses

- (ii) **Employee Benefits Expenses:** Our employee benefits expenses comprises of salaries, bonus, commission and allowances, director's remuneration, contribution to provident and other funds, gratuity and leave encashment expense.
- (iii) **Finance costs:** Our finance costs comprises of interest expenses on borrowed money and loan processing charges.
- (iv) **Depreciation and amortisation expense:** Our depreciation and amortisation expense comprises (i) depreciation on property, plant, and equipment; and (ii) amortisation of intangible assets
- (v) **Other expenses:** Our other Expenses comprises of insurance expense, printing and stationery, travelling and conveyance expenses, legal and professional fees, rent, rates and taxes, repairs and maintenance of building, office and vehicle, bank charges, property tax, auditor's remuneration for statutory audit and other audits, CSR expenditure, commission, provision for expected credit loss, miscellaneous expenses, consultancy services, administration charges and interest on creditors.

## VI. RESULTS OF OPERATION

The following table sets forth the selected financial data from our Restated Consolidated Statement of Profit and Loss for the financial years 2024, 2023 and 2022, the components of which are also expressed as a percentage of total income for such period/years:

Particulars	Six months period ended September 30, 2024		For the years ended March 31,					
			2024		2023		2022	
	₹ (in million)	% of Total Income	₹ (in million)	% of Total Income	₹ (in million)	% of Total Income	₹ (in million)	% of Total Income
<b>Revenue</b>								
Revenue from Operations	977.80	99.26	2,385.98	98.66	1,743.24	99.19	1,195.72	99.95
Other income	7.30	0.74	32.39	1.34	14.23	0.81	0.63	0.05
<b>Total income</b>	<b>985.10</b>	<b>100.00</b>	<b>2,418.37</b>	<b>100.00</b>	<b>1,757.47</b>	<b>100.00</b>	<b>1,196.35</b>	<b>100.00</b>
<b>Expenses</b>								
Cost of materials consumed	603.08	61.22	1,519.78	62.84	1,045.02	59.46	668.84	55.91
Employee benefits expense	26.48	2.69	36.21	1.50	11.26	0.64	0.97	0.08
Finance costs	1.06	0.11	5.07	0.21	0.93	0.05	-	-
Depreciation and amortization	2.58	0.26	4.85	0.20	3.71	0.21	0.86	0.07
Other expenses	20.57	2.09	38.61	1.60	17.36	0.99	7.80	0.65
<b>Total expenses</b>	<b>653.78</b>	<b>66.37</b>	<b>1,604.53</b>	<b>66.35</b>	<b>1,078.28</b>	<b>61.35</b>	<b>678.47</b>	<b>56.71</b>
<b>Profit before tax</b>	<b>331.32</b>	<b>33.63</b>	<b>813.84</b>	<b>33.65</b>	<b>679.19</b>	<b>38.65</b>	<b>517.88</b>	<b>43.29</b>
Tax expense								
- Current tax	89.47	9.08	215.64	8.92	177.64	10.11	134.49	11.24
- Deferred tax	(0.14)	(0.01)	0.95	0.04	0.44	0.03	0.02	0.00
<b>Total tax expenses</b>	<b>89.33</b>	<b>9.07</b>	<b>216.59</b>	<b>8.96</b>	<b>178.08</b>	<b>10.13</b>	<b>134.51</b>	<b>11.24</b>
<b>Restated profit/ (loss) after tax</b>	<b>241.99</b>	<b>24.56</b>	<b>597.25</b>	<b>24.70</b>	<b>501.12</b>	<b>28.51</b>	<b>383.37</b>	<b>32.04</b>
<b>Other comprehensive income/ (loss)</b>								
<b>Items that will not be reclassified to statement of profit and loss</b>								
Remeasurement of defined employee benefit plans	0.10	0.01	0.23	0.01	0.06	0.00	0.01	0.00
Tax impact of items that will not be reclassified to statement of profit and loss	(0.03)	0.00	(0.06)	0.00	(0.02)	0.00	-	-
Other comprehensive income is attributable to owners of the Company	0.08	0.01	0.17	0.01	0.04	0.00	0.01	0.00
<b>Total comprehensive income</b>	<b>242.06</b>	<b>24.57</b>	<b>597.42</b>	<b>24.70</b>	<b>501.16</b>	<b>28.52</b>	<b>383.38</b>	<b>32.05</b>

## **Results of Operations for the period ended September 30, 2024**

### ***Income***

Our total income during the period ended September 30, 2024 was ₹985.10 million. Our total income comprises of the following:

#### ***Revenue from operations***

Our revenue from operations was ₹977.80 million during the period ended September 30, 2024. As a percentage of total income, revenue from operations was 99.26% during the period ended September 30, 2024. Our revenue from operations during the period ended September 30, 2024, included sale of services from contract of ₹524.83 million, rental revenue of ₹3.72 million and unbilled revenue of ₹449.25 million.

#### ***Other income***

Our other income was ₹7.30 million during the period ended September 30, 2024. As a percentage of total income, other income was 0.74% during the period ended September 30, 2024. Our other income during the period ended September 30, 2024, included interest income on fixed deposits with Banks of ₹4.48 million, sale of coffee beans of ₹0.86 million, sale of avocado ₹ 0.45 million, sale of black papper of ₹0.95 million, M2M gain on mutual funds of ₹0.14 million and miscellaneous income of ₹0.42 million.

### ***Expenses***

The total expenses was ₹653.78 million during the period ended September 30, 2024. As a percentage of total income, total expenses was 66.37% during the period ended September 30, 2024. Our total expenses comprises of the following:

#### ***Cost of material consumed***

Our cost of material consumed was ₹603.08 million during the period ended September 30, 2024. As a percentage of total income, cost of material consumed was 61.22% during the period ended September 30, 2024.

#### ***Employee benefits expense***

Our employee benefits expense was ₹26.48 million during the period ended September 30, 2024. As a percentage of total income, employee benefit expense was 2.69% during the period ended September 30, 2024. Our employee benefit expenses during the period ended September 30, 2024, included salaries, bonus, commission and allowances of ₹18.98 million, directors remuneration of ₹5.61 million, contribution to provident and other funds of ₹0.91 million, gratuity of ₹0.41 million and leave encashment expense of ₹0.57 million.

#### ***Finance costs***

Our finance cost was ₹1.06 million during the period ended September 30, 2024. As a percentage of total income, finance cost was 0.11% during the period ended September 30, 2024. Our finance costs in the period ended September 30, 2024, included interest expense on borrowings of ₹1.06 million.

#### ***Depreciation and Amortisation***

Our depreciation and amortisation expenses was ₹2.58 million during the period ended September 30, 2024. As percentage of total income, depreciation and amortisation expenses was 0.26% during the period ended September 30, 2024. Our depreciation and amortisation expenses during the period ended September 30, 2024, included depreciation of property, plant and equipment and amortisation of intangible assets.

#### ***Other expenses***

Our other expenses was ₹20.57 million during the period ended September 30, 2024. As percentage of total income, other expenses was 2.09% during the period ended September 30, 2024. The other expenses during the period ended September 30, 2024, primarily include insurance expenses, printing and stationery expenses, legal

and professional fees, rent, rates and taxes, repairs and maintenance of buildings, office and vehicle, bank charges, property tax, auditors remuneration, CSR expenditure, commission, directors sitting fees, provision for expected credit loss miscellaneous expenses, road tax, administration charges and interest on creditors.

*Profit before tax*

Our profit before tax was ₹331.32 million during the period ended September 30, 2024 representing 33.63% of the total income of our Company.

*Tax expense*

Our total tax expense amounted ₹89.33 million during the period ended September 30, 2024. Our current tax expense was ₹89.47 million and our deferred tax charge was ₹(0.14) million.

*Profit for the period*

For the various reasons discussed above, we recorded profit for the period of ₹241.99 million during the ended September 30, 2024, representing 24.56% of total income.

**Results of Operations for Fiscal 2024 as compared to Fiscal 2023**

*Income*

(₹ in Million)

Particulars	March 31, 2024	March 31, 2023	% Increase/(Decrease)
Revenue From Operations	2,385.98	1,743.24	36.87
Other Income	32.39	14.23	127.62
<b>Total Income</b>	<b>2,418.37</b>	<b>1,757.47</b>	<b>37.61</b>

Our revenue from operations increased by ₹642.74 million or 36.87% to ₹ 2,385.98 million for Fiscal 2024 as compared to ₹1,743.24 million for Fiscal 2023. The increase in revenue is on account of increase in revenue from ongoing projects and the completion of the projects during the year.

Other Income increased by ₹18.16 million to ₹32.39 million for Fiscal 2024 as compared to ₹14.23 million for Fiscal 2023. The increase is on account of increase in interest income on fixed deposits and unsecured loans, income generated from sale of coffee beans and provision for expected credit loss.

*Expenses*

(₹ in Million, except percentages)

Particulars	March 31, 2024	March 31, 2023	% Increase/(Decrease)
Cost of Materials Consumed	1,519.78	1,045.02	45.43
Employee Benefits Expense	36.21	11.26	221.58
Finance Costs	5.07	0.93	445.16
Depreciation and Amortization	4.85	3.71	30.73
Other Expenses	38.61	17.36	122.41
<b>Total Expenses</b>	<b>1,604.53</b>	<b>1,078.28</b>	<b>48.80</b>

*This was primarily due to:*

*Cost of Materials Consumed*

(₹ in million, except percentages)

Particulars	March 31, 2024	March 31, 2023	% Increase/(Decrease)
Materials Consumed			
Opening Stock	64.98	33.59	93.45
Add: Purchases	748.21	621.92	20.31
Add: Construction Expenses*	901.72	454.49	98.40
Less: Closing Stock	195.13	64.98	200.29
<b>Total</b>	<b>1,519.78</b>	<b>1,045.02</b>	<b>45.43</b>

*\*Construction Expenses*

(₹ in million)

Particulars	March 31, 2024	March 31, 2023	% Increase/(Decrease)
Equipment Hire Charges	34.80	30.83	12.88
Power & fuel expenses	30.15	37.72	(20.07)
Site Labour charges	104.51	91.19	14.61
Site Running Expenses	53.34	26.10	104.37
Site Technical & Professional Charges	36.02	29.37	22.64
Sub-contract charges	641.45	238.50	168.95
Vehicle insurance charges	0.20	-	-
Transportation charges	1.25	0.78	(60.26)
<b>Total</b>	<b>901.72</b>	<b>454.49</b>	<b>98.40</b>

Our cost of materials consumed increased by ₹474.76 million or 45.43% to ₹1,519.78 million for Fiscal 2024 as compared to ₹1,045.02 million for Fiscal 2023 on account of increase in operations of the Company.

*Employee Benefits Expense*

(₹ in million, except percentages)

Particulars	March 31, 2024	March 31, 2023	% Increase/(Decrease)
Salaries, Bonus, Commission and Allowances	29.87	8.43	254.33
Director's Remuneration	4.30	1.86	131.18
Contribution to Provident and Other Funds	1.46	0.53	175.47
Gratuity	0.28	0.21	33.33
Leave Encashment Expense	0.30	0.23	30.43
<b>Total</b>	<b>36.21</b>	<b>11.26</b>	<b>221.58</b>

Our employee benefits expense increased by ₹24.95 million to ₹36.21 million for Fiscal 2024 as compared to ₹11.26 million for Fiscal 2024. Although the operations have increased, our Company outsourced majority of their contractual obligation by way of job work from third party.

*Other Expenses*

(₹ in Million, except percentages)

Particulars	March 31, 2024	March 31, 2023	% Increase/(Decrease)
Insurance Expense	0.43	0.13	230.77
Printing and Stationary	0.16	0.02	700.00
Travelling and Conveyance Expenses	0.12	0.03	300.00
Legal and Professional Fees	10.26	0.18	5600.00
Rent	0.08	0.12	(33.33)
Rates and Taxes	7.10	3.93	80.66
Repairs and Maintenance			
- Buildings	-	0.15	(100.00)
- Office	0.26	0.33	(21.21)
- Vehicle	0.52	0.06	766.67
Bank Charges	0.20	-	Nil
Property tax	0.88	0.12	633.33
Auditor's Remuneration:			
For Statutory Auditor	1.61	1.50	7.00
- For Other Audits	0.92	0.8	14.78
CSR Expenditure	10.41	5.52	88.59
Commission Paid	0.63	1.26	(50.00)
Provision for ECL	-	0.8	(100.00)
Miscellaneous Expenses	0.52	2.41	(78.42)
Road Tax	0.60	-	-
Administration Charges	3.60	-	-
Interest on Creditors	0.32	-	-
<b>Total</b>	<b>38.61</b>	<b>17.36</b>	<b>122.41</b>



Our Other Expenses increased by ₹21.25 million or 122.41% to ₹38.61 million for Fiscal 2024 as compared to ₹17.36 million for Fiscal 2023. The major reason for increase is on account of increased expenditure on our CSR initiatives.

#### EBITDA

(₹ in Million, except percentages)

Particulars	March 2024	March 2023	% Increase/(Decrease)
EBITDA (excluding other income)	791.37	669.60	18.19

Our EBITDA increased by ₹121.77 million or 18.19% to ₹791.37 million for Fiscal 2024 as compared to ₹669.60 million for Fiscal 2023, on account of increase in operations of the Company and better realization.

#### Finance Costs

(₹ in Million, except percentages)

Particulars	March 31, 2024	March 31, 2023	% Increase/(Decrease)
Interest	5.07	0.90	463.33
Loan Processing and Other Charges	-	0.03	100.00
Total	5.07	0.93	445.16

There was a marginal increase in our finance costs by ₹4.14 million for Fiscal 2024 on account of availing working capital facility from banks. The revenue has grown by 37.61% over the year which has increased our working capital requirement and therefore, we have availed higher credit facilities to cater to the requirement, which resulted in increase in finance cost.

#### Depreciation and Amortization Expense

(₹ in million, except percentages)

Particulars	March 31, 2024	March 31, 2023	% Increase/(Decrease)
Property, Plant and Equipment	4.79	3.69	29.81
Intangibles	0.06	0.02	200.00
Total	4.85	3.71	30.73

Our depreciation and amortization expenses increased by ₹1.14 million for Fiscal 2024 to ₹4.85 million as compared to ₹3.71 million for Fiscal 2023. This is on account of procurement of additional machineries and vehicles. Additionally, certain capital assets, earth work excavators and vehicles were purchased during the second half of Fiscal 2023 and hence were charged depreciation only on a half year basis, whereas these assets were charged for full year during Fiscal 2024.

#### Profit Before Tax

As a result of the mentioned factors, our profit before tax increased by ₹134.65 million or 19.82% to ₹813.84 million for Fiscal 2024 as compared to ₹679.19 million for Fiscal 2023.

#### Tax Expenses

Our tax expenses increased by ₹38.52 million or 21.63% to ₹216.59 million for Fiscal 2024 as compared to ₹178.08 million for Fiscal 2023.

#### Profit for the Year

As a result of the mentioned factors, our profit for the year increased by ₹96.13 million or 19.18% to ₹597.25 million for Fiscal 2024 as compared to ₹501.12 million for Fiscal 2023.

#### Total Comprehensive Income

Our total comprehensive income increased by ₹96.26 million or 19.21% to ₹597.42 million for Fiscal 2024 as compared to ₹501.16 million for Fiscal 2023.

## Results of Operations for Fiscal 2023 as compared to Fiscal 2022

### Income

(₹ in Million)

Particulars	March 31, 2023	March 31, 2022	% Increase/(Decrease)
Revenue From Operations	1,743.24	1,195.72	45.79%
Other Income	14.23	0.63	2,158.73%
<b>Total Income</b>	<b>1,757.47</b>	<b>1,196.35</b>	<b>46.90%</b>

Our revenue from operations increased by ₹547.52 million or 45.79% to ₹1,743.24 million for Fiscal 2023 as compared to ₹1,195.72 million for Fiscal 2022. The increase in revenue is on account of increase in revenue from ongoing projects as well as completion of pending orders during the year.

Other Income increased by ₹13.60 million to ₹14.23 million for Fiscal 2023 as compared to ₹0.63 million for Fiscal 2022. The increase is on account of increase in interest income on fixed deposits, income generated from sale of coffee beans and increase in miscellaneous income.

### Expenses

(₹ in Million, except percentages)

Particulars	March 31, 2023	March 31, 2022	% Increase/(Decrease)
Cost of Materials Consumed	1,045.02	668.84	56.24%
Employee Benefits Expense	11.26	0.97	1060.82%
Finance Costs	0.93	-	-
Depreciation and Amortization	3.71	0.86	331.40%
Other Expenses	17.36	7.80	122.56%
<b>Total Expenses</b>	<b>1,078.28</b>	<b>678.47</b>	<b>58.93%</b>

This was primarily due to:

#### Cost of Materials Consumed

(₹ in million, except percentages)

Particulars	March 31, 2023	March 31, 2022	% Increase/(Decrease)
Materials Consumed			
Opening Stock	33.59	11.38	195.17%
Add: Purchases	621.92	484.53	28.36%
Add: Construction Expenses*	454.49	206.52	120.07%
Less: Closing Stock	64.98	33.59	93.45%
<b>Total</b>	<b>1,045.02</b>	<b>668.84</b>	<b>56.24%</b>

#### \*Construction Expenses

(₹ in million)

Particulars	March 31, 2023	March 31, 2022	% Increase/(Decrease)
Equipment Hire Charges	30.83	8.82	249.55%
Power & fuel expenses	37.72	26.62	41.70%
Site Labour charges	91.19	36.79	147.87%
Site Running Expenses	26.10	33.14	(21.24)%
Site Technical & Professional Charges	29.37	22.63	29.78%
Sub-contract charges	238.50	77.69	206.99%
Transportation charges	0.78	0.83	(6.02)%
<b>Total</b>	<b>454.49</b>	<b>206.52</b>	<b>120.07%</b>

Our cost of materials consumed increased by ₹376.18 million or 56.24% to ₹1,045.02 million for Fiscal 2023 as compared to ₹668.84 million for Fiscal 2022 on account of increase in operations of the Company.

#### Employee Benefits Expense

(₹ in million, except percentages)

Particulars	March 31, 2023	March 31, 2022	% Increase/ (Decrease)
Salaries, Bonus, Commission and Allowances	8.43	0.94	796.81%

Particulars	March 31, 2023	March 31, 2022	% Increase/ (Decrease)
Director's Remuneration	1.86	-	-
Contribution to Provident and Other Funds	0.53	-	-
Gratuity	0.21	0.03	600.00%
Leave Encashment Expense	0.23	-	-
<b>Total</b>	<b>11.26</b>	<b>0.97</b>	<b>1060.82%</b>

Our employee benefits expense increased by ₹10.29 million to ₹11.26 million for Fiscal 2023 as compared to ₹0.97 million for Fiscal 2022. Although the operations have increased, our Company outsourced majority of their contractual obligation by way of job work from third party.

#### Other Expenses

(₹ in Million, except percentages)

Particulars	March 31, 2023	March 31, 2022	% Increase/(Decrease)
Insurance Expense	0.13	-	-
Printing and Stationary	0.02	-	-
Travelling and Conveyance Expenses	0.03	-	-
Legal and Professional Fees	0.18	0.19	(5.26)%
Rent	0.12	0.12	0.00%
Rates and Taxes	3.93	3.96	(0.76)%
Repairs and Maintenance			-
- Buildings	0.15	0.47	(68.09)%
- Office	0.33	-	-
- Vehicle	0.06	-	-
Bank Charges	-	0.08	(100)%
Property tax	0.12	0.12	-
Auditor's Remuneration:			
For Statutory Auditor	1.5	1.2	25.00%
- For Other Audits	0.8	-	-
CSR Expenditure	5.52	0.91	506.59%
Commission Paid	1.26	-	-
Provision for ECL	0.8	0.49	63.27%
Miscellaneous Expenses	2.41	0.26	826.92%
<b>Total</b>	<b>17.36</b>	<b>7.80</b>	<b>122.56%</b>

Our Other Expenses increased by ₹9.56 million or 122.56% to ₹17.36 million for Fiscal 2023 as compared to ₹7.80 million for Fiscal 2022. The major reason for increase is on account of increased expenditure on our CSR initiatives.

#### EBITDA

(₹ in Million, except percentages)

Particulars	March 2023	March 2022	% Increase/(Decrease)
EBITDA (excluding other income)	669.60	518.11	29.24%

Our EBITDA increased by ₹151.49 million or 29.24% to ₹669.60 million for Fiscal 2023 as compared to ₹518.11 million for Fiscal 2022, on account of increase in operations of the Company and better realization.

#### Finance Costs

(₹ in Million, except percentages)

Particulars	March 31, 2023	March 31, 2022	% Increase/(Decrease)
Interest	0.90	-	-
Loan Processing and Other Charges	0.03	-	-
<b>Total</b>	<b>0.93</b>	<b>-</b>	<b>-</b>

There was a marginal increase in our finance costs by ₹0.93 million for Fiscal 2023 on account of availing of vehicle loan by the Company.

### Depreciation and Amortization Expense

(₹ in million, except percentages)

Particulars	March 31, 2023	March 31, 2022	% Increase/(Decrease)
Property, Plant and Equipment	3.69	0.86	329.07%
Intangibles	0.02	-	-
Total	3.71	0.86	331.40%

Our depreciation and amortization expenses increased by ₹2.85 million for Fiscal 2023 to ₹3.71 million as compared to ₹0.86 million for Fiscal 2022. This is on account of addition of three new excavator equipment during Fiscal 2023 which has led to an increase in depreciation and amortization expenses.

### Profit Before Tax

As a result of the mentioned factors, our profit before tax increased by ₹161.31 million or 31.15% to ₹679.19 million for Fiscal 2023 as compared to ₹517.88 million for Fiscal 2022

### Tax Expenses

Our tax expenses increased by ₹43.57 million or 32.39% to ₹178.08 million for Fiscal 2023 as compared to ₹134.51 million for Fiscal 2022.

### Profit for the Year

As a result of the mentioned factors, our profit for the year increased by ₹117.75 million or 30.71% to ₹501.12 million for Fiscal 2023 as compared to ₹383.37 million for Fiscal 2022.

### Total Comprehensive Income

Our total comprehensive income increased by ₹117.78 million or 30.72% to ₹501.16 million for Fiscal 2023 as compared to ₹383.38 million for Fiscal 2022

## VII. CASH FLOWS

(₹ in million)

Particulars	Six months period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Cash generated/ (used) in operating activities (A)	(467.59)	268.95	514.64	(78.03)
Cash generated/ (used) in investing activities (B)	18.37	5.60	(295.54)	(44.55)
Cash generated/ (used) in financing activities (C)	(3.33)	(8.15)	8.34	(0.47)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(452.55)	266.40	227.44	(123.05)
Cash and cash equivalents at beginning of the period/ year	629.59	363.19	135.75	258.80
Cash and cash equivalents at the end of the period/ year	177.04	629.59	363.19	135.75

### **Cash generated/ (used) in operating activities**

#### *Six months period ended September 30, 2024*

Cash generated/ (used) in operating activities during six months period ended September 30, 2024, was ₹(467.59) million. Though our profit before income tax was ₹331.32 million, we had operating profit before working capital changes of ₹330.48 million, primarily due to adjustments for depreciation and amortization expenses of ₹2.58 million, finance cost of ₹1.06 million and interest income of ₹(4.48) million.

This was further adjusted for working capital changes, which primarily included decrease in trade receivables of ₹152.76 million, decrease in other financial assets of ₹25.92 million, increase in other current assets of ₹(623.90)

million, increase in trade payables of ₹(68.32) million, decrease in borrowings of ₹ 0.13 million, increase in provisions of ₹(64.33) million, increase in other current liabilities of ₹(101.89) million, and increase in inventories of ₹(28.78) million and increase in repayment of security deposits of ₹(0.01) million. As a result, cash generated in operations for six months period ended September 30, 2024 was ₹(377.94) million before adjusting for income tax paid (net) of ₹(89.65) million.

#### ***March 2024***

Cash generated/ (used) in operating activities during Fiscal 2024, was ₹268.95 million. Though our profit before income tax was ₹813.84 million, we had operating profit before working capital changes of ₹806.86 million, primarily due to adjustments for depreciation and amortization expenses of ₹4.85 million, finance cost of ₹5.07 million and interest income of ₹(17.76) million.

This was further adjusted for working capital changes, which primarily included decrease in trade receivables of ₹(23.11) million, decrease in other financial assets of ₹(33.50) million, increase in other current assets of ₹(505.25) million, increase in trade payables of ₹10.59 million, increase in borrowings of ₹ 0.24 million, increase in provisions of ₹236.18 million, increase in other current liabilities of ₹60.75 million, and decrease in inventories of ₹(130.15) million. As a result, cash generated in operations for Fiscal 2024 was ₹421.75 million before adjusting for income tax paid (net) of ₹(152.80) million.

#### ***March 2023***

Cash generated/ (used) in operating activities during Fiscal 2023, was ₹514.64 million. Though our profit before income tax was ₹679.19 million, we had operating profit before working capital changes of ₹677.34 million, primarily due to adjustments for depreciation and amortization expenses of ₹3.71 million, finance cost of ₹0.93 million and interest income of ₹(6.49) million.

This was further adjusted for working capital changes, which primarily included increase in trade receivables of ₹(96.97) million, decrease in other financial assets of ₹82.99 million, increase in other current assets of ₹(55.25) million, increase in trade payables of ₹65.88 million, increase in provisions of ₹0.48 million, decrease in other current liabilities of ₹45.74 million, and increase in inventories of ₹(31.39) million. As a result, cash generated in operations for Fiscal 2023 was ₹691.71 million before adjusting for income tax paid (net) of ₹(177.07) million.

#### ***March 2022***

Cash generated/ (used) in operating activities during Fiscal 2022, was ₹ (78.03) million. Though our profit before income tax was ₹517.88 million, we had operating profit before working capital changes of ₹518.13 million, primarily due to adjustments for depreciation and amortization expenses of ₹0.86 million and interest income of ₹(0.61) million.

This was further adjusted for working capital changes, which primarily included increase in trade receivables of ₹(97.69) million, decrease in other financial assets of ₹(88.24) million, increase in other current assets of ₹ (54.63) million, increase in trade payables of ₹ 1.64 million, increase in provisions of ₹ 0.91 million, decrease in other current liabilities of ₹ (189.66) million, and increase in inventories of ₹ (22.21) million. As a result, cash generated in operations for Fiscal 2022 was ₹ 68.25 million before adjusting for income tax paid (net) of ₹ (146.28) million.

#### **Cash generated/ (used) in Investing Activities**

##### ***Six months period ended September 30, 2024***

Cash generated/ (used) in investing activities during six months period ended September 30, 2024 was ₹18.37 million, primarily on account of purchase of property, plant and equipment/ capital expenditure including intangible assets of ₹(0.09) million, interest received of ₹4.48 million, investment/ proceeds from fixed deposits with bank of ₹46.49 million, investment in mutual fund of ₹(101.14) million and loans given of ₹68.63 million.

#### ***March 2024***

Cash generated/ (used) in investing activities during Fiscal 2024 was ₹5.60 million, primarily on account of purchase of property, plant and equipment/ capital expenditure including intangible assets of ₹(6.83) million, interest received of ₹17.76 million, investment/ proceeds from fixed deposits with bank of ₹(2.99) million and

loans given of ₹(2.34) million.

#### **March 2023**

Cash generated/ (used) in investing activities during Fiscal 2023 was ₹ (295.54) million, primarily on account of purchase of property, plant and equipment/ capital expenditure including intangible assets of ₹(146.39) million, interest received of ₹6.49 million, investment/ proceeds from fixed deposits with bank of ₹(89.35) million and loans given of ₹(66.29) million.

#### **March 2022**

Cash generated/ (used) in investing activities during Fiscal 2022 was ₹(44.55) million, primarily on account of purchase of property, plant and equipment/ capital expenditure including intangible assets of ₹(45.16) million and interest received of ₹0.61 million.

#### **Cash generated/ (used) in Financing Activities**

##### **Six months period ended September 30, 2024**

Cash generated/ (used) in financing activities during six months period ended September 30, 2024 was ₹(3.33) million, primarily on account of proceed/ (repayment) of borrowings (net) of ₹(1.66) million, proceeds from non controlling interest of ₹(0.61) million and interest paid of ₹(1.06) million.

#### **March 2024**

Cash generated/ (used) in financing activities during Fiscal 2024 was ₹(8.15) million, primarily on account of proceed/ (repayment) of borrowings (net) of ₹(3.14) million, proceeds from non controlling interest of ₹0.06 million and interest paid of ₹(5.07) million.

#### **March 2023**

Cash generated/ (used) in financing activities during Fiscal 2023 was ₹8.34 million, primarily on account of proceed/ (repayment) of borrowings (net) of ₹8.63 million, proceeds from non controlling interest of ₹0.64 million and interest paid of ₹(0.93) million.

#### **March 2022**

Cash generated/ (used) in financing activities during Fiscal 2022 was ₹(0.47) million, primarily on account of proceed/ (repayment) of borrowings (net) of ₹(0.47) million.

### **VIII. LIQUIDITY AND CAPITAL RESOURCES**

In the six months period ended September 30, 2024 and Fiscals 2024, 2023, and 2022, our capital expenditure was ₹0.09 million, ₹6.83 million, ₹146.39 million, and ₹45.16 million, respectively. This primarily consists of renovation of the office premises, purchase of plant and machinery and capital work in progress, respectively.

### **IX. CONTINGENT LIABILITIES AND COMMITMENTS**

As at September 30, 2024, our contingent liabilities, on consolidated basis, that have not been provided for were as follows:

<b>Particulars</b>	<b>Amount (₹ in Million)</b>
Bank Guarantee issued by Kotak Mahindra Bank and State Bank of India	570.15
Income Tax	3.14
Indirect Tax	-
Litigation Matters With Small Causes Court Case	5.00

## **X. OFF BALANCE SHEET ARRANGEMENTS**

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with other entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

## **XI. RELATED PARTY TRANSACTIONS**

We have engaged in the past, and may engage in the future, in transactions with related parties during the ordinary course of business. For further details relating to our related party transactions, see “*Related Party Transactions*” on page 313.

## **XII. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

We are exposed to various types of market risks during the normal course of business. The market risks we are exposed to include credit risk, liquidity risk, interest rate risk and foreign currency risk. The risk management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company’s activities.

### **Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

### **Credit Risk**

Financial assets that are potentially subject to concentrations of credit risk and failures by counter parties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables, and other financial assets. The maximum exposure to credit risk is: the total of the fair value of the financial instruments and the full amount of any loan payable commitment at the end of the reporting year. Credit risk on cash balances with banks is limited because the counter parties are entities with acceptable credit ratings. Credit risk on other financial assets is limited because the other parties are entities with acceptable credit ratings. The average credit period generally granted to trade receivable customers is about 90-360 days. But some customers take a longer period to settle the amounts.

### **Liquidity Risk:**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company’s objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from banks at an optimised cost. The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 90 days.

### **Foreign Currency Risk**

The functional currency of the Company is the ₹. These Financial Statements are presented in ₹. During the reporting period, the Company has not engaged in any foreign currency transactions. The Company does not have regular foreign currency transactions, and hence, the foreign currency risk is limited to this particular event. The loss recognized reflects the difference in exchange rates between the transaction date and the settlement date.

## **XIII. OTHER QUALITATIVE FACTORS**

### ***Changes in accounting policies***

Other than as required for the preparation of our Restated Consolidated Financial Information, there have been no changes in our accounting policies during the six months period ended September 30, 2024 and Fiscal 2024, 2023

and 2022.

***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 “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and the uncertainties described in “*Risk Factors*” beginning on pages 315 and 33 respectively. Also see, “*Industry Overview*” on page 122.

***Unusual or infrequent events or transactions***

Except as described in this Prospectus, to our knowledge, there have been 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.

***Known trends or uncertainties***

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and the uncertainties described in “*Risk Factors*” beginning on pages on 33, respectively. To our knowledge, except as discussed in this Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on sales, revenue, or income of our Company from continuing operations.

***Future relationship between cost and revenue***

Other than as described in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 33, 178 and 315, respectively, to our knowledge there are no known factors that might affect the future relationship between costs and revenue.

***Total turnover of each major industry segment***

For the six months period ended September 30, 2024 and Fiscal 2024, 2023 and 2022, we operated only in one segment i.e., infrastructure project development and consultancy.

***New products or business segments***

As on the date of this Prospectus, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

***Competitive conditions***

We face intense competition from a number of competitors, some of which are larger and have substantially greater resources than us, including the ability to spend more on advertising and marketing and offer substantial discounts. We also face competition from new entrants that may have more flexibility in responding to changing business and economic conditions than us.

***Seasonality of business***

Our business operations are dependent on the location where the project to be executed is situated, the weather conditions there which could include factors such as heavy rains, landslides, floods including during the monsoon season, each of which may restrict our ability to carry on project activities and fully utilize our resources during the season. Our ability to transport the required manpower and machinery to such location are also critical to our timely completion of the projects. During periods of curtailed activity due to adverse weather conditions, particularly unseasonal rains, we may continue to incur overhead and financing expenses, but our revenues from operations may be delayed or reduced. Weather conditions may also require us to evacuate personnel or curtail services, may result in damage to a portion of our fleet of equipment or facilities resulting in the suspension of operations, and may prevent us from delivering materials to our project sites in accordance with contract schedules or generally reduce our productivity. Also see, “*Risk Factors - Our business is subject to seasonal fluctuations that may restrict our ability to carry on project activities thereby adversely affecting our revenues and business*”



operations” on page 53.

**Significant dependence on customers and suppliers**

Our business is substantially dependent on contracts awarded by State Government of Karnataka. We derive almost all of our revenue from contracts awarded by government entities. Our business could be materially and adversely affected if there are adverse changes in the policies and delays in awarding contracts by these authorities, among other risks. Also see, “Risk Factors” and “Our Business” on pages 33 and 178, respectively.

**XIV. SUMMARY OF RESERVATION, QUALIFICATIONS, ADVERSE REMARKS AND EMPHASIS OF MATTERS BY STATUTORY AUDITOR**

Except as stated below our Statutory Auditor has not provided or highlighted any reservations/ qualifications/ adverse remarks/ emphasis of matters in their audit reports on the audited financial statements for the six months period ended September 30, 2024 and Fiscal 2024, Fiscal 2023 and Fiscal 2022:

<b>Period</b>	<b>Nature of Adverse Observation</b>	<b>Details of Adverse Observation</b>	<b>Company’s Response to Adverse Observation</b>	<b>Impact on the Financial Statements and Financial Position of the Company</b>
Six months period ended September 30, 2024	EOM	We draw attention to Note 2a of Annexure V to the Special Purpose Consolidated Ind AS Financial Statements, which describes the purpose and basis of preparation. The Special Purpose Consolidated Ind AS Financial Statements have been prepared by the Company solely for the purpose of preparation of the restated financial information as required under the ICDR Regulations in relation to the proposed initial public issue of the Company. As a result, the Special Purpose Consolidated Ind AS Financial Statements may not be suitable for any another purpose and are not financial statements prepared pursuant to any requirements under Section 129 of the Companies Act, 2013, as amended. The Special Purpose Consolidated Ind AS Financial Statements cannot be referred to or distributed or included in any offering document or used for any other purpose except with our prior consent in writing. Our report is intended solely for the purpose of preparation of the restated financial information and is not to be used, referred to or distributed for any other purpose without our prior written consent.	NIL	NIL
Fiscal 2024	NIL	NIL	NIL	NIL
Fiscal 2023	NIL	NIL	NIL	NIL
Fiscal 2022	NIL	NIL	NIL	NIL

**XV. SIGNIFICANT DEVELOPMENTS OCCURRING AFTER SEPTEMBER 30, 2024 OR SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECTED OR ARE LIKELY TO AFFECT INCOME FROM CONTINUING OPERATIONS**

Except as disclosed below and in this Prospectus, there are no circumstances that have arisen since September 30,

2024, the date of the last financial statements included in this Prospectus, which materially and adversely affect 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 twelve months.

## FINANCIAL INDEBTEDNESS

We have availed credit facilities in the ordinary course of business for purposes such as, *inter alia*, meeting the capital expenditure / working capital requirements, and for general corporate purposes.

We have obtained the necessary consents required under the relevant financing documents for undertaking activities in relation to the Issue, such as, *inter alia*, effecting changes in the capital structure, change in the management / board composition and implementation of expansion, modernization, diversification and renovation schemes.

For further details regarding the borrowing powers of our Board, please see section titled “*Our Management – Borrowing Powers of our Board*” on page 227.

As on November 30, 2024, our aggregated outstanding borrowings amounted to ₹ 547.16 million, and a brief summary of such borrowings is set forth below:

Category of Borrowing	Sanctioned amount	Amount Outstanding as of November 30, 2024
<i>(in ₹ million)</i>		
<b>Secured Loans</b>		
<i>Fund based facilities</i>		
Vehicle Loan (HDFC Bank)	12.71	6.56
Working Capital/Overdraft (Kotak Bank)	100.00	(0.38)
Working Capital/Overdraft (SBI Bank)	5.00	Nil
<i>Non-fund based facilities</i>		
Bank Guarantee	200.00	183.05
Letter of Credit / Bank Guarantee (Kotak Bank)	400.00	357.93
Bank Guarantee (Bank of Baroda)	100.00	Nil
<b>Total Secured Loans (A)</b>	<b>817.71</b>	<b>547.16</b>
<b>Unsecured Loans</b>		
NIL	Nil	Nil
<b>Total Unsecured Loans (B)</b>	<b>Nil</b>	<b>Nil</b>
<b>Grand Total (A + B)</b>	<b>817.71</b>	<b>547.16</b>

<sup>^</sup>As certified by Maheshwari & Co., by way of their certificate dated January 16, 2025

For disclosure of borrowings as at March 31, 2024, as per requirements of Schedule III of Companies Act, 2013 and related accounting standards, please see section titled “*Restated Consolidated Financial Information*” on page 249.

### Principal terms of the borrowings availed by our Company:

The details provided below are indicative, and there may be additional terms, conditions and requirements under various documentation executed by our Company in relation to our indebtedness.

### Principal terms of the borrowings availed by our Company:

The details provided below are indicative, and there may be additional terms, conditions and requirements under various documentation executed by our Company in relation to our indebtedness.

#### *Vehicle Loan*

- (i) Tenor: The tenor of the facilities availed by our Company is maximum up to 48 months.
- (ii) Interest/Commission: The interest rates for the facilities availed by our Company vary and are typically up to 8.11% p.a.
- (iii) Security: In terms of the facilities availed by our Company, we are required to create hypothecation over the vehicles acquired.
- (iv) Penal Interest: The terms of certain facilities availed by our Company prescribe penalties for non-payment of interest or repayment instalment, failure to create security within agreed timelines or any other breach of

terms and conditions, which are as laid down in such facility documents or as may be stipulated by the concerned lender, as the case may be. The default interest payable on such facilities availed typically 2% per month over and above the applicable interest rate on unpaid EMI.

#### *Overdraft*

- (i) Tenor: The tenor of the facilities availed by our Company is repayable on demand.
- (ii) Interest/Commission: The interest rates for the facilities availed by our Company is 3M Repo + 2.75%.
- (iii) Security: In terms of the facilities availed by our Company, we are required to create hypothecation over stocks and book debts.
- (iv) Penal Interest: The terms of certain facilities availed by our Company prescribe penalties for non-payment of interest or repayment instalment, failure to create security within agreed timelines or any other breach of terms and conditions, which are as laid down in such facility documents or as may be stipulated by the concerned lender, as the case may be. The default interest payable on such facilities availed typically 2% per month over and above the applicable interest rate on unpaid amount.

#### *Working Capital*

- (i) Tenor: The tenor of the facilities availed by our Company is maximum 90 days.
- (ii) Interest/Commission: The interest rates for the facilities availed by our Company is 3M Repo + 2.75%.
- (iii) Security: In terms of the facilities availed by our Company, we are required to create hypothecation over stocks and book debts.
- (iv) Penal Interest: The terms of certain facilities availed by our Company prescribe penalties for non-payment of interest or repayment instalment, failure to create security within agreed timelines or any other breach of terms and conditions, which are as laid down in such facility documents or as may be stipulated by the concerned lender, as the case may be. The default interest payable on such facilities availed typically 2% per month over and above the applicable interest rate on unpaid amount.

#### *Letter of Credit*

- (i) Tenor: The tenor of the facilities availed by our Company is maximum 120 days.
- (ii) Interest/Commission: The commission rates for the facilities availed by our Company 1.50% p.a.
- (iii) Security: In terms of the facilities availed by our Company, we are required to mortgage the below mentioned properties:
  - First Pari Passu charge along with SBI on commercial property in Municipal No.40, P.I.D No. 59-23-40, situated at South End Road, Basavanagudi. (Owned by Denta Water and Infra Solutions Limited)
  - Exclusive charge on S. No. 121/16, north S.No.122/5B, by east S.No.121/5A4,14,15, by south S. No 121/5A2, by west S. No.315 Beejadi Village of Kundapura Taluk, Udupi District, within the limits of Beejadi Grama Pachayath and within Sub Registration District of Kundapura. (Owned by Denta Water and Infra Solutions Limited)
  - Exclusive charge on Sy No. 2/4 for 3 Acres and Sy No. 3/3 for 6 Acres for Commercial Resort/Health Resort Purpose at Kedakal Village and Modur Village, Senticoppa Hobli, Kushalnagar Taluk (formerly Somwarpet Taluk), Kodagu District. (Owned by Denta Water and Infra Solutions Limited)

#### *Personal guarantee of Mruthunjaya Swamy, Sowbhagyamma, Sujith T R, Hema H M and Anusha M.*

- (i) Penal Interest: The terms of certain facilities availed by our Company prescribe penalties for non-payment of interest or repayment instalment, failure to create security within agreed timelines or any other breach of terms and conditions, which are as laid down in such facility documents or as may be stipulated by the concerned lender, as the case may be. The default interest payable on such facilities availed typically 2% per month over and above the applicable interest rate on unpaid amount.

#### *Bank Guarantee*

- (i) Tenor: The tenor of the facilities availed by our Company is maximum 3 years plus statutory claim period.
- (ii) Interest/Commission: The commission rates for the facilities availed by our Company 1.50% p.a.
- (iii) Security: In terms of the facilities availed by our Company, we are required to mortgage the below mentioned properties:
  - First Pari Passu charge along with SBI on commercial property in Municipal No.40, P.I.D No. 59-23-40, situated at South End Road, Basavanagudi. (Owned by Denta Water and Infra Solutions Limited)

- Exclusive charge on S.No. 121/16, north S.No.122/5B, by east S.No.121/5A4,14,15, by south S. No 121/5A2, by west S.No.315 Beejadi Village of Kundapura Taluk, Udupi District, within the limits of Beejadi Grama Pachayath and within Sub Registration District of Kundapura. (Owned by Denta Water and Infra Solutions Limited)
- Exclusive charge on Sy No. 2/4 for 3 Acres and Sy No. 3/3 for 6 Acres for Commercial Resort/Health Resort Purpose at Kedakal Village and Modur Village, Senticoppa Hobli, Kushalnagar Taluk (formerly Somwarpet Taluk), Kodagu District. (Owned by Denta Water and Infra Solutions Limited)

*Personal guarantee of Mruthunjaya Swamy, Sowbhagyamma, Sujith T R, Hema H M and Anusha M.*

- (i) Penal Interest: The terms of certain facilities availed by our Company prescribe penalties for non-payment of interest or repayment instalment, failure to create security within agreed timelines or any other breach of terms and conditions, which are as laid down in such facility documents or as may be stipulated by the concerned lender, as the case may be. The default interest payable on such facilities availed typically 2% per month over and above the applicable interest rate on unpaid amount.

For further details of financial and other covenants required to be complied with in relation to our borrowings, see *“Risk Factors –Conditions and restrictions imposed on us by the agreements governing our indebtedness and our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and cash flows”* on page 55.

## SECTION VIII: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

Except as stated below, there are no outstanding: (i) criminal litigations involving our Company, its Directors, or its Promoters (collectively the “**Relevant Parties**”); (ii) actions by any statutory or regulatory authorities involving the Relevant Parties; (iii) claims related to any direct or indirect tax liabilities (disclosed in a consolidated manner giving the total number of claims and total amounts involved) involving the Relevant Parties; (iv) other pending litigations involving the Relevant Parties (other than those litigations covered in points (i) to (iii) above) which have been determined to be material by our Board pursuant to the Materiality Policy (as disclosed hereinbelow); and (v) litigation involving our Group Companies which has a material impact on our Company. Further, there are no disciplinary action including penalties imposed by the SEBI or Stock Exchanges against our Promoters in the last 5 Fiscals including outstanding action.

For the purposes of (iv) above in terms of the Materiality Policy adopted by a resolution of our Board effective from November 3, 2023.

Any outstanding litigation / arbitration proceedings (other than those covered in points (i) to (iii) above) involving our Company, its Directors, and Promoters shall be considered “material” for the purposes of disclosure in this Prospectus, if:

- a. the aggregate monetary amount of claim made by or against the entity or person in any such pending proceeding exceeds 1% of the profit after tax of our Company (on a consolidated basis), as per the latest fiscal year covered in the Restated Consolidated Financial Information; or
- b. the outcome of such litigation, irrespective of any amount involved in such litigation or wherein a monetary liability is not quantifiable, could have a material adverse effect on the financial position, business, operations, performance, prospects or reputation of our Company, as applicable; or
- c. the decision in such litigation is likely to affect the decision in similar litigations, and the aggregate monetary claim amount in all such litigation / arbitration proceedings is equal to or in excess of threshold set forth above even though the amount involved in an individual litigation may not exceed the threshold set forth in (a) above.

For the purposes of the above, pre-litigation notices received by the Relevant Parties or Group Companies from third parties (excluding those notices issued by statutory/regulatory/ governmental/ tax authorities) have not been, unless otherwise decided by the Board of Directors, considered as an outstanding litigation for the purposes of point (iv) above, until such time such party is impleaded as a defendant or respondent in litigations before any legal/arbitral forum.

Further, in accordance with the Materiality Policy, our Company has considered such creditors ‘material’ to whom the amount due is equal to or in excess of 5% of the trade payables of our Company as of the end of the most recent fiscal covered in the Restated Consolidated Financial Information. The trade payables of our Company as on September 30, 2024 was 44.01 million. Accordingly, a creditor has been considered ‘material’ if the amount due to such creditor exceeds ₹ 2.20 million (i.e. 5% of the total trade payables) as on September 30, 2024. Further, for outstanding dues to any party which is a micro, small or a medium enterprise (“**MSME**”), the disclosure is based on information available with our Company regarding status of the creditor under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.

Unless stated to the contrary, the information provided below is as of the date of this Prospectus. All terms defined herein in a particular litigation disclosure pertain to that particular litigation only.

#### **Litigation involving our Company**

##### **Litigation initiated by our Company**

- a. Outstanding criminal litigations

Nil

b. *Outstanding material civil litigations*

Nil

***Litigation initiated against our Company***

a. *Outstanding criminal litigations*

Nil

b. *Actions by statutory or regulatory authorities*

As on the date of this Prospectus, there are no findings/observations of any of the inspections by SEBI or any other regulator which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision.

c. *Outstanding material civil litigations*

Case no. M.V.C. 7275/2023, was filed before the Court of Small Causes and ACMM (“**Court**”), Bangalore, India by Ganapa (“**Petitioner**”) under Section 166 of the Motor Vehicle Act, 1989, against our Company (“**Respondent**”) for grant of compensation of ₹ 5,000,000 along with cost and interest of 12% per annum, for the death of Shreesha Shetty (“**Deceased**”) who died in a motor accident. The Deceased was allegedly an employee of the Respondent and was riding a motorcycle owned by the Respondent at the time of accident. The matter is currently pending.

**Litigation involving our Promoters**

***Litigation initiated by our Promoters***

a. *Outstanding criminal litigations*

Nil

b. *Outstanding material civil litigations*

Nil

***Litigation initiated against our Promoters***

a. *Outstanding criminal litigations*

Nil

b. *Actions by statutory or regulatory authorities*

Nil

c. *Outstanding material civil litigations*

Our Promoter had filed a suit before the Court of Additional City Civil & Sessions Judge, Bangalore (“**City Civil Court**”) against Sri Bhaskar and Bruhat Bangalore Mahanagara Palike (“**Defendants**”) for seeking relief of declaration to establish acquisition of easementary right to light and air from properties of Defendants. The City Civil Court passed an *ex-parte* decree (“**Decree**”) directing to demolish the properties. Being aggrieved by the Decree, the Defendants have filed an appeal before the Karnataka Appellate Tribunal at Bengaluru to set aside the Decree. The matter is currently pending.

***Past litigation involving our Promoter***

a. *Summary of material litigation involving C Mruthyunjaya Swamy and certain Promoter Group members*

On July 21, 2011, the Lokayukta Police, Bangalore (“**Lokayukta**”) submitted a preliminary investigation report to the Superintendent of Police-2, Karnataka Lokayukta, Bangalore against C Mrunthyunjaya Swamy for contravention of section 13 (1) (e) read with section 13 (2) of the Prevention of Corruption Act, 1988. The preliminary investigation report alleges that C Mrunthyunjaya Swamy had accumulated disproportionate assets. Pursuant to the preliminary investigation report, a first information report bearing no. 28/2011 (“**FIR**”) was filed against C Mrunthyunjaya Swamy and subsequently, raids were conducted at the premises and residence of the C Mrunthyunjaya Swamy and his family members namely H M Hema, Sowbhagyamma and H M Prabhu (“**C Mrunthyunjaya Swamy and his family members**”) and certain valuables and documents were seized, and the bank accounts were frozen. Subsequently, C Mrunthyunjaya Swamy was in judicial custody for a period of 12 days from July 23, 2011 to August 03, 2011. Being aggrieved by the action taken by Lokayukta, C Mrunthyunjaya Swamy and his family members filed writ petitions bearing nos. 21782/2014, 38450/2014, 38451/2014, 38498/2014 (“**Writ Petitions**”) before the High Court of Karnataka (“**Hon’ble High Court**”) challenging the registration of FIR and preliminary investigation report and prayed to quash the proceedings pursuant to the FIR on the grounds that investigation was commenced by the inspector of Lokayukta without filing an FIR and hence the Deputy Super-intendent of the Police of Lokayukta was also not authorized to investigate into the matter. Hon’ble High Court vide its order dated August 22, 2016 (“**2016 Order**”), allowed the writ petitions and the proceedings against them were quashed on the grounds that the preliminary investigations were carried out prior to the filing of the FIR, which is a violation of the mandatory procedures. Subsequently, C Mrunthyunjaya Swamy and his family members also filed a separate application under the section 452 of the Cr.P.C before 77<sup>th</sup> Additional Civil & Sessions Judge and Special Judge, Bengaluru (“**77<sup>th</sup> Additional Judge**”) for defreezing the bank accounts and release of properties seized by Lokayukta. 77<sup>th</sup> Additional Judge vide order dated February 4, 2017, allowed the appeal filed by C Mrunthyunjaya Swamy and his family members and directed the investigating officer at the Lokayukta to defreeze the bank accounts and release the properties seized.

In the meantime, being aggrieved by 2016 Order, Lokayukta had also filed a special leave petition (“**SLPs**”) before the Hon’ble Supreme Court of India (“**Hon’ble SCI**”) to set aside the 2016 Order. Hon’ble SCI vide its order dated May 18, 2018 (“**2018 Order**”), set aside the 2016 Order and reinstated the investigations.

Simultaneously, Lokayukta, being aggrieved by the order dated February 4, 2017, passed by 77<sup>th</sup> Additional Judge, filed an appeal bearing no CrL.A.No. 950/2017, before the Hon’ble High Court and prayed to set aside the order dated February 4, 2017, passed by 77<sup>th</sup> Additional Judge. Since the Hon’ble SCI reinstated the investigations vide the 2018 order, the Hon’ble High Court dismissed the appeal vide order dated August 29, 2023, stating that the appeal has become infructuous.

Further, pursuant to the order passed by Hon’ble SCI, investigating officer of Lokayukta submitted a request to the competent authority seeking sanction for prosecution as required under section 19 of the Prevention of Money Laundering Act (“**PMLA**”) basis the closure report of the Lokayukta submitted in 2013. However, the competent authority rejected the request made by the investigating officer vide its order no. DPAR 07 EMUVI 2011, Bangalore dated June 21, 2019. Being aggrieved, Lokayukta had filed writ petition bearing no. 5248/2020 before the Hon’ble Court, which has been dismissed vide its order dated February 16, 2023 on the grounds on that the competent authority had refused prosecution sanction on clear application of mind and Lokayukta cannot be considered as an aggrieved person to challenge the order of the competent authority.

Simultaneously, Lokayukta also submitted the report to Enforcement Directorate, Bangalore Zone (“**ED**”) bearing bearing no. ECIR/BGZO/08/2012 (“**ECIR**”) and ED initiated proceedings against C Mrunthyunjaya Swamy for the offences punishable under the PMLA. Consequent to the findings of the investigations under PMLA, the Enforcement Directorate, Bangalore Zone submitted a closure report wherein the disproportionate assets could not be established in the hands of C Mrunthyunjaya Swamy and his family members and the proceeding initiated under PMLA was also closed.

As on this Prospectus, all the matters and proceedings relating to the action initiated by the Lokayukta and other government agencies as set out above stand decided in favour of C Mrunthyunjaya Swamy and his family members and no proceedings are pending.

## **Litigation involving our Directors (other than Promoters)**

### ***Litigation initiated by our Directors (other than Promoters)***

#### ***a. Outstanding criminal litigations***



Nil

b. *Outstanding material civil litigations*

Nil

***Litigation initiated against our Directors (other than Promoters)***

a. *Outstanding criminal litigations*

Nil

b. *Actions by statutory or regulatory authorities*

Nil

c. *Outstanding material civil litigations*

Nil

**Tax Proceedings**

Except as disclosed below, there are no outstanding tax litigations involving our Company, Directors or Promoters.

(in ₹ million)

Nature of cases	Number of cases	Amount involved*
<b>Company</b>		
Direct Tax	1	3.14
Indirect Tax	Nil	Nil
<b>Total</b>	<b>1</b>	<b>3.14</b>
<b>Directors (Other than our Promoters)</b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b>Promoters</b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

\* To the extent quantifiable

**Outstanding dues to Creditors**

As of September 30, 2024, our Company has 110 creditors, and the aggregate outstanding dues to these creditors by our Company are ₹ 44.01 million. Further, our Company owes an amount of ₹ 0.36 million to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended.

Details of outstanding dues owed to material creditors, micro, small and medium enterprises and other creditors as of September 30, 2024 are set out below:

Type of Creditors	Number of Creditors	Amount (in ₹ million)*
Micro, small and medium enterprises <sup>#</sup>	1	00.36
Material creditors	5	19.55
Other creditors	104	24.10
<b>Total outstanding dues</b>	<b>110</b>	<b>44.01</b>

\* As certified by Maheshwari & Co., Chartered accountants, pursuant to their certificate dated January 16, 2025.

The details pertaining to net outstanding dues towards our material creditors are available on the website of our Company at [www.denta.co.in](http://www.denta.co.in).

It is clarified that such details available on our website do not form a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any source of information including our Company's website at [www.denta.co.in](http://www.denta.co.in) would be doing so at their own risk.

### **Material Developments**

Other than as stated in the section titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 315, there have not arisen, since the date of the last financial information disclosed in this Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

## GOVERNMENT AND OTHER APPROVALS

Our business requires various approvals, licenses, consents, registrations, and permits issued by relevant regulatory authorities under various rules and regulations. Set out below is an indicative list of all material approvals, licenses, consents, registrations, and permits obtained by our Company, which are necessary for undertaking our business (“**Material Approvals**”). In view of such approvals, our Company can undertake the Issue and its current business activities. Additionally, unless otherwise stated, these approvals or licenses are valid as of the date of this Prospectus, and in case of licenses and approvals which have expired, we have either made an application for renewal, or are in the process of making an application for renewal. Certain material approvals, licenses, consents, registrations, and permits may expire periodically in the ordinary course and applications for renewal of such expired material approvals, licenses, consents, registrations, and permits are submitted in accordance with applicable requirements and procedures.

For further details in connection with the regulatory and legal framework within which we operate, please see section titled “Key Regulations and Policies in India” on page 212.

### I. Approvals relating to the Issue

For the approvals and authorisations obtained by our Company in relation to the Issue, please see section titled “Other Regulatory and Statutory Disclosures – Authority for the Issue” on page 355.

### II. Incorporation details of our Company

- (i) Certificate of incorporation dated November 17, 2016, issued by the RoC to our Company in the name of ‘Denta Properties and Infrastructure Private Limited’.
- (ii) Fresh certificate of incorporation dated July 31, 2023, issued by the RoC pursuant to change in name to ‘Denta Water and Infra Solutions Private Limited’.
- (iii) Fresh certificate of incorporation dated September 12, 2023, issued by the RoC on account of conversion from a private to a public limited company.

### III. Material approvals in relation to the business and operations of our Company

We require various approvals to carry on our business in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements as disclosed below. We have received the following material approvals pertaining to our business:

#### A. Tax related and other approvals

Set forth below are the details of material tax related approvals obtained by our Company:

S. No.	Particulars	Company
1.	Permanent Account Number issued by the Income Tax Department, Government of India	AAFCD9197B
2.	Tax Deduction Account Number issued by the Income Tax Department, Government of India	BLRD12930B
3.	Goods and services tax identification number for premises situated in Karnataka	29AAFCD9197B1ZC
4.	Professional Tax Enrolment and Registration certificate issued under Karnataka Tax on Professions, Trades, Callings, Employments Act, 1976.	320913073

#### B. Labour related and other approvals

1. Our Company has obtained the shops and establishments’ registrations for its Registered Office under the Karnataka Shops and Commercial Establishment Act, 1961;

2. Certificate of registration issued by the Employees' Provident Fund Organisation, India under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 to our Company;
3. Certificate of registration issued by the Employees State Insurance Corporation, India under the Employees' State Insurance Act, 1948 to our Company; and
4. Certificate of registration issued by the Professional Tax Officer, Bengaluru under the Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976.

**C. General approvals**

Our Company has obtained UDYAM registration issued by the Micro, Small and Medium Enterprises, Government of India.

**D. Business related approvals obtained by our Company**

The registrations and approvals obtained by our Company in respect of its business operations include the following:

Our Company has obtained Class – I (Civil) category registration issued by the Public Works Department, Government of Karnataka.

**IV. Material Approvals applied for but not received**

As on date of this Prospectus, there are no other licenses/ approvals which our Company has applied to obtain but has not received.


**V. Material approvals required but not obtained or applied for by our Company**

As on date of this Prospectus, there are no other licenses/ approvals which are required by our Company but have not been applied for.

**VI. Intellectual Property**

As on the date of this Prospectus, our Company has one registered trademark in India, for which we have obtained valid registration certificates under Class 37 from the Trade Marks Registry, Government of India under the Trade Marks Act, 1999 ("**Trade Marks Act**"), as amended.

The following table provides the details of registered trademark which is currently being used by our Company:

Registered trademark	Class of trademark under the Trade Marks Act	Registering authority
	37	Controller General of Patents, Designs and Trade Marks, Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce and Industry

For details, see "*Our Business– Intellectual Property*" and "*Risk Factors – While the name and logo used by us for our business is registered, our inability to protect our intellectual property from third party infringement may adversely affect our business and prospects.*" on page 54.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

The Issue has been authorized by our Board of Directors pursuant to the resolution passed at its meeting dated September 22, 2023, and the Issue has been authorised by our Shareholders pursuant to a special resolution passed at their EGM dated November 3, 2023. The Draft Red Herring Prospectus has been approved by our Board pursuant to the resolution passed at its meeting held on December 11, 2023. The Red Herring Prospectus has been approved by our Board pursuant to the resolution passed at its meeting held on January 16, 2025. Further, our Board, pursuant to the resolution passed at its meeting held on January 27, 2025, approved this Prospectus for filing with RoC, SEBI and Stock Exchanges. For further details, please see section titled “*The Issue*” on page 71.

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their respective letters each dated February 22, 2024.

### Prohibition by SEBI or any other securities market regulator or authority / court

Our Company, our Promoters, members of our Promoter Group and our Directors are 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.

Our Company, Promoters or Directors 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.

### Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, Promoters and members of our Promoter Group, 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 Prospectus.

### Directors associated with the Securities Market

None of our Directors are, in any manner, associated with securities market. Further there has been no outstanding actions initiated by the SEBI against our Directors in the five years preceding the date of this Prospectus.

### Eligibility for the Issue

Our Company is eligible for the Issue 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 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 basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;
- Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), calculated on a restated basis; and
- Our Company has changed its name from ‘*Denta Properties and Infrastructure Private Limited*’ to ‘*Denta Water and Infra Solutions Private Limited*’ and a fresh certificate of incorporation dated July 31, 2023, was issued by the RoC in this regard. The Company has not undertaken any new activity pursuant to such change in name. Further, at least 50% of the revenue, calculated on a restated and consolidated basis, for the preceding one full year has been earned by our Company from the activity indicated by its new name\*.

\*As certified by Maheshwari & Co., Chartered Accountants, by way of their certificate dated December 30, 2024.

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 Prospectus for the last three fiscal years 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 <sup>(1)</sup>	786.52	665.89	517.25
Average Operating Profit	656.55		
Net Worth, as restated <sup>(2)</sup>	1,642.56	1,045.47	544.31
Net Tangible Assets, as restated <sup>(3)</sup>	2,198.24	1,232.65	606.37
Monetary Assets, as restated <sup>(4)</sup>	629.59	363.19	135.75
Monetary assets as a percentage of the net tangible assets (in %), as restated	28.64%	29.46%	22.39%

<sup>(1)</sup> 'Operating Profit' has been calculated as profit before tax add finance cost and less other income.

<sup>(2)</sup> 'Net worth' means the aggregate value of the paid-up share capital and all reserves created out of 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 Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets including revaluation reserve, capital redemption reserve, capital reserve arising on consolidation, write back of depreciation and amalgamation.

<sup>(3)</sup> 'Net tangible assets' means the sum of all net 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.

<sup>(4)</sup> 'Monetary assets' is the aggregate of cash on hand and balance with banks (including other bank balances and interest accrued thereon).

The status of compliance of our Company with the conditions as specified under Regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

- (i) Our Company, our Promoters, members of our Promoter Group\* and our Directors are 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, or Directors have been identified as a Wilful Defaulters or Fraudulent Borrowers (as defined in the SEBI ICDR Regulations) by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI;
- (iv) None of 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 Prospectus;
- (vi) Our Company, along with the Registrar to the Issue, has entered into tripartite agreements dated September 6, 2023, and September 11, 2023, 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) All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this 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, as the

entire objects of the Issue are proposed to be financed from the Issue proceeds;

*\* Our Company had filed an exemption application dated September 25, 2023 with SEBI along with the due diligence letters dated October 23, 2023 and November 21, 2023 issued by the Book Running Lead Managers for seeking exemption under Regulation 300(1) of the SEBI ICDR Regulations from identifying and disclosing the following as members of the Promoter Group (i) C. Siddhalinga Devaru (brother and immediate relative of C. Mruthyunjayaswamy, one of the Promoters and Spouse's Brother and immediate relatives of H M Hema, one of promoters), (ii) C. Mangala (sister and immediate relative of C. Mruthyunjayaswamy, one of the Promoters and spouse's sister and immediate relatives of H M Hema, one of Promoters), (iii) C. Mahadevi (sister and immediate relative of C. Mruthyunjayaswamy, one of the Promoters and spouse's sister and immediate relatives of H M Hema, one of Promoters), (iv) S. Chandrashekariah (brother and immediate relative of Sowbhagyamma, one of the Promoters) and (v) Dr. Gurumurthy (brother and immediate relative of Sowbhagyamma, one of the Promoters) (vi) anybody corporate in which 20% or more of the equity share capital is held by C. Siddhalinga Devaru or C. Mangala or C. Mahadevi or S. Chandrashekariah or Dr. Gurumurthy or a firm or any Hindu Undivided Family where C. Siddhalinga Devaru or C. Mangala or C. Mahadevi or S. Chandrashekariah or Dr. Gurumurthy may be a member; and (vii) anybody corporate in which anybody corporate mentioned under 'vi' above holds 20% or more of the equity share capital, in accordance with the SEBI ICDR Regulations. SEBI pursuant to its letter bearing reference number SEBI/HO/CFD/RAC-DILI/P/OW/2023/48613/1 dated December 4, 2023, rejected our application and directed our Company to include C. Siddhalinga Devaru or C. Mangala or C. Mahadevi or S. Chandrashekariah or Dr. Gurumurthy (hereinafter collectively to be referred as "Relevant Persons"), as part of the Promoter Group of our Promoters and include applicable disclosures based on the information as available in the public domain.*

*Accordingly, based on a careful examination of the search results available on public platforms including Watchout Investors database and CIBIL database, our Company confirms that the Relevant Persons (a) are not debarred or prohibited from accessing capital markets under any order or direction passed by SEBI; and (b) have not been declared as Wilful Defaulter or Fraudulent Borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrower issued by Reserve Bank of India. Our Company had also issued letters dated December 9, 2023 via registered post on December 10, 2023 as an attempt to establish communication with C. Siddhalinga Devaru, C Mangala, C Mahadevi, S. Chandrashekariah and Dr Gurumurthy. As of the date of this Prospectus, our Company has not been able to establish communication with the Relevant Persons. In this regard, suitable disclosures have been included in this Prospectus based on diligence of publicly available information and public domain search including on the websites of CIBIL and watchout investors.*

*For further details, please see "Risk Factors - The immediate relatives of our promoters, who are deemed to be a part of the Promoter Group under the SEBI ICDR Regulations have not provided consent, information or any confirmations or undertakings pertaining to themselves which are required to be disclosed as part of the Promoter Group in this Prospectus." on page 38.*

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.

#### **DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, BEING SMC CAPITALS LIMITED ("BRLM"), HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE 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 ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BRLM ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLM HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER 11, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SEBI ICDR REGULATIONS.**

**THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BRLM, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.**

All legal requirements pertaining to this Issue were 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 Issue will be complied with at the time of filing of this Prospectus with the RoC in terms of sections 26, 32, 33(1) and 33(2) of the Companies Act.

**Disclaimer from our Company, our Directors and the Book Running Lead Manager**

Our Company, our Directors and the BRLM accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our Company's website at [www.denta.co.in](http://www.denta.co.in), or the respective websites of our Promoter Group or any affiliate of our Company would be doing so at their own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Issue Agreement, and as will be provided for in the Underwriting Agreement.

All information shall be made available by our Company and the BRLM 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 were required to confirm and were deemed to have represented to our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLM 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 our 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, the Promoters, members of the Promoter Group, and their respective directors, officers, agents, group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

**Disclaimer in respect of Jurisdiction**

This Issue 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 authorised to invest in shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in 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 Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Invitations to subscribe to or purchase the Equity Shares in the Issue will be made only pursuant to this Prospectus if the recipient is in India or the preliminary offering memorandum for the Issue, which comprises this Prospectus and the preliminary international wrap for the Issue, if the recipient is outside India.



No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus had been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and the Red Herring Prospectus, this Prospectus, may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Red Herring Prospectus, this Prospectus nor the offer or sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date of this Prospectus or that the information contained herein is correct as of any time subsequent to this date.

**No person outside India is eligible to Bid for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.**

Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra, only.

#### **Eligibility and Transfer Restrictions**

**The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only 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 offers and sales are made.**

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

**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 Limited**

As required, a copy of the Draft Red Herring Prospectus was submitted to BSE. The disclaimer clause as intimated by BSE to us is set forth below:

*“BSE Limited (**“the Exchange”**) has given vide its letter dated February 22, 2024, permission to this Company to use the Exchange’s name in this offer document as one of the stock exchanges on which this company’s securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner: -*

- a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or*
- b) warrant that this Company’s securities will be listed or will continue to be listed on the Exchange; or*
- c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company*

*and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.”*

## **Disclaimer Clause of National Stock Exchange of India Limited**

As required, a copy of the Draft Red Herring Prospectus was submitted to NSE. The disclaimer clause as intimated by NSE to us is set forth below:

*“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/3181 dated February 22, 2024, permission to the Issuer to use the Exchange’s name in this Offer Document as one of the Stock Exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.*

*Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever”*

## **Listing**

The Equity Shares proposed to be issued through the Red Herring Prospectus and this Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. NSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus, in accordance with applicable law. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/ Issue Closing Date or within such other period as may be prescribed.

If our Company does not Allot the Equity Shares within three Working Days from the Bid/ Issue Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Issue Accounts will be transferred to the Refund Account and it shall be utilised to 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 or such other rate as may be prescribed by the SEBI from time to time, for the delayed period, subject to applicable law.

## **Consents**

Consents in writing of our Directors, our Company Secretary and Compliance Officer, Legal Counsel to the Issue, Statutory Auditors, Bankers to our Company, the BRLM, Registrar to the Issue, lenders of our Company, independent chartered engineer (wherever applicable) and Marketysers Global, in their respective capacities, have been obtained and all such consents have not been withdrawn up to the time of delivery of this Prospectus; and consents in writing of the Syndicate Member(s), Escrow Collection Bank/Refund Bank/ Public Issue Account/ Sponsor Banks and Monitoring Agency to act in their respective capacities, have been obtained as required under the Companies Act and such consents have not be withdrawn up to the time of delivery of this Prospectus to the RoC.

## **Experts to the Issue**

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

Our Company has received written consent dated December 30, 2024 from our Statutory Auditors namely, Maheshwari & Co, Chartered Accountants, holding a valid peer review certificate from ICAI to include their name as required under Section 26 of the Companies Act in the Red Herring Prospectus and this Prospectus as an “expert” as defined 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 December 7, 2024, on our Restated Consolidated Financial Information and on the statement of special tax benefits dated December 30, 2024 included in the Red Herring Prospectus and this Prospectus, and such consent has not been withdrawn as on the date of this Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under Securities Act.

Our Company has received written consent dated December 17, 2024 from our independent chartered engineer, Chethan Kumar R., Chartered Engineers. (membership number: A-31852) to include their name as required under Section 26 of the Companies Act read with SEBI ICDR Regulations, in the Red Herring Prospectus and this Prospectus as an “expert” as defined under section 2(38) of the Companies Act, 2013, to the extent and in their capacity as an independent chartered engineer, and such consent has not been withdrawn as on the date of this Prospectus. However, the term ‘expert’ shall not be construed to mean an ‘expert’ as defined under U.S. Securities Act.

## **Particulars regarding capital issues by our Company and listed group companies, or associate entities during the last three years**

Other than as disclosed in section titled “*Capital Structure*” on page 87, our Company has not made any capital issues during the three years preceding the date of this Prospectus. Our Company does not have any listed group company. Our Company does not have any associate companies.

## **Commission and Brokerage paid on previous issues of the Equity Shares in the last five 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 by our Company for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares for last five years preceding the date of this Prospectus.

## **Particulars regarding public or rights issues by our Company during the last five years and performance vis-à-vis objects**

Other than as disclosed in the section titled “*Capital Structure – Notes to the Capital Structure*” on page 87, our Company has not undertaken any public issue or rights issue in the last five years preceding the date of this Prospectus.

## **Performance vis-à-vis objects – Public/ rights issue of the listed subsidiaries/listed Promoter of our Company**

As on the date of this Red Herring Prospectus our Company does not have a corporate promoter. As on the date of this Prospectus, our Company has no subsidiaries.

## Price information of past issues handled by the Book Running Lead Manager

### 1) SMC Capitals Limited

#### 1. Price information of past issues handled by SMC Capitals Limited:

Sr. No.	Issue Name	Issue Size (in ₹ million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price*, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Venus Pipes & Tubes Limited#	1654.16	326	May 24, 2022	335.00	0.18%, [-4.13%]	23.30%, [12.86%]	115.55%, [4.39%]

Source: [www.bseindia.com](http://www.bseindia.com)

#### Notes:

1. Price on Designated Stock Exchange i.e. BSE is considered for all of the above calculations.
2. In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered.
3. The S&P BSE SENSEX is considered as the Benchmark Index.

#### 2. Summary statement of price information of past issues handled by SMC Capitals Limited:

Financial Year	Total No. of IPO's	Total Funds Raised (in ₹ million)	No. of IPOs trading at discount – 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium – 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount – 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium – 180 <sup>th</sup> calendar days from listing		
			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%
2023-2024*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2022-2023	1	1654.16	Nil	Nil	Nil	Nil	Nil	1	Nil	Nil	Nil	1	Nil	Nil
2021-2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-

\* The information is as on the date of this Prospectus

#### Notes:

The information for each of the financial years is based on issues listed during such financial year

### Track record of past issues handled by the Book Running Lead Manager

For details regarding the track record of the BRLM, as specified in circular (reference CIR/MIRSD/1/2012) dated January 10, 2012 issued by SEBI, please see the website of the Book Running Lead Manager, as set forth in the table below:

S. No.	Name of the BRLM	Website
1.	SMC Capitals Limited	www.smccapitals.com

### Stock Market Data of Equity Shares

This being an initial public offer of Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

### Mechanism for Redressal of Investor Grievances

SEBI, by way of its circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 (“**March 2021 Circular**”), has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism inter alia in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures. Subsequently, SEBI vide its circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 (“**June 2021 Circular**”), modified the process timelines and extended the implementation timelines for certain measures introduced by the March 2021 Circular.

As per the March 2021 Circular read with the June 2021 Circular, for initial public offerings opening for subscription on or after May 1, 2021, SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) periodic sharing of statistical details of mandate blocks/unblocks, performance of apps and UPI handles, network latency or downtime, etc., by the Sponsor Banks to the intermediaries forming part of the closed user group vide email; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Member(s) to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for non-allotted/partially allotted applications is completed by the closing hours of one Working Day subsequent to the finalisation of the Basis of Allotment.

Separately, pursuant to the March 2021 Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	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	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 BRLM shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

**Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of unblocking intimation/refund intimation, as applicable or non-receipt of funds by electronic mode, etc. For all Issue related queries and for redressal of complaints, Bidders may also write to the BRLM, in the manner provided below.**

All grievances in relation to the Bidding process may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, UPI ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

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

The Registrar to the Issue shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLM and the Registrar to the Issue accept no responsibility for errors, omissions, commission, or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

In terms of SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, 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. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the BRLM shall compensate the investors at the rate higher of ₹ 100 per day or 15% per annum of the application amount for the period of such delay.

Anchor Investors are required to address all grievances in relation to the Issue to the BRLM.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned herein.

Our Company, the BRLM and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of the Designated Intermediaries including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

#### **Disposal of Investor Grievances by our Company**

Our Company has obtained authentication on the SCORES in compliance with the SEBI Master circular bearing reference number SEBI/HO/OIAE/IGRD/P/CIR/2022 dated November 7, 2022 in relation to redressal of investor grievances through SCORES, as on the date of this Prospectus.

Our Company has not received any investor complaint during the three years preceding the date of this Prospectus, Further, no investor complaint in relation to our Company is pending as on the date of filing of this Prospectus.

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders, for the redressal of routine investor grievances shall be 10 (ten) Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Sujata Gaonkar, the Company Secretary of our Company, as the Compliance Officer for the Issue and she may be contacted in case of any pre-Issue or post-Issue related issues. For further details, please see section titled “*General Information*” on page 78.

Our Company has also constituted a Stakeholders’ Relationship Committee, to review and redress shareholder and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For further details, please see section titled “*Our Management*” on page 222.

### **Other confirmations**

Any person connected with the Issue shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the initial public offer, except for fees or commission for services rendered in relation to the Issue.

None of our Promoters, individual members of our Promoter Group, Directors appear in the list of directors of the struck-off companies issued by the registrar of companies / Ministry of Corporate Affairs. Further, none of the entities forming part of the Promoter Group and our Group Companies appear in the list of struck-off companies issued by the registrar of companies / Ministry of Corporate Affairs.

There is no conflict of interest between the third party service providers (crucial for operations of our Company) and our Company, Promoters, Promoter Group, Key Managerial Personnel, Directors and the Group Companies and its directors.

There is no conflict of interest between the lessor of the immovable properties (crucial for operations of our Company) and our Company, Promoters, Promoter Group, Key Managerial Personnel, Directors and Group Companies and its directors.

### **Exemption from complying with any provision of securities laws, if any, granted by Securities Exchange Board of India**

Our Company had filed an exemption application dated September 25, 2023 with SEBI for seeking exemption under Regulation 300(1) of the SEBI ICDR Regulations from identifying and disclosing the following as members of the Promoter Group (i) C. Siddhalinga Devaru (brother and immediate relative of C. Mruthyunjayaswamy, one of the Promoters and Spouse’s Brother and immediate relatives of H M Hema, one of promoters), (ii) C. Mangala (sister and immediate relative of C. Mruthyunjayaswamy, one of the Promoters and spouse’s sister and immediate relatives of H M Hema, one of Promoters), (iii) C. Mahadevi (sister and immediate relative of C. Mruthyunjayaswamy, one of the Promoters and spouse’s sister and immediate relatives of H M Hema, one of Promoters), (iv) S. Chandrashekariah (brother and immediate relative of Sowbhagyamma, one of the Promoters) and (v) Dr. Gurumurthy (brother and immediate relative of Sowbhagyamma, one of the Promoters) (vi) anybody corporate in which 20% or more of the equity share capital is held by C. Siddhalinga Devaru or C. Mangala or C. Mahadevi or S. Chandrashekariah or Dr. Gurumurthy or a firm or any Hindu Undivided Family where C. Siddhalinga Devaru or C. Mangala or C. Mahadevi or S. Chandrashekariah or Dr. Gurumurthy may be a member; and (vii) anybody corporate in which anybody corporate mentioned under ‘vi’ above holds 20% or more of the equity share capital, in accordance with the SEBI ICDR Regulations. SEBI pursuant to its letter bearing reference number SEBI/HO/CFD/RAC-DIL1/P/OW/2023/48613/1 dated December 4, 2023, rejected our application has directed our Company to include C. Siddhalinga Devaru or C. Mangala or C. Mahadevi or S. Chandrashekariah or Dr. Gurumurthy (hereinafter collectively to be referred as “**Relevant Persons**”), as part of the Promoter Group of our Promoters and include applicable disclosures based on the information as available in the public domain.

Accordingly, based on a careful examination of the search results available on public platforms including Watchout Investors database and CIBIL database, our Company confirms that the Relevant Persons (a) are not debarred or prohibited from accessing capital markets under any order or direction passed by SEBI; and (b) have not been declared as Wilful Defaulter or Fraudulent Borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrower issued by Reserve Bank of

India. Our Company had also issued letters dated December 9, 2023 via registered post on December 10, 2023 as an attempt to establish communication with C. Siddhalinga Devaru, C Mangala, C Mahadevi, S. Chandrashekariah and Dr Gurusurthy. As of the date of this Prospectus, our Company has not been able to establish communication with the Relevant Persons. In this regard, suitable disclosures have been included in this Prospectus based on diligence of publicly available information and public domain search including on the websites of CIBIL and watchout investors.

For further details, please see “*Risk Factors - The immediate relatives of our promoters, who are deemed to be a part of the Promoter Group under the SEBI ICDR Regulations have not provided consent, information or any confirmations or undertakings pertaining to themselves which are required to be disclosed as part of the Promoter Group in this Prospectus.*” on page 38.



## SECTION IX: ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being issued and Allotted and transferred pursuant to this Issue shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum and Articles of Association, the terms of the Red Herring Prospectus, this Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, the CAN and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Issue.

#### Ranking of the Equity Shares

The Equity Shares being Issued, Allotted and transferred pursuant to the Issue shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA, SCRR, MoA and AoA and shall rank *pari passu* in all respects with the existing Equity Shares including in respect of the right to receive dividend, voting and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please see section titled “*Description of Equity Shares and Terms of Articles of Association*” on page 400.

#### Mode of Payment of Dividend

Our Company will pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, our MoA and AoA and provisions of the SEBI Listing Regulations and any other applicable laws including guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Issue, for the entire year, in accordance with applicable laws. For further details in relation to dividends, please see sections titled “*Dividend Policy*” and “*Description of Equity Shares and Terms of Articles of Association*” on pages 248 and 400, respectively.

#### Face Value, Issue Price, Floor Price and Price Band

The face value of each Equity Share is ₹ 10, and the Issue Price is ₹ 294.00 per Equity Share. The Floor Price is ₹ 279.00 per Equity Share and at the Cap Price is ₹ 294 per Equity Share, being the Price Band. The Anchor Investor Issue Price is ₹ 294 per Equity Share.

The Price Band and the minimum Bid Lot was decided by our Company and the BRLM and was advertised in all editions of Financial Express, an English national newspaper, all editions of Jansatta, a Hindi national newspaper and Bangalore editions of Vishwavani, a Kannada daily newspaper, Kannada being the regional language of Karnataka where our Registered Office is located) each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and was made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, was pre-filled in the Bid cum Application Forms available on the websites of the Stock Exchanges. The Issue Price was determined by our Company and the BRLM, after the Bid/Issue Closing Date on the basis of assessment of market demand for the Equity Shares Issued by way of Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.

#### Jurisdiction

The courts of competent jurisdiction in India will have exclusive jurisdiction in relation to this Issue.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act and 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 applicable U.S. state securities laws. Accordingly, the Equity Shares are only being issued and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdiction where those issue and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

#### **Compliance with disclosure and accounting norms**

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

#### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the provisions of our AoA, 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 bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of Equity Shares, subject to applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and our Articles of Association.

For a detailed description of the provisions of the AoA of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission, consolidation or sub-division, please see section titled “*Description of Equity Shares and Terms of Articles of Association*” on page 400.

#### **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. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite agreement dated September 11, 2023, among our Company, CDSL and the Registrar to the Issue; and
- Tripartite agreement dated September 6, 2023, among our Company, NSDL and the Registrar to the Issue.

#### **Market Lot and Trading Lot**

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of 50 Equity Shares. For further details, please see section titled “*Issue Procedure*” on page 378.

#### **Joint Holders**

Subject to the provisions contained in our AoA, where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

## Nomination facility to Bidders

In accordance with Section 72 of the Companies Act 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 one person in whom, in the event of the death of Sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or 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 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 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 our 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, our Board may thereafter withhold payment of all dividends, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialised mode there is no need 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 their nomination, they are requested to inform their respective Depository Participant.

## Bid/Issue Programme

<b>BID/ISSUE OPENED ON</b>	Wednesday, January 22, 2025
<b>BID/ISSUE CLOSED ON</b>	Friday, January 24, 2025 <sup>#</sup>

<sup>#</sup> UPI mandate end time and date was at 5.00 pm on Bid/Issue Closing Date.

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

Event	Indicative Date
<b>BID/ISSUE CLOSING DATE</b>	Friday, January 24, 2025
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Monday, January 27, 2025
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about Tuesday, January 28, 2025
Credit of Equity Shares to demat accounts of Allottees	On or about Tuesday, January 28, 2025
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Wednesday, January 29, 2025

\* In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more

than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI master circular no. SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

**The above timetable is indicative and does not constitute any obligation or liability on our Company or the BRLM. 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 three Working Days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, the timetable may be subject to change due to various factors, such as extension of the Bid/Issue Period by our Company, in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges or delay in receipt of final certificates from SCSBs, etc. The commencement of trading of Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.**

**The Registrar to the Issue 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/ Issue Opening Date till the Bid/Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day.**

SEBI vide circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the post issue timeline for initial public offerings ("IPO"). The revised timeline of T+3 days has been made applicable in two phases, i.e., voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Accordingly, the Issue will be made under UPI Phase III on mandatory basis, subject to the timing of the Issue and any circulars, clarification or notification issued by the SEBI from time to time, including with respect to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023.

In terms of the UPI Circulars, in relation to the Issue, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/Issue Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**Submission of Bids (other than Bids from Anchor Investors):**

<b>Bid/Issue Period (except the Bid/Issue Closing Date)</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST"))
<b>Bid/Issue Closing Date*</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

\*UPI mandate end time and date was 3:00pm on Bid/Issue Closing Date.

**On the Bid/Issue Closing Date, the Bids shall be uploaded until:**

- (i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5:00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs Bidding under Net Issue.

On Bid/Issue Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received by RIBs bidding under Net Issue, after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

**It is clarified that Bids were processed only after the application monies were 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, have been rejected.**

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders were advised to submit their Bids one day prior to the Bid/Issue Closing Date. Any time mentioned in this Prospectus is IST. Bidders were cautioned that, in the event a large number of Bids are received on the Bid/Issue Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that could not be uploaded were not considered for allocation under the Issue. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by the SCSBs were be rejected. Bids and any revision in Bids were accepted only during Working Days. Investors may please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids were not accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders were uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

The Designated Intermediaries modified select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period till 5.00 pm on the Bid/Issue Closing Date after which the Stock Exchange(s) sent the bid information to the Registrar to the Issue for further processing.

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 were taken as the final data for the purpose of Allotment.

Our Company, in consultation with the BRLM, reserved the right to revise the Price Band during the Issue Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band could 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 could be revised accordingly, but the Floor Price could not be less than the face value of the Equity Shares. In all circumstances, the Cap Price should have been less than or equal to 120% of the Floor Price, provided that the Cap Price shall be atleast 105% of the Floor Price.

**Minimum Subscription**

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a subscription in the Issue as specified under Rule 19(2)(b) of the SCRR, or if the subscription level falls below the thresholds mentioned above after the Bid Closing Date, on account of withdrawal of applications or after technical rejections or any other reason, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being Issued under this Prospectus, and our Company shall forthwith refund the entire subscription amount received. In terms of the applicable provisions of the SEBI ICDR Regulations, and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), our Company shall forthwith, but no later than within two Working Days from the closure of the Issue or such period as may be prescribed, refund the subscription amount received in case of non – receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. If there is a delay beyond fifteen days after the Company becomes liable to pay the amount, our Company shall pay interest at the rate of 15% per annum or such other interest rate as prescribed under the SEBI ICDR Regulations and other applicable law.

In the event of under-subscription, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, the Allotment of Equity Shares shall be made towards subscription of the Fresh Issue. Under subscription, if any, in any category except the QIB portion, would be met with spill-over from the other categories at the discretion of our Company, in consultation with the Book Running Lead Manager, and the Designated Stock Exchange.

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, and subscription money will be refunded, as applicable. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, and our Company shall be liable to pay interest on the application money in accordance with applicable laws.

#### **Arrangements for Disposal of Odd Lots**

Since the Equity Shares will be traded in dematerialised form only, and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

#### **New Financial Instruments**

Our Company is not issuing any new financial instruments through this Issue.

#### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-issue capital of our Company, lock-in of the Promoters' contribution and the Anchor Investor lock-in as provided in the section titled "*Capital Structure*" on page 87, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of the Equity Shares of our Company and on their consolidation or splitting, except as provided in the Articles of Association. For further details, please see section titled "*Description of Equity Shares and Terms of Articles of Association*" on page 400.

#### **Option to receive Equity Shares in Dematerialized Form**

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges. However, Allottees may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.

#### **Withdrawal of the Issue**

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue, in whole or in part thereof, after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The BRLM through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Bank(s), in case of UPI Bidders using the UPI Mechanism, to unblock the bank accounts of the ASBA Bidders (other than Anchor Investors) shall notify the Escrow Collection Banks to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed. In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit reports of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. Further, 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/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum, whichever is higher for the entire duration of delay exceeding 4 Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) filing of this Prospectus with the RoC. If our Company and the BRLM, withdraw the Issue after the Bid/Issue Closing Date and thereafter

determine that they will proceed with a public Issue of the Equity Shares, our Company shall file a fresh red herring prospectus with SEBI and the Stock Exchanges.

## ISSUE STRUCTURE

Issue of up to 7,500,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ 294 per Equity Share (including a premium of ₹ 284 per Equity Share) aggregating up to ₹ 2,205.00 million. The Issue constitutes 28.09% of the post-issue paid-up Equity Share capital of our Company.

The Issue is being made through the Book Building Process.

Particulars	QIBs <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation <sup>(2)</sup>	Not more than 3,750,000 Equity Shares	Not less than 1,125,000 Equity Shares available for allocation or Issue less allocation to QIB Bidders and Retail Individual Bidders	Not less than 2,625,000 Equity Shares available for allocation or Issue less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Issue size available for Allotment/ allocation	Not more than 50% of the Issue 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 Issue or the Issue less allocation to QIBs and Retail Individual Bidders 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 ₹ 0.2 million and up to ₹ 1.0 million; and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹ 1.0 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 Issue or Issue less allocation to QIBs and Non-Institutional Bidders will be available for allocation
Basis of Allotment/ allocation if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion): (a) up to 75,000 Equity Shares were available for allocation on a proportionate basis to Mutual Funds only; and (b) 1,500,000 Equity Shares were available for allocation on a	The Allotment to each Non-Institutional Investor shall not be less than ₹ 0.2 million, subject to the availability of Equity Shares in Non-Institutional Investors' category, and the remaining Equity Shares, if any, shall be Allotted on a proportionate basis.	Proportionate, subject to the minimum Bid Lot Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. Please



Particulars	QIBs <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
	proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. (c) Up to 60% of the QIB Portion were allocated on a discretionary basis to Anchor Investors of which one-third were available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price		see, section titled “Issue Procedure” on page 378.
Mode of Bid	ASBA only (excluding the UPI mechanism) except for Anchor Investors <sup>(6)</sup>	ASBA only (including the UPI mechanism), to the extent of Bids up to ₹ 0.5 million	ASBA only (including the UPI mechanism)
Minimum Bid	Such number of Equity Shares and in multiples of 50 Equity Shares so that the Bid Amount exceeds ₹ 0.20 million	Such number of Equity Shares and in multiples of 50 Equity Shares so that the Bid Amount exceeds ₹ 0.20 million	50 Equity Shares and in multiples of 50 Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of 50 Equity Shares so that the Bid does not exceed the size of the Issue, subject to applicable limits	Such number of Equity Shares in multiples of 50 Equity Shares so that the Bid does not exceed the size of the Issue (excluding the QIB Portion), subject to applicable limits	Such number of Equity Shares in multiples of 50 Equity Shares so that the Bid Amount does not exceed ₹0.20 million
Mode of Allotment	Compulsorily in dematerialized form		
Bid Lot	50 Equity Shares and in multiples of 50 Equity Shares thereafter		
Allotment Lot	A minimum of 50 Equity Shares and thereafter in multiples of one Equity Share		
Trading Lot	One Equity Share		
Who can apply <sup>(3) (4)</sup>	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, 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	Resident Indian individuals, Eligible NRIs on a non-repatriable basis, 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 ₹ 0.2 million in value

Particulars	QIBs <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
	corpus of ₹ 250.00 million, pension fund with minimum corpus of ₹250.00 million 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 NBFCs		
Terms of Payment	<p><b>In case of Anchor Investors:</b> Full Bid Amount was payable by the Anchor Investors at the time of submission of their Bids<sup>(5)</sup></p> <p><b>In case of all other Bidders:</b> Full Bid Amount was blocked in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism (for UPI Bidders using the UPI Mechanism) that is specified in the ASBA Form at the time of submission of the ASBA Form.</p>		

<sup>(1)</sup> Our Company, in consultation with the BRLM, allocated 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 were reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.

<sup>(2)</sup> Subject to valid Bids being received at or above the Issue Price. This is an Issue in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. This Issue was made through the Book Building Process in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Issue was made available for allocation on a proportionate basis to Qualified Institutional Buyers. Such number of Equity Shares representing 5% of the Net QIB Portion was made available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Portion was made available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares were made available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to all QIBs. Further, (a) not less than 15% of the Issue was made available for allocation to Non-Institutional Bidders (out of which (i) one third shall be reserved for applicants with application size of more than ₹0.2 million and up to ₹1 million, and (ii) two-thirds was reserved for applicants with application size of more than ₹ 1 million provided that the unsubscribed portion in either of such sub-categories was allocated to applicants in the other sub-category of Non-Institutional Bidders) and (b) not less than 35% of the Issue was made 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 Issue. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion was allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM

and the Designated Stock Exchange, on a proportionate basis. For further details, please see section titled “Terms of the Issue” on page 367.

- (3) *In the event that a Bid is submitted in joint names, the relevant Bidders ensured that the depository account was also held in the same joint names and the names were in the same sequence in which they appear in the Bid cum Application Form. In case of joint Bids, the Bid cum Application Form contained 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 was required in the Bid cum Application Form and such first Bidder was deemed to have signed on behalf of the joint holders. Our Company reserved the right to reject, in its absolute discretion, all or any multiple Bids, except as otherwise permitted, in any or all categories.*
- (4) *With respect to restrictions on participation in the Issue, please see the sections titled “Issue Procedure” and “Restrictions on Foreign Ownership of Indian Securities” on pages 378 and 398 respectively.*
- (5) *Full Bid Amount was payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price was payable by the Anchor Investor Pay-In Date as indicated in the CAN.*
- (6) *Anchor Investors were not permitted to use the ASBA process.*

The Bids by FPIs with certain structures as described under section titled “Issue Procedure – Bids by Foreign Portfolio Investors” on page 385 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

**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 Shares.**

## ISSUE 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 (the “**General Information Document**”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue 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 Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) issuance of CAN and allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of unblocking intimation/making refunds, as applicable; (xi) Designated Date; (xii) interest in case of delay in allotment or refund; and (xiii) disposal of applications and electronic registration of bids.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“**UPI**”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“**UPI Phase I**”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds was discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was 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 had extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“**UPI Phase III**”), and modalities of the implementation of UPI Phase III has been notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. Accordingly, the Issue will be made under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time, including with respect to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. Subsequently, vide the SEBI RTA Master Circular, consolidated the circulars no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 to the extent relevant for RTAs, and rescinded these circulars. 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 (on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). These circulars, to the extent in force are deemed to form part of this Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a

*uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. Additionally, SEBI vide its circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 has reduced the time period for refund of application monies from 15 days to four days. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.*

*The BRLM shall be the nodal entity for any issues arising out of public Issuance process.*

*In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI Circular. No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and BRLM shall continue to coordinate with intermediaries involved in the said process.*

*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 Circular 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 order to streamline the bidding process and to ensure the orderly development of securities market, the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Thereafter, all intermediaries / market infrastructure institutions shall ensure that appropriate systemic and procedural arrangements are made within three months from the date of issuance of SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022.*

*Our Company and the BRLM 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 Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus.*

### **Book Building Procedure**

The Issue is being made in terms of Rule 19(2)(b) of the SCRR through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Issue allocated on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLM, allocated 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 was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares were added to the Net QIB Portion. Further, 5% of the Net QIB Portion were made available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the Net QIB Portion were made available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, subject to availability of Equity Shares in the respective categories, not less than 15% of the Issue was available for allocation on a proportionate basis to Non-Institutional Bidders (out of which (i) one third was reserved for Bidders with Bids exceeding ₹0.20 million and up to ₹1.00 million, and (ii) two-thirds was reserved for Bidders with Bids exceeding ₹ 1.00 million provided that the unsubscribed portion in either of such sub-categories could be allocated to applicants in the other sub-category of Non-Institutional Bidders), and not less than 35% of the Issue was made available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, was allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Undersubscription, if any, in the QIB Portion, was not be allowed to be met with spill-over from any other category or a combination of categories. In the event of under-subscription, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, the Allotment of Equity Shares shall be made towards subscription of the Fresh Issue.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

**Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including the DP ID, Client ID, PAN and UPI ID, for UPI Bidders using the UPI Mechanism, were treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, in compliance with applicable laws.**

Investors 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 and March 30, 2022.

### **Phased implementation of Unified Payments Interface**

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019, or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase was applicable from July 1, 2019 and the continuation of this phase was extended until March 31, 2020 vide SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019. Under this phase, submission of the ASBA Form by UPI Bidders through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase. Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, this phase was extended till further notice.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification**"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Issue is being made under Phase III of the UPI (on a mandatory basis).

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 Streaming 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-Issue BRLM will be required to compensate the concerned investor.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. The Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit

between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders using the UPI Mechanism.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such SCSBs make an application as prescribed in Annexure I of SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular no. SEBI/HO/CFD/DIL2/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). Such application shall be given 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.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLM.

### **Bid cum Application Form**

Copies of the 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 Application Form will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available with the BRLM.

All Bidders (other than Anchor Investors) could mandatorily participate in the Issue only through the ASBA process. UPI Bidders were mandatorily required to use the UPI Mechanism for submitting their bids to Designated Intermediaries and were allowed to use ASBA Process by way of ASBA Forms to submit their bids directly to SCSBs. Anchor Investors were not permitted to participate in the Issue through the ASBA process.

All ASBA Bidders had to 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 were liable to be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID were liable for rejection.

ASBA Bidders had to ensure that the Bids are made through ASBA Forms bearing the stamp of the Designated Intermediary, were submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp were liable to be rejected. Since the Issue is made under Phase II of the UPI Circulars, ASBA Bidders submitted the ASBA Form in the manner as follows: (i) UPI Bidders using UPI Mechanism, submitted their ASBA Forms, including details of their UPI IDs, 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; (ii) RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account submitted their ASBA Forms with the 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 and (iii) QIBs and NIBs submitted their ASBA Forms with SCSBs, Syndicate, Sub-Syndicate member(s), Registered Brokers, RTAs or CDPs. For Anchor Investors, the Anchor Investor Application Form was made available at the offices of the BRLM. ASBA Bidders had to ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid. In order to ensure timely information to Bidders, SCSBs were required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions	Blue
Anchor Investors	White

\*Excluding electronic Bid cum Application Forms

Notes:

- (1) *Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the website of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com))*
- (2) *Bid cum Application Forms for Anchor Investors were available at the offices of the BRLM*

In case of ASBA Forms, the relevant Designated Intermediaries were required to upload the relevant Bid details in the electronic bidding system of the Stock Exchanges. For UPI Bidders using UPI Mechanism, the Stock Exchanges had to share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds.

Designated Intermediaries (other than SCSBs) were required to submit/ deliver the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders Bidding through the UPI Mechanism) to the respective SCSB where the Bidder has a bank account and could 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 had to allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For ASBA Forms (other than UPI Bidders using UPI Mechanism) Designated Intermediaries (other than SCSBs) were required to 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 were required to 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 had to 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 were required to 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 had to initiate request for blocking of funds through NPCI to UPI Bidders, who would accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI was required to 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 would 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 was required to share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the issuer bank. The Sponsor Banks and the Bankers to the Issue had to provide the audit trail to the BRLM for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs had to 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).

For all pending UPI Mandate Requests, the Sponsor Bank had to initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/ Issue Closing Date (“**Cut-Off Time**”). Accordingly, UPI Bidders Bidding through the UPI Mechanism had to 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.



The Sponsor Bank would undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and would 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 would undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks downloaded UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

The Sponsor Banks hosted a web portal for intermediaries (closed user group) from the date of Bid/Issue 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 Issue Bidding process.

### **Electronic registration of bids**

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Issue.
- b) On the Bid/Issue Closing Date, the Designated Intermediaries uploaded the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus and this Prospectus.
- c) Only Bids that are banked and 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/Issue Period till 5.00 pm on the Bid/Issue Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

**The Equity Shares Issued in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, 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 issued and sold only 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 issues 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.**

### **Participation by Promoters and members of our Promoter Group of the Company, the BRLM and the Syndicate Member(s)**

The BRLM and the Syndicate Members were not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLM and the Syndicate Member(s) may Bid for Equity Shares in the Issue, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLM and Syndicate Member(s), shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the BRLM or any associates of the BRLM (except Mutual Funds) sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associate of BRLM or AIFs sponsored by the entities which are associate of the BRLM or FPIs other than individuals, corporate bodies and family offices which are associate of the BRLM or pension funds sponsored by entities which are associates of the BRLM nor (ii) any “person related to the Promoters/ Promoter Group” shall apply in the Issue under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a “person related

to the Promoters/ Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoters or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor would be deemed to be an associate of the BRLM, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLM.

The Promoters and members of our Promoter Group did not participate in the Issue.

### **Bids by Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate was required to be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the BRLM reserved the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds were required to specifically state names of the concerned schemes for which such Bids are made. In case of a Mutual Fund, a separate Bid could have been made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund would not have been treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme could invest more than 10% of its NAV in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes could own more than 10% of any company’s paid-up share capital carrying voting rights.

### **Bids by Eligible Non-Resident Indians (“NRIs”)**

Eligible NRIs Bidding on a repatriation basis were advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour).

Eligible NRIs Bidding on non-repatriation basis were advised to use the Bid cum Application Form for residents (White in colour).

Eligible NRIs could 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 were considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms were required to authorize their respective SCSB or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non- Resident External (“NRE”) accounts (including UPI ID, if activated), or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms were required to authorize their respective SCSB to block their Non-Resident Ordinary (“NRO”) accounts or confirm or accept the UPI mandate request (in case of UPI Bidders using the UPI Mechanism) for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Issue through the UPI Mechanism were advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form. Eligible NRIs Bidding on non-repatriation basis were advised to use the Bid cum Application Form for residents (White in colour). Eligible NRIs Bidding on a repatriation basis were advised to use the Bid cum Application Form meant for Non-Residents (blue in colour). Participation by Eligible NRIs in the Issue shall be subject to the FEMA Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange were considered for Allotment. By way of Press Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, shall not be considered for calculation of indirect foreign investment. For details of investment by NRIs, please see section titled “*Restrictions on Foreign Ownership of Indian Securities*” on page 398.

Eligible NRIs were permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, Eligible NRIs could use Channel IV (as specified in the UPI Circulars) to apply in the Issue, provided the UPI facility is enabled for their NRE/NRO accounts.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, did not exceed 5% of the total paid-up equity capital on a fully diluted basis or did not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together did not exceed 10% of the total paid-up equity capital on a fully diluted basis or did not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company. The limits of investments by NRIs and OCIs has been increased from 10% to 12% of the paid-up equity share capital of the Company provided that the shareholding of each NRI or OCI in the Company did not exceed 5% of the paid-up equity share capital on a fully diluted basis or such other limit as may be stipulated by RBI in each case from time to time by passing a special resolution.

### **Bids by Hindu Undivided Families (“HUFs”)**

Bids by Hindu Undivided Families or HUFs were required to be made in the individual name of the Karta. The Bidder/Applicant were required to specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *karta*”. Bids/Applications by HUFs were considered at par with Bids/Applications from individuals.

### **Bids by Foreign Portfolio Investors (“FPIs”)**

In terms of applicable FEMA Rules and the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post-issue Equity Share capital on a fully diluted basis. Further, in terms of the FEMA Non-debt Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company and 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. In terms of the FEMA Non-Debt 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 reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the issue are advised to use the Bid cum Application Form for Non-Residents (Blue 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 Issue to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

A FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognized stock exchange in India, and/ or may purchase or sell securities other than equity instruments. FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time. In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of derivative instrument is made by, or on behalf of it subject to, *inter alia*, the following conditions:

- a) each offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

The FPIs who wish to participate in the Issue were advised to use the Bid cum Application Form for non-residents. Further, Bids received from FPIs bearing the same PAN were treated as multiple Bids and were liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants which were issued in November 2019 to facilitate implementation of SEBI (Foreign Portfolio Investors) Regulations, 2019 (such structure “**MIM Structure**”) provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, were liable to be rejected.

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the names of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids were liable to be rejected. Further, in the following cases, the bids by FPIs were not considered as multiple Bids involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments (“**ODI**”) which obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtained separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund had multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category I FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

#### **Bids by SEBI registered Venture Capital Funds (“VCFs”), Alternative Investment Funds (“AIFs”) and Foreign Venture Capital Investors (“FVCIs”)**

The SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the 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 prescribe the investment restrictions on FVCIs,

Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs or FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offering.

Category I 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. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

**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 BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

### **Bids by limited liability partnerships**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, were required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM reserved 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 was required to be attached to the Bid cum Application Form, failing which our Company in consultation with the BRLM reserved 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, as amended, (the "**Banking Regulation Act**"), and the Master Directions – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the 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 by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid up share capital and reserves. A banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on investment made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (iii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the RBI (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 Self Certified Syndicate Banks ("SCSBs")**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs were 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 should be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **Bids by insurance companies**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI was required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM reserved 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 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 a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund was required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM reserved the right to reject any Bid, without assigning any reason thereof.

### **Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) 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 was required to be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the BRLM reserved the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLM in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company in consultation with the BRLM may deem fit.

### **Bids by Systemically Important Non-Banking Financial Companies**

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditors, and (iii) such other approval as may be required by the Systemically Important NBFCs, were required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM, reserved the right to reject any Bid without assigning any reason thereof. Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

### **Bids by Anchor Investors**

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below:

- a) Anchor Investor Application Forms were made available for the Anchor Investor Portion at the offices of the BRLM.
- b) The Bid was required to be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid could not be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund were aggregated to determine the minimum application size of ₹ 100 million.
- c) One-third of the Anchor Investor Portion was reserved for allocation to domestic Mutual Funds.
- d) Bidding for Anchor Investors opened one Working Day before the Bid/Issue Opening Date and was completed on the same day.
- e) Our Company, in consultation with the BRLM, finalised allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion was not less than:
  - maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million;
  - minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor

- Investor Portion is more than ₹100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and
  - in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.
- f) Allocation to Anchor Investors was completed on the Anchor Investor Bid/Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation was made, was required to be made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchanges.
- g) Anchor Investors could not withdraw or lower the size of their Bids at any stage after submission of the Bid.
- h) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price was payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Issue 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 Issue Price
- i) 50% Equity Shares allotted to Anchor Investors shall be locked-in for a period of 90 days from the date of Allotment, whereas, the remaining 50% shall be locked-in for a period of 30 days from the date of Allotment.
- j) Neither the BRLM nor any associate of the BRLM (except Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associate of BRLM or AIFs sponsored by the entities which are associate of the BRLM or FPIs, other than individuals, corporate bodies and family offices which are associate of the BRLM or pension funds sponsored by entities which are associates of the BRLM nor any “person related to the Promoters or Promoter Group” could apply in the Issue under the Anchor Investor Portion.
- k) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion were not considered multiple Bids
- l) For more information, see the General Information Document.

**In accordance with existing regulations issued by the RBI, OCBs cannot participate in this Issue.**

**The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus and the Red Herring Prospectus. 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 law or regulation or as specified in the Red Herring Prospectus and this Prospectus.**

#### **Information for Bidders**

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder’s responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid. In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLM are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for

the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Red Herring Prospectus or this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

### **General Instructions**

Please note that QIBs and Non-Institutional 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 Bidders can revise or withdraw their Bid(s) until the Bid/ Issue Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

#### ***Do's:***

1. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021.
2. Check if you are eligible to apply as per the terms of the 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;
3. Ensure that you have Bid within the Price Band;
4. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
5. 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 an UPI Bidder Bidding through the UPI Mechanism in the Bid cum Application Form and if you are an RIB 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;
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 Member(s), Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
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 Issue;
8. In case of joint Bids, ensure that first Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Bid cum Application Form;
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. Ensure that when applying in the Issue 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;

13. UPI Bidders bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI (only for UPI Bidders using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
14. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
15. Retail Individual Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;
16. 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 Issue through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
17. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular 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 dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
18. Ensure that the 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;
19. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
20. Ensure that the category and the investor status is indicated in the Bid cum Application Form;
21. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
22. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
23. 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;

24. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
25. In case of QIBs and NIBs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
26. Anchor Investors should submit the Anchor Investor Application Forms to the BRLM;
27. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank by 5:00 p.m. on the Bid/ Issue Closing Date;
28. 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;
29. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
30. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders Bidding through 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](http://www.sebi.gov.in)).
31. Ensure sufficient balance in the relevant ASBA account.
32. 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;
33. Ensure that Bids above ₹ 500,000 submitted by ASBA Bidders are uploaded only by the SCSBs;

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

***Don'ts:***

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
4. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock

- invest;
5. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
  6. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
  7. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
  8. Do not submit the Bid for an amount more than funds available in your ASBA account.
  9. 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;
  10. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
  11. If you are a RIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
  12. Anchor Investors should not Bid through the ASBA process;
  13. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
  14. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
  15. Do not submit the General Index Register (GIR) number instead of the PAN;
  16. 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 Issue;
  17. 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;
  18. 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);
  19. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
  20. Do not submit your Bid after 3:00 pm on the Bid/Issue Closing Date;
  21. If you are a QIB, do not submit your Bid after 3:00 pm on the QIB Bid/Issue Closing Date;
  22. Do not Bid on another ASBA Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
  23. Do not Bid for Equity Shares in excess of what is specified for each category;
  24. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under 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. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid/Issue Closing Date;

26. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
27. If you are an RIB 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 link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;
29. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders Bidding through the UPI Mechanism;
30. Do not submit a Bid cum Application Form with a third-party UPI ID or using a third-party bank account (in case of Bids submitted by UPI Bidders using the UPI Mechanism);
31. In case of ASBA Bidders (other than 3-in-1 Bids), Syndicate Member(s) shall ensure that they do not upload any bids above ₹ 0.50 million;
32. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned in the list provided on the SEBI website is liable to be rejected; and
33. Do not Bid if you are an OCB.
34. The Bidder does not have sufficient balance in relevant ASBA account

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

#### **Grounds for Technical Rejection**

For details of grounds for rejection of Bids cum Application Form, please see General Information Document.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of our Company Secretary and Compliance Officer, please see section titled “*General Information*” on page 78.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue 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 March 2021 Circular in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

For helpline details of the BRLM pursuant to the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see section titled “*General Information – Book Running Lead Manager*” on page 79.

#### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **Method of allotment as may be prescribed by Securities Exchange Board of India from time to time**

Our Company will not make any allotment in excess of the Equity Shares through the Red Herring Prospectus and this Prospectus 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% per cent of the Issue may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Bidders, Non-Institutional Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis. Not less than 15% of the Issue shall be available for allocation to Non-Institutional Bidders. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (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 an application size of more than ₹ 1.00 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 Bidders. The allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares

#### **Payment into Escrow Account(s) for Anchor Investors**

Our Company, in consultation with the BRLM, in their absolute discretion, have decided 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. For Anchor Investors, the payment instruments for payment into the Escrow Account(s) were required to be drawn in favour of:

- (a) In case of resident Anchor Investors: **“DENTA WATER AND INFRA SOLUTIONS LIMITED – Anchor Resident A/c”**
- (b) In case of Non-Resident Anchor Investors: **“DENTA WATER AND INFRA SOLUTIONS LIMITED – Anchor Non-Resident A/c”**

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, and the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections of Bid amounts from Anchor Investors.

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company, after filing the Red Herring Prospectus with the RoC, published a pre- Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) all editions of Financial Express, an English national daily newspaper; (ii) all editions of Jansatta, a Hindi daily newspaper; and (iii) Bangalore editions of Vishwavani, a Kannada daily newspaper, Kannada being the regional language of Karnataka, where our Registered Office is located, each with wide circulation.

In the pre-Issue advertisement, we stated the Bid/Issue Opening Date, the Bid/Issue Closing Date and the QIB Bid/Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, was in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

#### **Allotment Advertisement**

Our Company, the BRLM and the Registrar to the Issue shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in: (i) all editions of Financial Express, an English national daily newspaper; (ii) all editions of Jansatta, a Hindi daily newspaper; and (iii) Bangalore editions of Vishwavani, a Kannada daily newspaper, Kannada being the regional language of Karnataka, where our Registered Office is located, each with wide circulation.

**The above information is given for the benefit of the Bidders/applicants. Our Company, and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus and this Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.**

## **Signing of the Underwriting Agreement and the RoC Filing**

- a) Our Company and the Underwriters have entered into Underwriting Agreement.
- b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. This Prospectus will contain details of the Issue Price, the Anchor Investor Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

## **Impersonation**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

*“Any person who—*

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5 million or with both.

## **Undertakings by our Company**

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors;
- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps 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 shall be taken within three Working Days of the Bid/Issue Closing Date or such other period as may be prescribed by the SEBI;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law for the delayed period;
- it shall not issue any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Issue, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Issue;
- the funds required for making refunds to unsuccessful Bidders as per the mode(s) disclosed shall be made

available to the Registrar to the Issue by our Company;

- 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;
- no further issue of the Equity Shares shall be made till the Equity Shares Issued through the Red Herring Prospectus and this Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc
- Promoter's contribution, if any, shall be brought in advance before the Bid/ Issue Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees.
- that if our Company does not proceed with the Issue after the Bid/Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly; and
- that if our Company, in consultation with the BRLM withdraw the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh draft Issue document with SEBI, in the event our Company subsequently decides to proceed with the Issue thereafter.
- no further issue of Equity Shares shall be made until the Equity Shares issued or offered through the Red Herring Prospectus and this Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc; and

#### **Utilisation of Issue Proceeds**

Our Board of Directors certifies and declares that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account (for the purpose of monitoring by the Monitoring Agency) other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilised out of the Issue shall be from the above-mentioned separate bank account only and the same shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the 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, 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 the 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 DPIIT, issued the Consolidated FDI Policy Circular of 2020 (“**FDI Policy**”), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in construction development sectors 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. For further details, please see section titled “*Key Regulations and Policies in India*” on page 212.

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 FDI policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, please see section titled “*Issue Procedure – Bids by Eligible NRIs*” and “*Issue Procedure – Bids by Foreign Portfolio Investors*” on page 384 and 385, respectively.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, please see section titled “*Issue Procedure*” on page 378.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-Debt Rules, 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, will require prior approval of the Government of India, as prescribed in the FDI Policy and the FEMA Non-Debt 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 of India. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Issue Period.

### Foreign Exchange Laws

The foreign investment in our Company is governed by *inter alia* the FEMA, the FEMA Non-debt Instruments Rules, the FDI Policy issued and amended by way of press notes, and the SEBI FPI Regulations.

In terms of the FEMA Non-debt Instruments Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

In terms of the FEMA Non-debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. The aggregate limit for FPI investments shall be the sectoral cap applicable to our Company. In accordance with the FEMA Non-debt Instruments Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.



**The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only 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 offers and sales are made.**

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

**The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.**

## **SECTION X: DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION**

Except as disclosed in this section, no material clause of the AoA have been left out having bearing on the IPO and the disclosure.

### **1. Applicability of Table F**

- a. The regulations contained in Table “F” in the Schedule I to the Companies Act, 2013, shall apply to the Denta Water and Infra Solutions Limited (“**Company**”) only in so far as the same are not provided for or are not inconsistent with these Articles.
- b. The regulations for the management of the Company and for the observance of the members thereof and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by special resolution as prescribed by the Companies Act, 2013.

## **I. Definitions and Interpretation**

### **A. Definitions**

#### 1. In these Regulations

- (a) Company means DENTA WATER AND INFRA SOLUTIONS LIMITED.
  - (b) Office means the Registered Office of the Company.
  - (c) Act means the Companies Act 2013 and any statutory modification thereof.
  - (d) Seal means the Common Seal of the Company.
  - (e) Directors means the Directors of the Company and includes persons occupying the position of the Directors by whether names called.
  - (f) SEBI Regulations means all the regulations rules circulars notifications orders advisory including all forms of communication and amendments modification or re-enactment to any thereof as applicable to the Company and issued by SEBI.
2. Unless the context otherwise requires words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

### **PUBLIC COMPANY**

3. The Company is a public company as defined under Section 2 (71) of the Act limited by shares.

## **II.**

### **SHARE CAPITAL AND VARIATION OF RIGHTS**

1. 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 Directors who may issue allot or otherwise dispose of the same or any of them to such persons in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with section 53 of the Act) and at such time as they may from time to time think fit to give to any person or persons the option or right to call for any shares either at par or premium or at a discount subject to the provisions of the Act during such time and for such consideration as the Directors think fit and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid up shares and if so issued

shall be deemed to be fully paid up shares. Provided that option or right to call shares shall not be given to any person or persons without the sanction of the Company in General Meeting.

- (a) The Board of the Company or the Company itself as the case may be may in accordance with the Act and these Articles issue further securities to
  - (i) persons who at the date of offer are holders of the securities of the Company such offer shall be deemed to include a right exercisable by the person concerned to renounce the securities offered to him or any of them in favour of any other person who may or may not be the Member of the Company or
  - (ii) employees under any scheme of employees stock option or
  - (iii) any persons whether or not those persons include the persons referred to in Article (a)(i) or Article (a)(ii) above on preferential or private placement basis as may be deemed fit. Provided that nothing in Article (a)(i) shall be deemed (A) to extend the time within which the offer should be accepted or (B) to authorize any person to exercise the right of renunciation for a second time that the person in whose favour the renunciation was first made has declined to take the shares compromised in the renunciation.
2. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided one certificate for all his shares without payment of any charges or several certificates each for one or more of his shares upon payment of twenty rupees for each certificate after the first. Every certificate shall be under the seal if any and shall specify the number and distinctive numbers of shares to which it relates and the amount paid -up thereon (ii)and shall be in such form as the directors may prescribe and approve provided that in respect of a Share or Shares held jointly by several persons the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holder. 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 one of several joint holders shall be sufficient delivery to all such holders
3. If any share 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 company deem adequate a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate. Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange including the SEBI Regulations or the rules made under the Act or rules made under Securities Contracts (Regulation) Act 1956 or any other applicable laws. The provisions of Articles (1) and (2) shall mutatis mutandis apply to debentures of the company.
4. Except as required by law no person shall be recognised 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 recognise (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 regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5. The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40 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 that section and rules made thereunder. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40. 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.
6. 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 section 48 and whether or not the company is being wound up be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. To every such separate meeting the provisions of these regulations relating to general meetings shall mutatis mutandis apply but so that the

necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. 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.
8. Subject to the provisions of section 55 any preference shares may with the sanction of an ordinary resolution be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may by special resolution determine. The Company shall issue the Shares in electronic and fungible form and in such case the provisions of Depositories Act or any amendments thereto shall apply.

#### **LIEN**

9. The Company shall have a first and paramount lien upon all the Shares Debentures (other than fully paid-up Shares Debentures registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares Debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares Debentures. Unless otherwise agreed the registration of a transfer of Shares Debentures shall operate as a waiver of the Company's lien if any on such Shares Debentures. The Directors may at any time declare any Shares Debentures wholly or in part to be exempt from the provisions of this clause.
10. 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 unless a sum in respect of which the lien exists is presently payable or until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
11. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
12. 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. The residue if any shall be 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. Fully paid Shares shall be free from all lien and that in the case of partly paid Shares the Company's lien if any shall be restricted to monies called or payable at a fixed time in respect of such shares.

#### **CALLS ON SHARES**

13. 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 last preceding call. Each member shall be 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. A call may be revoked or postponed at the discretion of the Board.
14. 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.
15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof.

to the time of actual payment at ten per cent per annum or at such lower rate if any as the Board may determine. The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. 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 regulations be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. In case of non-payment of such sum all the relevant provisions of these regulations 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.
18. The Board –
  - (a) may if it thinks fit receive from any member willing to advance the same all or any part of the monies uncalled and unpaid upon any shares held by him and
  - (b) upon all or any of the monies so advanced may (until the same would but for such advance become presently payable) pay interest at such rate not exceeding unless the company in general meeting shall otherwise direct twelve per cent per annum as may be agreed upon between the Board and the member paying the sum in advance.
  - (c) Monies paid in advance shall not confer a right to dividend or to participate in the profits of the Company. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.
  - (d) The provisions of this Article shall mutatis mutandis apply to the calls on Debentures of the Company.

#### **TRANSFER OF SHARES**

19. There shall be a common form of transfer in accordance with Act and rules made thereunder. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee. 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.
20. The Board may subject to the right of appeal conferred by section 58 decline to register the transfer of a share not being a fully paid share to a person of whom they do not approve or any transfer of shares on which the company has a lien.
21. The Board may decline to recognise any instrument of transfer unless
  - (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56
  - (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.
22. On giving not less than seven days previous notice in accordance with section 91 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. Subject to these Articles and other applicable provisions of the Act or any other law for the time being in force the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of or the transmission by operation of law of the right to any shares or interest of a Member in or debentures of the Company. The Company shall within one 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 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 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 except where the Company has a lien on shares. The instrument of transfer of any Share in the Company shall be in writing and the provisions of the Act and statutory modifications thereof shall be duly complied with in respect of all transfer of Shares and registration thereof. 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. The Company shall enter into agreement with any Depository established under the Depositories Act pursuant to which the members may dematerialise their shares and open accounts with depository participants appointed under Depositories Act and registered with the Securities and Exchange Board of India and the following provisions shall govern such dematerialised Shares notwithstanding anything contained elsewhere in these Articles –

- (i) No certificate shall be issued for dematerialized shares and certificates earlier issued will be cancelled wherever a member has opted to hold the same through Depository.
- (ii) There will be no distinctive numbers for the dematerialised shares.
- (iii) The records of members holding as maintained by the Depository and depository participants shall be the basis for all purpose of holdings of the members who have opted for the dematerialization.
- (iv) The dematerialized shares can be transferred transmitted as per rules of the Depository.
- (v) If a member having dematerialised his holdings of shares opts for rematerialisation of his holding of shares or a part thereof share certificates will be issued to him on a written request received for that purpose through the depository participant.
- (vi) The members shall bear all charges of the depository participant.
- (vii) Persons appearing as beneficial owners as per the register maintained by the Depository shall be entitled to covered thereby and the Depository shall be the registered owner of such shares only for the purpose of effecting transfer of ownership of such shares on behalf of the beneficial owner.
- (viii) The Company shall intimate the Depository the details of allotments of the shares in respect of members opting to hold the shares in dematerialized form.
- (ix) Nothing contained in Section 56 of the Act or Articles shall apply to the extent the provisions of the Depositories Act are applicable in regard to the transfer of the shares but shall be applicable in all other respects.
- (x) The provisions of these Articles shall mutatis mutandis apply to securities other than shares and any reference to member herein shall apply to the holder of the concerned security.
- (xi) A Depository as a registered owner shall not have any voting right in respect of shares and securities held by it in dematerialized form. The Beneficial Owner as per the register of Beneficial Owner maintained by a Depository shall be entitled to such right in respect of the shares and securities held by him in the Depository. Any reference to the member or joint member in these Articles shall include a reference to Beneficial Owner of the Shares Securities held in Depository.
- (xii) Notwithstanding anything contained in these Articles to the contrary where Securities of the Company are held in a Depository the records of the beneficiary ownership may be served by such Depository by means of Electronic mode.
- (xiii) The Register and Index of Beneficial owner maintained by Depository under Depositories Act as amended shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.

#### **TRANSMISSION OF SHARES**

23. 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 recognised by the company as having any title to his interest in the shares Nothing in clause (i) 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.

24. 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 to be registered himself as holder of the share or to make such transfer of the share as the deceased or insolvent member could have made. 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.
25. 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. If the person aforesaid shall elect to transfer the share he shall testify his election by executing a transfer of the share. 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.
26. 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 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.
27. In case of a One Person Company on the death of the sole member the person nominated by such member shall be the person recognised by the company as having title to all the shares of the member the nominee on becoming entitled to such shares in case of the members death shall be informed of such event by the Board of the company such nominee shall be entitled to the same dividends and other rights and liabilities to which such sole member of the company was entitled or liable on becoming member such nominee shall nominate any other person with the prior written consent of such person who shall in the event of the death of the member become the member of the company.

#### **FORFEITURE OF SHARES**

28. If a member fails to pay any call or instalment of a call 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 serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued.
29. The notice aforesaid shall 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 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.
30. 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.
31. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. At any time before a sale or disposal as aforesaid the Board may cancel the forfeiture on such terms as it thinks fit.
32. 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 to the company all monies which at the date of forfeiture were presently payable by him to the company in respect of the shares. 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.
33. 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. The company may receive the consideration if any given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of. The transferee shall thereupon be registered as the holder of the share and The transferee shall not be bound to see to the application of the purchase money if any nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture sale or disposal of the share.

34. The provisions of these regulations 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.

#### **ALTERATION OF CAPITAL**

35. The company may from time to time by ordinary resolution increase the share capital by such sum to be divided into shares of such amount as may be specified in the resolution.
36. Subject to the provisions of section 61 the company may by ordinary resolution consolidate and divide all or any of its share capital into shares of larger amount than its existing shares convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denomination sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum 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.
37. Where shares are converted into stock the holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulations 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. 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. such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words share and shareholder in those regulations shall include stock and stock-holder respectively.
38. The company may by special resolution reduce in any manner and with and subject to any incident authorised and consent required by law its share capital any capital redemption reserve account or any share premium account.

#### **CAPITALISATION OF PROFITS**

39. The company in general meeting may upon the recommendation of the Board resolve that it is desirable to capitalise 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 that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions. The sum aforesaid shall not be paid in cash but shall be applied subject to the provision contained in clause (iii) either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively paying up in full unissued shares of the company to be allotted and distributed credited as fully paid-up to and amongst such members in the proportions aforesaid partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B). A securities premium account and a capital redemption reserve account may for the purposes of this regulation be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares. The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
40. Whenever such a resolution as aforesaid shall have been passed the Board shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid shares if any and generally do all acts and things required to give effect thereto. The Board shall



have power to make such provisions by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit for the case of shares becoming distributable in fractions and to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the company providing for the allotment to them respectively credited as fully paid-up of any further shares to which they may be entitled upon such capitalisation 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 capitalised of the amount or any part of the amounts remaining unpaid on their existing shares Any agreement made under such authority shall be effective and binding on such members.

#### **BUY-BACK OF SHARES**

41. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force the company may purchase its own shares or other specified securities as it may think necessary subject to such limits upon such terms and conditions and subject to such approvals as required under the Act SEBI Regulations or any other competent authority as may be permitted by law.

#### **GENERAL MEETINGS**

42. All general meetings other than annual general meeting shall be called extraordinary general meeting.
43. The Board may whenever it thinks fit call an extraordinary general meeting. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India any director or any two members of the company may call an extraordinary general meeting in the same manner as nearly as possible as that in which such a meeting may be called by the Board.

#### **PROCEEDINGS AT GENERAL MEETINGS**

44. 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. Save as otherwise provided herein the quorum for the general meetings shall be as provided in section 103.
45. The chairperson if any of the Board shall preside as Chairperson at every general meeting of the company.
46. If there is no such Chairperson or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting the directors present shall elect one of their members to be Chairperson of the meeting.
47. 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 choose one of their members to be Chairperson of the meeting.
48. In case of a One Person Company the resolution required to be passed at the general meetings of the company shall be deemed to have been passed if the resolution is agreed upon by the sole member and communicated to the company and entered in the minutes book maintained under section 118 such minutes book shall be signed and dated by the member the resolution shall become effective from the date of signing such minutes by the sole member.

#### **ADJOURNMENT OF MEETING**

49. The Chairperson may with the consent of any meeting at which a quorum is present and shall if so directed by the meeting adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When 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. Save as aforesaid and as provided in section 103 of the Act it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

## **VOTING RIGHTS**

50. Subject to any rights or restrictions for the time being attached to any class or classes of shares on a show of hands every member present in person shall have one vote and 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.
51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
52. 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. For this purpose seniority shall be determined by the order in which the names stand in the register of members.
53. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote whether on a show of hands or on a poll by his committee or other legal guardian and any such committee or guardian may on a poll vote by proxy.
54. Any business other than that upon which a poll has been demanded maybe proceeded with pending the taking of the poll.
55. 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.
56. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairperson of the meeting whose decision shall be final and conclusive.

## **PROXY**

57. The instrument appointing a proxy and the power-of-attorney or other authority if any under which it is signed or a notarised copy of that power or authority shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in the case of a poll not less than 24 hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.
58. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
59. 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.

## **BOARD OF DIRECTORS**

60. The number of Directors shall not be less than three and not more than fifteen. The first Directors of the Company shall be – (a) MR. RAJASHEKAR TUMKUR SUJITH (b) MRS. SOWBHAGYAMMA.
61. The remuneration of the directors shall in so far as it consists of a monthly payment be deemed to accrue from day-to-day. 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 in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company or in connection with the business of the company.
62. The Board may pay all expenses incurred in getting up and registering the company.
63. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

64. All cheques promissory notes drafts hundis bills of exchange and other negotiable instruments and all receipts for monies paid to the company shall be signed drawn accepted endorsed or otherwise executed as the case may be by such person and in such manner as the Board shall from time to time by resolution determine.
65. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
66. Subject to the provisions of section 149 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. 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. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules 2014 and the provisions of the applicable SEBI Regulations. The Company shall have such number of Woman Director(s) on the Board of the Company as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules 2014 or any other Law as may be applicable. The Company shall comply with corporate governance norms as may be prescribed under Companies Act 2013 and rules made thereunder and SEBI Regulations as may be applicable.

#### **PROCEEDINGS OF THE BOARD**

67. The Board of Directors may meet for the conduct of business adjourn and otherwise regulate its meetings as it thinks fit. A director may and the manager or secretary on the requisition of a director shall at any time summon a meeting of the Board.
68. Save as otherwise expressly provided in the Act questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes the Chairperson of the Board if any shall have a second or casting vote.
69. 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 number of directors to that fixed for the quorum or of summoning a general meeting of the company but for no other purpose.
70. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. If no such Chairperson is elected or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting the directors present may choose one of their number to be Chairperson of the meeting.
71. 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. 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.
72. A committee may elect a Chairperson of its meetings. If no such Chairperson is elected or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting the members present may choose one of their members to be Chairperson of the meeting.
73. A committee may meet and adjourn as it thinks fit. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present and in case of an equality of votes the Chairperson shall have a second or casting vote.
74. 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 be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

75. Save as otherwise expressly provided in the Act a resolution in writing signed by all 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.
76. In case of a One Person Company where the company is having only one director all the businesses to be transacted at the meeting of the Board shall be entered into minutes book maintained under section 118 such minutes book shall be signed and dated by the director the resolution shall become effective from the date of signing such minutes by the director.

#### **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

77. Subject to the provisions of the Act A chief executive officer manager company secretary or chief financial officer may be appointed by the Board for such term at such remuneration and upon such conditions as it may think fit and any chief executive officer manager company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board A director may be appointed as chief executive officer manager company secretary or chief financial officer.
78. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer manager company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as or in place of chief executive officer manager company secretary or chief financial officer.

#### **THE SEAL**

79. The Board shall provide for the safe custody of the seal. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

#### **DIVIDENDS AND RESERVE**

80. The company in general meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
81. Subject to the provisions of section 123 the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
82. The Board may before recommending any dividend set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall at the discretion of the Board be applicable for any purpose to which the profits of the company may be properly applied including provision for meeting contingencies or for equalizing dividends and pending such application may at the like discretion either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may from time to time thinks fit. The Board may also carry forward any profits which it may consider necessary not to divide without setting them aside as a reserve.
83. 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. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. 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. Where any capital is paid in advance of calls made by the Company any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right on the member (who has paid such advance) to dividend subsequently declared or to participate in profits.

84. 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 account of calls or otherwise in relation to the shares of the company.
85. Any dividend interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or in the case of joint holders to the registered address of that one of the joint holders who is first named on the register of members or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
86. 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.
87. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
88. No dividend shall bear interest against the company. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days to a special account to be opened by the company in that behalf In any scheduled bank to be called Unpaid Dividend Account. Any money transferred to the Unpaid Dividend Account of a company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer shall be transferred by the Company to the fund known as Investor Education and Protection Fund established under Section 125 of the Act. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law. The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company.

#### **ACCOUNTS**

89. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the company or any of them shall be open to the inspection of members not being directors. No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

#### **WINDING UP**

90. Subject to the provisions of Chapter XX of the Act and rules made thereunder 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. 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. 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**

91. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

## SECTION XI: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus and this Prospectus which will be filed with the RoC. Copies of the documents and contracts for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Prospectus until the Bid/Issue Closing Date (except for such agreements executed after the Bid/Issue Closing Date). Copies of the documents for inspection referred to hereunder, were uploaded on the website of the Company *i.e.*, [www.denta.co.in](http://www.denta.co.in) from the date of the Red Herring Prospectus until the Bid/ Issue Closing Date (except for such agreements executed after the Bid/Issue Closing Date).

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time, if so required, in the interest of our Company, or if required by the other parties, without reference to the Shareholders, subject to compliance with the provisions of the Companies Act and other applicable law.

#### A. Material Contracts for the Issue

1. Issue Agreement dated December 11, 2023 between our Company and the BRLM;
2. Registrar Agreement dated December 8, 2023 amongst our Company and the Registrar to the Issue;
3. Cash Escrow and Sponsor Bank Agreement dated March 19, 2024, read with amendments to Cash Escrow and Sponsor Bank Agreement dated July 8, 2024 and January 16, 2025, amongst our Company, the Registrar to the Issue, the BRLM, the Syndicate Member(s) and the Banker(s) to the Issue;
4. Syndicate Agreement dated March 19, 2024 amongst our Company, the BRLM, the Syndicate Member(s) and the Registrar to the Issue;
5. Monitoring agency agreement dated March 22, 2024 amongst our Company and the Monitoring Agency.
6. Underwriting Agreement dated January 27, 2025 amongst our Company and the Underwriters; and

#### B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company as amended from time to time;
2. Certificate of incorporation dated November 17, 2016 issued by Deputy Registrar of Companies, Karnataka;
3. Fresh certificate of incorporation dated July 31, 2023 issued by RoC, pursuant to change in the name of the Company from Denta Properties and Infrastructure Private Limited to Denta Water and Infra Solutions Private Limited;
4. Fresh certificate of incorporation dated September 12, 2023 issued by the RoC, pursuant to conversion into public limited company;
5. Resolution of the Board of Directors dated September 22, 2023 authorising the Issue and other related matters;
6. Resolution of the Shareholders dated November 3, 2023, in relation to this Issue, including authorizing the Fresh Issue and other related matters;
7. Resolution of the Board dated December 11, 2023 approving the Draft Red Herring Prospectus;
8. Resolution of the Board dated January 16, 2025 approving the Red Herring Prospectus;

9. Examination report dated December 7, 2024, of our Statutory Auditors on our Restated Consolidated Financial Information, included in this Prospectus along with Restated Consolidated Financial Information;
10. Copies of the annual reports of the Company for the Fiscals 2024, 2023 and 2022;
11. The statement of special tax benefits dated December 30, 2024 issued by our Statutory Auditors;
12. In principle listing approvals each dated February 22, 2024 issued by BSE and NSE, respectively;
13. Consent of the Directors, the BRLM, the Syndicate Member(s), the Legal Counsel to the Issue, the Registrar to the Issue, the Escrow Collection Bank(s), Refund Bank(s), Sponsor Bank(s), Public Issue Account Bank(s), the Bankers to our Company, the Company Secretary and Compliance Officer, the Monitoring Agency and the Chief Financial Officer, to act in their respective capacities;
14. Certificate on KPIs issued by our Statutory Auditors namely, Maheshwari & Co., Chartered Accountants dated January 16, 2025.
15. Certificate on Average Cost of Acquisition of Equity Shares held by the Promoters issued by our Statutory Auditors namely, Maheshwari & Co., Chartered Accountants dated January 16, 2025.
16. Certificate on estimated working capital requirements issued by our Statutory Auditors namely, Maheshwari & Co., Chartered Accountants dated December 30, 2024.
17. Certificate on eligibility for the Issue issued by our Statutory Auditors namely, Maheshwari & Co., Chartered Accountants dated December 30, 2024.
18. Certificate on Financial Indebtedness issued by our Statutory Auditors namely, Maheshwari & Co., Chartered Accountants dated January 16, 2025.
19. Certificate on outstanding dues owed to material creditors, micro, small and medium enterprises and other creditors issued by our Statutory Auditors namely, Maheshwari & Co., Chartered Accountants dated January 16, 2025.
20. Written consent dated December 30, 2024 of our Statutory Auditors namely, Maheshwari & Co., holding a valid peer review certificate from ICAI to include their name as “expert” as defined 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 December 7, 2024, on our Restated Consolidated Financial Information and on the statement of special tax benefits dated December 30, 2024 included in the Red Herring Prospectus and this Prospectus;
21. Written consent dated December 17, 2024 from Chethan Kumar. R., independent chartered engineer, to include his name as an “expert” under Section 2(38) and other applicable provisions of the Companies Act, 2013 to the extent and in his capacity as a chartered engineer and in respect of his certificate dated December 23, 2024 in relation to the Company’s ongoing and completed projects and the details derived from such certificate and included in the Red Herring Prospectus and this Prospectus.
22. Industry report titled “*India Water and Wastewater Treatment Market – Forecast to 2033*” released in December, 2024, prepared and issued by Marketysers Global, pursuant to an engagement letter dated June 24, 2024, entered into with our Company also available on the website of our Company at [www.denta.co.in](http://www.denta.co.in);
23. Written consent from Marketysers Global dated December 13, 2024 to include contents or any part thereof from their report titled “*India Water and Wastewater Treatment Market – Forecast to 2033*” released in December, 2024 in this Prospectus;
24. Tripartite agreement dated September 6, 2023, between our Company, NSDL and the Registrar to the Issue;
25. Tripartite agreement dated September 11, 2023, between our Company, CDSL and the Registrar to the

Issue;

26. Exemption application dated September 25, 2023, filed with SEBI under Regulation 300(1) of the SEBI ICDR Regulations, from classifying (i) C. Siddalinga Devaru; (ii) C. Mahadevi; (iii) C. Mangala; (iv) S Chandrashekariah; and (v) Dr. Gurumurthy and their connected entities, as members of our Promoter Group and including relevant disclosures, confirmations and undertakings in the Red Herring Prospectus and this Prospectus, in relation to the same.
27. Letter dated December 4, 2023, bearing reference number SEBI/HO/CFD/RAC-DIL1/P/OW/2023/48613/1 issued by SEBI rejecting the exemption sought by our Company by way of the exemption application dated September 25, 2023.
28. Letter dated December 9, 2023 sent to (i) C. Siddalinga Devaru; (ii) C. Mahadevi; (iii) C. Mangala; (iv) S Chandrashekariah; and (v) Dr. Gurumurthy pursuant to SEBI letter dated December 4, 2023, bearing reference number SEBI/HO/CFD/RAC-DIL1/P/OW/2023/48613/1 rejecting the exemption sought by our Company.
29. Copy of the chartered engineer certificates dated December 23, 2024 in relation to the completed and ongoing projects of our Company;
30. Due diligence certificate dated December 11, 2023 and January 16, 2025, addressed to the SEBI from the BRLM; and
31. SEBI final observation letter bearing reference number SEBI/HO/CFD/RAC-DIL1/P/OW/2024/8095/1 and dated February 29, 2024.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.



## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines / regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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Manish Shetty  
**Managing Director**

Place: Bangalore  
Date: 27.01.2025

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines / regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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Sujith T R  
**Whole-time Director**

Place: Bangalore  
Date: 27.01.2025

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines / regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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Nista U Shetty  
**Non-Executive Director**

Place: Bangalore  
Date: 27.01.2025

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines / regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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Gopalakrishna Kumaraswamy  
**Independent Director**

Place: Bangalore  
Date: 27.01.2025

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines / regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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R. Narendra Babu  
**Independent Director**

Place: Bangalore  
Date: 27.01.2025

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines / regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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Pradeep N  
**Independent Director**

Place: Bangalore  
Date: 27.01.2025

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines / regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

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**Sujith T R**  
**Chief Financial Officer**

Place: Bangalore  
Date: 27.01.2025