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DRAFT RED HERRING PROSPECTUS
Dated September 27, 2022
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
(Please read Section 32 of the Companies Act, 2013)
100% Book Building Issue

UDAYSHIVAKUMAR INFRA LIMITED

CORPORATE IDENTITY NUMBER: U45309KA2019PLC130901

REGISTERED OFFICE	CONTACT PERSON	TELEPHONE & EMAIL	WEBSITE
1924A/196, Banashankari Badavane, Near NH-4 Bypass, Davangere – 577 005, Karnataka, India	Sanjeevani Shivaji Redekar, Company Secretary and Compliance Officer	**Telephone**: +91 819 229 7009 **Email:** cs@uskinfra.com	www.uskinfra.com

OUR PROMOTER: UDAYSHIVAKUMAR

DETAILS OF ISSUE TO PUBLIC

Type	Fresh Issue size	Total Issue size	Eligibility and Share Reservation among QIB, NII &RII
Fresh Issue	Up to [●] Equity Shares aggregating up to ₹ 6,000 lakhs	Up to [●] Equity Shares aggregating up to ₹ 6,000 lakhs	Our Company is eligible for the Issue in accordance with Regulation 6(1) of the SEBI ICDR Regulations. For details in relation to share reservation among QIBs, NIBs and RIBs, see "*Issue Structure*" on page 284.

DETAILS OF THE OFFER FOR SALE: NOT APPLICABLE

RISKS 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 of our Company. The face value of our Equity Shares is ₹ 10 each. The Floor Price, Cap Price and Issue Price shall be 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 under "*Basis for Issue Price*" on page 94 of this Draft Red Herring Prospectus, and should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active 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 the SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 29.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

LISTING

The Equity Shares, when issued through the Red Herring Prospectus, are proposed to be listed on the NSE and BSE. For the purposes of this Issue, BSE Limited is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER

Name of Book Running Lead Manager and logo	Contact Person	Email and Telephone
SAFFRON energising ideas **Saffron Capital Advisors Private Limited**	Amit Wagle/ Gaurav Khandelwal	**Telephone:** +91 22 4973 0394 **E-mail:** ipos@saffronadvisor.com

REGISTRAR TO THE ISSUE

Name of Registrar	Contact Person	Email and Telephone
MASS **MAS Services Limited**	N C Pal	**Telephone:** +91 112 638 7281/83, 4132 0335; **E-mail:** info@masserv.com

BID/ISSUE PROGRAMME

ANCHOR INVESTOR BIDDING DATE	[●]*	BID/ISSUE OPENS ON	[●]	BID/ ISSUE CLOSES ON	[●]**

* *Our Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.*
** *Our Company may, in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations.*

UDAYSHIVAKUMAR INFRA LIMITED

Udayshivakumar Infra Limited (the "**Issuer**" or "**Company**") was originally formed as a sole proprietorship under the name of '*M/s Udayshivakumar*' at Davangere on August 22, 2002 and was converted into a partnership firm under the name of '*M/s. Udayshivakumar*' pursuant to a deed of partnership dated March 31, 2014. The partnership firm was registered under the Indian Partnership Act, 1932 with the Registrar of Firms, Belgaum on April 4, 2014. Further, pursuant to the deed of partnership dated March 8, 2019, the deed of partnership dated March 31, 2014 was reconstituted by amending the existing clauses and inserting new clauses in the deed of partnership. Consequent to the aforesaid amendments a memorandum acknowledging receipt of documents for change in constitution of partnership was issued by Registrar of Firms, Belgaum, on April 3, 2019. Further, pursuant to a resolution dated September 23, 2019 passed at the meeting of partners of M/s Udayshivakumar, the partnership firm was converted into a private limited company under the Companies Act, 2013 with the name '*Udayshivakumar Infra Private Limited*' and a certificate of incorporation dated December 23, 2019 was issued by the Central Registration Centre, Registrar of Companies. Subsequently, pursuant to resolutions passed by our Board of Directors in their meeting held on August 27, 2022 and by our Shareholders in the extra-ordinary general meeting held on August 30, 2022, our Company was converted into a public limited company, consequent to which its name was changed to '*Udayshivakumar Infra Limited*', and a fresh certificate of incorporation dated September 16, 2022 consequent to such conversion was issued by the RoC. For further details, including in relation to changes in name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 152.

Corporate Identity Number: U45309KA2019PLC130901; **Website**: www.uskinfra.com;
Registered Office: 1924A/196, Banashankari Badavane, Near NH-4 Bypass, Davangere – 577 005, Karnataka, India; **Telephone**: +91 819 229 7009
Contact Person: Sanjeevani Shivaji Redekar, Company Secretary and Compliance Officer; **Telephone**: +91 819 229 7009; **E-mail**: cs@uskinfra.com

OUR PROMOTER: UDAYSHIVAKUMAR

INITIAL PUBLIC OFFERING OF UP TO [•] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING UP TO ₹ 6,000 LAKHS ("ISSUE"). THE ISSUE SHALL CONSTITUTE [•]% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER, AND WILL BE ADVERTISED IN [•] EDITIONS OF [•] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), [•] EDITIONS OF [•] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND [•] EDITIONS OF [•] (A WIDELY CIRCULATED KANNADA DAILY NEWSPAPER, KANNADA BEING THE REGIONAL LANGUAGE OF KARNATAKA WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR UPLOADING ON THEIR RESPECTIVE WEBSITES.

In case of any revision to the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/ Issue Period not exceeding 10 Working Days. In cases of *force majeure*, banking strike or similar circumstances, our Company, in consultation with Book Running Lead Manager, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding a total of 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the Book Running Lead Manager and at the terminals of the Syndicate Member(s) and by intimation to the Designated Intermediaries and the Sponsor Banks.

This is an Issue in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"), read with Regulation 31 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**SEBI ICDR Regulations**"). The Issue is being made through the Book Building Process in terms of Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than [•]% of the Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Portion**"), provided that our Company, in consultation with the BRLM, may allocate up to [•]% of the QIB Portion to Anchor Investors on a discretionary basis, 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 Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than [•]% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders ("**Non-Institutional Portion**") of which one-third of the Non-Institutional Portion shall be available for allocation to Non-Institutional Bidders with an application size more than ₹ 2,00,000 and up to ₹ 10,00,000 and two-thirds of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹ 10,00,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders, and not less than [•]% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("**ASBA**") process providing details of their respective bank account (including UPI ID for UPI Bidders using UPI Mechanism), in which the corresponding Bid Amounts will be blocked by the SCSBs or the Sponsor Banks, as applicable. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "*Issue Procedure*" on page 287 of this Draft Red Herring Prospectus.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Floor Price, Cap Price and Issue Price, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of our Company, nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 29.

OUR COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares, once issue through the Red Herring Prospectus, are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from the BSE and the NSE for listing the Equity Shares pursuant to letters dated [•] and [•], respectively. For the purposes of the Issue, the Designated Stock Exchange shall be BSE Limited. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For further details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/ Issue Closing Date, see "*Material Contracts and Documents for Inspection*" on page 353.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE
SAFFRON energising ideas	MASS
SAFFRON CAPITAL ADVISORS PRIVATE LIMITED 605, Sixth Floor, Centre Point, J.B. Nagar, Andheri (East), Mumbai - 400 059, India **Telephone:** +91 22 4973 0394 **Facsimile:** N.A. **Email**: ipos@saffronadvisor.com **Website:** www.saffronadvisor.com **Investor grievance:** investorgrievance@saffronadvisor.com **Contact Person:** Amit Wagle/ Gaurav Khandelwal **SEBI Registration Number:** INM 000011211 **Validity:** Permanent	**MAS Services Limited** T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi -110 020, India; **Telephone:** +91 112 638 7281/83, 4132 0335; **Facsimile:** +91 112 638 7384 **Email ID:** info@masserv.com **Website:** www.masserv.com **Investor grievance**: investor@masserv.com **Contact Person:** N C Pal **SEBI Registration:** INR 000000049 **Validity**: Permanent

BID/ISSUE PROGRAMME

BID/ISSUE OPENS ON	[•]*	BID/ ISSUE CLOSES ON	[•]**

**Our Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.*
***Our Company may, in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations.*

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise implies or requires, or unless otherwise specified, shall have the meaning as assigned below. References to statutes, rules, regulations, guidelines and policies will, unless the context otherwise requires, be deemed to include all amendments, modifications and replacements notified thereto, as of the date of this Draft Red Herring Prospectus, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

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

Notwithstanding the foregoing, terms in "Industry Overview", Key Regulations and Policies", "Statement of Special Tax Benefits", "Financial Statements", "Basis for Issue Price", "Other Financial Information", "Outstanding Litigation and Material Developments" "Issue Procedure" and "Main Provisions of the Articles of Association", on pages 101, 146,97, 181, 94, 229, 264, 287 *and* 305, *respectively, will have the meaning ascribed to such terms in those respective sections.*

Company related terms

Term	Description
"our Company", "the Company" or "the Issuer"	Udayshivakumar Infra Limited, a company incorporated under the Companies Act, 2013 and having its Registered Office at 1924A/196, Banashankari Badavane, Near NH-4 Bypass, Davangere – 577 005, Karnataka, India
"we", "us", or "our"	Unless the context otherwise indicates or implies, refers to our Company and our Joint Venture.
"Articles" or "Articles of Association" or "AoA"	The articles of association of our Company, as amended from time to time.
"Auditors" or "Statutory Auditors"	The statutory auditors of our Company, namely N B T and Co, Chartered Accountants
"Audit Committee"	The audit committee of our Board constituted in accordance with the Companies Act, 2013 and the Listing Regulations, and as described in "*Our Management – Committees of our Board*" on page 163.
"Board" or "Board of Directors"	The board of directors of our Company. For details, see "*Our Management – Board of Directors*" on page 156.
"Chairman and Managing Director"	Chairman and Managing Director of our Company, namely Udayshivakumar.
"Company Secretary and "Compliance Officer"	Company secretary and compliance officer of our Company, being Sanjeevani Shivaji Redekar. For details, see "*Our Management – Key Managerial Personnel*" on page 174.
"Corporate Social Responsibility Committee"	The corporate social responsibility committee of our Board constituted in accordance with the Companies Act, 2013, as described in "*Our Management – Committees of our Board*" on page 163.
"CRISIL"	CRISIL Limited
"CRISIL Report"	Report titled "*Industry Report on Infrastructure*" dated September 22, 2022 issued by CRISIL Limited, which has been commissioned and paid for by our Company
"Director(s)"	Director(s) on the Board of our Company, as appointed from time to time
"Equity Shares"	Equity shares of our Company of face value of ₹ 10 each
"Executive Director"	The executive director of our Company, namely, Manjushree Shivakumar
"Chief Financial Officer"	Chief financial officer of our Company, namely, Kodachawad Sheetalkumar M.
"Group Companies"	The group companies to be determined in accordance with the SEBI ICDR

Term	Description
	Regulations and the Materiality Policy. For details, see "*Group Companies*" on page 179.
"Independent Director(s)"	Non-executive, independent director(s) appointed as per the Companies Act, 2013 and the Listing Regulations. For further details of our Independent Directors, see "*Our Management - Board of Directors*" on page 156.
"IPO Committee"	IPO committee of our Board, as described in "*Our Management – Committees of our Board*" on page 163
"Joint Venture" or "JV"	Udayshivakumar-Kotarki Joint Venture, is the joint venture of our Company, as described in "*History and Certain Corporate Matters - Our subsidiary, associate or joint venture*" on page 154.
"KMP" or "Key Managerial Personnel"	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013, and as disclosed in "*Our Management - Key Managerial Personnel*" on page 174.
"Materiality Policy"	The materiality policy of our Company adopted pursuant to a resolution of our Board of Directors dated September 17, 2022 for identification of the (a) material outstanding litigation; (b) material companies to be classified as Group Companies; and (c) material creditors, pursuant to the requirements of the SEBI ICDR Regulations each for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.
"Memorandum" or "Memorandum of Association" or "MoA"	The memorandum of association of our Company, as amended from time to time.
"Nomination, Remuneration and Compensation Committee"	The nomination, remuneration and compensation committee of our Board constituted in accordance with the Companies Act, 2013 and the Listing Regulations, and as described in "*Our Management – Committees of our Board*" on page 163
"Non-Executive Director(s)"	Non-executive directors of our Company. For further details, see "*Our Management - Board of Directors*" on page 156
"Promoter Group"	Such entities which constitute the promoter group of our Company pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations. For further details, see "*Our Promoter and Promoter Group*" on page 176.
"Promoter"	Udayshivakumar, the promoter of our Company.
"Registered Office"	1924A/196, Banashankari Badavane, Near NH-4 Bypass, Davangere – 577 005, Karnataka, India
"Registrar of Companies" or "RoC"	Registrar of Companies, Bangalore, Karnataka, having its office at 'E' Wing, 2nd Floor, Kendriya Sadana, Kormangala, Bangalore - 560 034, Karnataka, India.
"Risk Management Committee"	The risk management committee of our Board constituted in accordance with the Companies Act, 2013 and the Listing Regulations, as described in "*Our Management – Committees of our Board*" on page 163
"Restated Financial Statements"	The restated financial statements of our Company, as at and for the Financial Years ended March 31, 2022, 2021 and 2020 prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations; and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended from time to time (the "**Guidance Note**"), comprising the restated statement of assets and liabilities as at March 31, 2022, 2021 and 2020, the restated statements of profit and loss (including other comprehensive income), the restated statement of changes in equity, the restated cash flow statement for the Financial Years ended March 31, 2022, 2021 and 2020, the summary statement of significant accounting policies, and other explanatory information. For further details, see "*Financial Statements*" on page 181.
"Shareholder(s)"	The equity shareholders of our Company, from time to time
"Stakeholders' Relationship Committee"	The stakeholders' relationship committee of our Board, constituted in accordance with the Companies Act, 2013 and the Listing Regulations, as described in "*Our Management – Committees of our Board*" on page 163.

Issue Related Terms

Term	Description
"Abridged Prospectus"	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf
"Acknowledgement Slip"	The slip or document issued by relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
"Allotment", "Allot" or "Allotted"	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue to the successful Bidders
"Allotment Advice"	A note or advice or intimation of Allotment, sent to all the Bidders who have Bid in the Issue after approval of the Basis of Allotment by the Designated Stock Exchange
"Allottee"	A successful Bidder to whom the Equity Shares are Allotted
"Anchor Investor"	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 1,000 lakhs
"Anchor Investor Allocation Price"	The price at which Equity Shares will be allocated to Anchor Investors during the Anchor Investor Bid/Issue Period in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the BRLM
"Anchor Investor Application Form"	Form used by an Anchor Investor to Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
"Anchor Investor Bidding Date"	The day, being one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investor, and allocation to Anchor Investors shall be completed
"Anchor Investor Issue Price"	The final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the BRLM
"Anchor Investor Portion"	Up to [•]% of the QIB Portion, which may be allocated by our Company, in consultation with the BRLM, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
"Applications Supported by Blocked Amount" or "ASBA"	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism
"ASBA Account"	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidder which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder
"ASBA Bidder"	All Bidders except Anchor Investors
"ASBA Form"	An application form, whether physical or electronic, used by ASBA Bidders, to submit Bids through the ASBA process, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
"Banker(s) to the Issue"	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Public Issue Account Bank(s) and the Sponsor Bank
"Basis of Allotment"	The basis on which the Equity Shares will be Allotted to successful Bidders under the Issue, as described in "*Issue Procedure*" on page 287.

Term	Description
"Bid"	An indication to make an issue 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 the submission of a Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly
"Bidder"	Any investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, includes an Anchor Investor
"Bid Amount"	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs 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 blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid.
"Bidding Centres"	Centres at which the Designated Intermediaries shall accept the ASBA Forms, *i.e.*, Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
"Bid cum Application Form"	Anchor Investor Application Form or the ASBA Form, as the context requires
"Bid Lot"	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
"Bid/Issue Closing Date"	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in all editions of [●] (a widely circulated English daily national newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper, and [●] editions of [●] (a widely circulated Kannada daily newspaper, Kannada being the regional language of Karnataka, where our Registered Office is located), each with wide circulation. In case of any revisions, the extended Bid/ Issue Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in the same newspapers in which the Bid/Issue Opening Date was published, as required under the SEBI ICDR Regulations Our Company, in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.
"Bid/Issue Opening Date"	Except in relation to Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids for the Issue, which shall also be notified in all [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Kannada daily newspaper, Kannada being the regional language of Karnataka, where our Registered Office is located),
"Bid/Issue Period"	Except in relation to Anchor Investors, the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereto, in accordance with the SEBI ICDR Regulations and in terms of the Red Herring Prospectus. Provided that the Bidding shall be kept open for a

Term	Description
	minimum of three Working Days for all categories of Bidders, other than Anchor Investors. Our Company may, in consultation with the Book Running Lead Manager, 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. The Bid/Issue Period will comprise Working Days only
"Book Building Process"	The book building process, as described in Part A, Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue will be made
"Book Running Lead Manager" or "BRLM"	The book running lead manager to the Issue, namely Saffron Capital Advisors Private Limited
"Broker Centre"	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), and updated from time to time
"CAN" or "Confirmation of Allocation Note"	The note or advice or intimation of allocation of the Equity Shares sent to Anchor Investors who have been allocated Equity Shares on / after the Anchor Investor Bidding Date
"Cap Price"	The higher end of the Price Band, *i.e.* ₹ [●] per Equity Share, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price.
"Cash Escrow and Sponsor Bank Agreement"	Agreement to be entered into and amongst our Company, the Registrar to the Issue, the Book Running Lead Manager, the Syndicate Members, the Escrow Collection Bank(s), Public Issue Bank(s), Sponsor Bank and Refund Bank(s) in accordance with UPI Circulars, for *inter alia*, the appointment of the Sponsor Bank in accordance, for the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account(s) and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof
"Circular on Streamlining of Public Issues"/ "UPI Circular"	Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, circular (SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M) dated March 16, 2021, circular (SEBI/HO/CFD/DIL1/CIR/P/2021/47) dated March 31, 2021, circular (SEBI/HO/CFD/DIL2/P/CIR/2021/570) dated June 2, 2021, circular (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, SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard
"Client ID"	Client identification number maintained with one of the Depositories in relation to the demat account
"Collecting Depository Participant" or "CDP"	A depository participant as defined under the Depositories Act, 1996 registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, as per the list available on the websites of BSE and NSE, as updated from time to time
"Cut-off Price"	The Issue Price, as finalized by our Company, in consultation with the Book Running Lead Manager which shall be any price within the Price Band. Only Retail Individual Bidders Bidding in the Retail Portion, are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price

Term	Description
"Demographic Details"	Details of the Bidders including the Bidder's address, name of the Bidder's father/ husband, investor status, occupation and bank account details and UPI ID, where applicable
"Designated CDP Locations"	Such locations of the CDPs where Bidders (other than Anchor Investors) can submit the ASBA Forms, a list of which, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com), and updated from time to time
"Designated Date"	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account(s) to the Public Issue Account(s) or the Refund Account(s), as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account(s) or the Refund Account(s), as the case may be, in terms of the Red Herring Prospectus and the Prospectus after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares will be Allotted in the Issue
"Designated Intermediaries"	In relation to ASBA Forms submitted by RIBs (not using the UPI mechanism) by authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI mechanism), Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
"Designated RTA Locations"	Such locations of the RTAs where Bidders (other than Anchor Investors) can submit the ASBA Forms to RTAs, a list of which, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), and updated from time to time
"Designated SCSB Branches"	Such branches of the SCSBs which shall collect ASBA Forms, a list of which is available on the website of the SEBI at (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time, and at such other websites as may be prescribed by SEBI from time to time
"Designated Stock Exchange"	BSE Limited
"Draft Red Herring Prospectus" or "DRHP"	This draft red herring prospectus dated September 27, 2022, filed with SEBI and Stock Exchanges and issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the Issue, including the price at which the Equity Shares are issued and the size of the Issue, and includes any addenda or corrigenda thereto
"Eligible FPIs"	FPIs from such jurisdictions outside India where it is not unlawful to make an offer/ invitation under the Issue and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares issued thereby.
"Eligible NRIs"	NRI(s) eligible to invest under the relevant provisions of the FEMA Rules, from jurisdictions 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 will constitute an invitation to purchase the Equity Shares.
"Escrow Account(s)"	The 'no-lien' and 'non-interest bearing' account(s) opened with the Escrow Collection Bank(s) and in whose favour Anchor Investors will transfer

Term	Description
	money through direct credit/ NEFT/ RTGS/NACH in respect of Bid Amounts when submitting a Bid
"Escrow Collection Bank(s)"	The banks which are clearing members and registered with SEBI as bankers to an issue under the BTI Regulations, and with whom the Escrow Account(s) will be opened, in this case being [●]
"First Bidder"	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
"Floor Price"	The lower end of the Price Band, *i.e.,* ₹ [●] subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalized and below which no Bids, will be accepted and which shall not be less than the face value of the Equity Shares
"General Information Document" or "GID"	The General Information Document for investing in public offers, prepared and issued by SEBI, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and Book Running Lead Manager
"Gross Proceeds"	The total Issue Proceeds to be raised pursuant to the Issue.
"Issue"	The issuance of up to [●] Equity Shares at ₹ [●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating up to ₹ 6,000 lakhs by our Company.
"Issue Agreement"	The agreement dated September 20, 2022 entered amongst our Company and the Book Running Lead Manager, pursuant to the SEBI ICDR Regulations, based on which certain arrangements are agreed to in relation to the Issue.
"Issue Price"	₹ [●] per Equity Share, being the final price within the Price Band at which the Equity Shares will be Allotted to successful Bidders other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company, in consultation with the Book Running Lead Manager, in accordance with the Book Building Process on the Pricing Date and in terms of the Red Herring Prospectus.
"Issue Proceeds"	The proceeds of the Issue which shall be available to our Company. For further information about use of the Issue, see "*Objects of the Issue*" on page 87.
"Mutual Fund"	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
"Mutual Fund Portion"	Up to [●]% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Issue Price
"Net Proceeds"	The Gross Proceeds less our Company's share of the Issue-related expenses applicable to the Issue. For further details about use of the Net Proceeds and the Issue related expenses, see "*Objects of the Issue*" on page 87.
"Net QIB Portion"	QIB Portion, less the number of Equity Shares Allotted to the Anchor Investors
"Non-Institutional Investors" or "NII(s)" or "Non-Institutional Bidders" or "NIB(s)"	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with SEBI that are not QIBs (including Anchor Investors) or Retail Individual Investors, who have Bid for Equity Shares for an amount of more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs)
"Non-Institutional Portion"	The portion of the Issue being not less than [●]% of the Issue, consisting of [●] Equity Shares, which shall be available for allocation to Non-Institutional Investors on a proportionate basis, subject to valid Bids being received at or above the Issue Price, subject to the following and in accordance with the SEBI ICDR Regulations:

Term	Description
	(i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 2 lakhs and up to ₹ 10 lakhs; and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹ 10 lakhs. Provided that the unsubscribed portion in either of the sub-categories specified in (i) and (ii) above may be allocated to applicants in the other sub-category of Non-Institutional Bidders.
"Non-Resident" or "NRI"	A person resident outside India, as defined under FEMA
"Price Band"	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum Price of ₹ [●] per Equity Share (Cap Price) and includes revisions thereof, if any. The Cap Price shall be at least 105% of the Floor Price. The Price Band and the minimum Bid Lot for the Issue will be decided by our Company, in consultation with the Book Running Lead Manager, and will be advertised in all [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated 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, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchange for the purpose of uploading on their respective websites
"Pricing Date"	The date on which our Company, in consultation with the Book Running Lead Manager, will finalize the Issue Price
"Prospectus"	The prospectus to be filed with the RoC, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations containing, amongst other things, the Issue Price that is 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(s)"	The 'no-lien' and 'non-interest bearing'account to be opened in accordance with Section 40(3) of the Companies Act, 2013, with the Public Issue Account Bank(s) to receive money from the Escrow Account(s) and from the ASBA Accounts on the Designated Date
"Public Issue Account Bank(s)"	The banks which are clearing members and registered with SEBI under the BTI Regulations, with whom the Public Issue Account(s) will be opened, in this case being [●]
"QIB Portion"	The portion of the Issue being not more than [•]% of the Issue or [•] Equity Shares, available for allocation to QIBs (including Anchor Investors) on a proportionate basis (in which allocation to Anchor Investors shall be on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price.
"Qualified Institutional Buyers" or "QIBs"	A qualified institutional buyer, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
"Red Herring Prospectus" or "RHP"	The red herring prospectus to be issued by our Company in accordance with Section 32 of the Companies Act, 2013 and the provisions of 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 will be filed with the RoC at least three working days before the Bid/ Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date
"Refund Account(s)"	The 'no-lien' and 'non-interest bearing' account to be 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

Term	Description
"Refund Bank(s)"	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being [●]
"Registered Broker"	Stock brokers registered with the stock exchanges having nationwide terminals other than the members of the Syndicate, and eligible to procure Bids in terms of the circular No. CIR/CFD/14/2012 dated October 4, 2012 and the UPI Circulars issued by SEBI
"Registrar Agreement"	The agreement dated September 20, 2022 entered into 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"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the lists available on the website of BSE and NSE, and the UPI Circulars
"Registrar" or "Registrar to the Issue"	MAS Services Limited
"Resident Indian"	A person resident in India, as defined under FEMA
"Retail Individual Bidders" or "RIB(s)" or "Retail Individual Investors" or "RII(s)"	Individual Bidders (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs) who have Bid for the Equity Shares for an amount not more than ₹2,00,000 in any of the Bidding options in the Issue
"Retail Portion"	The portion of the Issue being not less than [●]% of the Issue consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, which shall not be less than the minimum Bid Lot, subject to valid Bids being received at or above the 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 are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders Bidding in the Retail Portion, can 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, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, or such other website as may be prescribed by SEBI from time to time Applications through UPI 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 available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, as updated from time to time
"Specified Locations"	The Bidding centres where the Syndicate shall accept Bid cum Application Forms from relevant Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in), and updated from time to time
"Sponsor Banks"	The Bankers to the Issue registered with SEBI which are appointed by the Company to act as conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the UPI Bidders into the UPI Mechanism

Term	Description
	and carry out any other responsibilities in terms of the UPI Circulars, the Sponsor Banks in this case being [●], [●], [●] and [●].
"Stock Exchange(s)"	Collectively, BSE Limited and National Stock Exchange of India Limited
"Syndicate Agreement"	Agreement to be entered into among the Company, the Book Running Lead Manager, and the Syndicate Members in relation to collection of Bid cum Application Forms by the Syndicate.
"Syndicate Members"	Intermediaries (other than Book Running Lead Manager) registered with SEBI who are permitted to accept bids, application and place orders with respect to the Issue and carry out activities as an underwriter namely, [●]
"Syndicate" or "members of the Syndicate"	Together, the Book Running Lead Manager and the Syndicate Members
"Systemically Important Non-Banking Financial Company" or "NBFC-SI"	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
"Underwriters"	[●]
"Underwriting Agreement"	The agreement to be entered into amongst the Underwriters and our Company on or after the Pricing Date, but prior to filing of the Prospectus
"UPI"	Unified Payments Interface, which is an instant payment mechanism developed by NPCI
"UPI Bidders"	Collectively, individual Bidders applying as Retail Individual Investors in the Retail Portion, and individual Bidders applying as Non-Institutional Investors with a Bid Amount of up to ₹ 5,00,000 in the Non-Institutional Portion by using the UPI Mechanism. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹ 5,00,000 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 ID"	ID created on UPI for single-window mobile payment system developed by the NPCI
"UPI Mandate Request"	A request (intimating the UPI Bidder by way of a notification on the UPI application and by way of a SMS directing the UPI Bidder to such UPI application) to the UPI Bidder using the UPI Mechanism initiated by the Sponsor Bank 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 In accordance with the SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi =yes&int mId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi =yes&intmId=43) respectively, as updated from time to time
"UPI Mechanism"	The mechanism that may be used by a UPI Bidder to make a Bid in the Issue in accordance with the UPI Circulars
"UPI PIN"	Password to authenticate UPI transaction
"Wilful Defaulter or Fraudulent Borrower"	A wilful defaulter or a fraudulent borrower, as defined under the SEBI ICDR Regulations

Term	Description
"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, "Working Day" shall mean all days except Saturday, Sunday 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 Stock Exchanges, excluding Sundays and bank holidays in India, as per the circular issued by SEBI from time to time

Technical/Industry Related Terms/Abbreviations

Term	Description
AIBP	Accelerated Irrigation Benefit Programme
BBMP	Bruhat Bengaluru Mahanagara Palike
Bid Project Cost	The estimated cost of a project at which it was awarded to the Company.
BOQ	Bill of quantities
BOT	Build-Operate-Transfer. This includes projects undertaken on a BOT (toll) basis, BOT (annuity) basis and HAM basis.
Bridge	Bridge also includes construction of approach road and footpath near the Bridge
CNNL	Carvery Niravari Nigam Limited
COD	Commercial operation date
DBFOT	Design, Build, Finance, Operate and Transfer
DFC	Dedicated Freight Corridor
DHUDA	Davangere Harihara Urban Development Authority
DSCL	Davangere Smart City Ltd
EMD	Earnest money deposit
EPC	Engineering, procurement and construction
Flyover	Flyover also includes approach, grade separator, subway, underpass, drainage system and footpath.
GPS	Global Positioning System
HAM	Hybrid Annuity Model
HCL	Hydrochloric acid
ISA	Indian Standard Equal/Unequal Angle
ISMC	Indian Standard Medium Channel
KBJNL	Krishna Bhagya Jala Nigam Limited
Key EPC Players	PNC Infratech Limited, KNR Constructions Limited and Hindustan Construction Company Limited.
KIADB	Karnataka Industrial Area Development Board
Km.	Kilometer
KNNL	Karnataka Niravari Limited
KPWP & IWTD	Karnataka Public Works Ports & Inland Water Transport Department
KRDCL	Karnataka Road Development Corporation Ltd.
KVA	Kilovolt ampere
L1	Lowest bidder
MM	Millimeter
MORTH	Ministry of Road Transport and Highways
MRTS	Mass Rapid Transit System
MS	Mild steel
MT	Metric tone
MW	Megawatt
NH	National Highway
NHAI	National Highways Authority of India
NHDP-III	National Highways Development Project Phase III
NHDP-IV	National Highways Development Project Phase IV
NHIDCL	National Highways Infrastructure and Development Corporation Limited
NIIF	National Investment and Infrastructure Fund

Term	Description
O&M	Operations and Maintenance
OEM	Original Equipment Manufacturer
Order Book	Our Company's order book as of a particular date comprises the agreement value of the contracts awarded to us which are under execution which includes revenues from executed portions and estimated revenues from the unexecuted portions of such contracts awarded to us
PCOD	Provisional commercial operation date
PMB	Polymer modified bitumen
PMGSY	Pradhan Mantri Gram Sadak Yojana
PMKSY	Pradhan Mantri Krishi Sinchayee Yojana
PMT	Project management team
PPP	Public-Private Partnership
PWD	State of Karnataka – Public Works Department
RFP	Request for Proposal
RMC	Ready mix concrete
ROB	Road Over Bridge
RUB	Railway under bridge
RVNL	Rail Vikas Nigam Limited
SAAP	State Annual Action Plans
SH	State Highway
SHDP	State Highway Development Corporations Ltd
VJNL	Visvesvaraya Jala Nigam Limited
WSS	Water supply and sanitation
YE&SD	Youth Empowerment & Sports Department

Conventional and General Terms or Abbreviations

Term	Description
"AGM"	Annual General Meeting
"AIFs"	Alternative investment funds as defined in and registered under the AIF Regulations
"AIF Regulations"	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
"AS"	Accounting standards issued by the Institute of Chartered Accountants of India, as notified from time to time
"BSE"	BSE Limited
"BTI Regulations"	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended
"Calendar Year" or "year"	Unless the context otherwise requires, shall refer to the twelve month period ending December 31
"Category I AIF"	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
"Category II AIF"	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
"Category I FPIs"	FPIs who are registered as "Category I Foreign Portfolio Investors" under the SEBI FPI Regulations
"Category II FPIs"	FPIs who are registered as "Category II Foreign Portfolio Investors" under the SEBI FPI Regulations
"Category III AIF"	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
"CDSL"	Central Depository Services (India) Limited
"CFO"	Chief Financial Officer
"Companies Act, 1956"	*Erstwhile* Companies Act, 1956 along with the relevant rules made thereunder
"Companies Act" / "Companies Act, 2013"	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder, as amended to the extent currently in force

Term	Description
"COVID-19"	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020, and a pandemic on March 11, 2020
"Depositories Act"	Depositories Act, 1996 read with the rules and regulations thereunder
"Depository" or "Depositories"	NSDL and CDSL
"DIN"	Director Identification Number
"DP" or "Depository Participant"	A depository participant as defined under the Depositories Act
"DP ID"	Depository Participant's Identification Number
"EBITDA"	Earnings before interest, tax, depreciation and amortisation
"EGM"	Extraordinary general meeting
"EPS"	Earnings per share
"FDI"	Foreign direct investment
"FDI Policy"	The consolidated FDI policy, effective from October 15, 2020, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India *(earlier known as the Department of Industrial Policy and Promotion*)
"FEMA"	Foreign Exchange Management Act, 1999, as amended, including the rules and regulations thereunder
"FEMA Rules"	Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended
"FEMA Regulations"	Foreign Exchange Management (Transfer of Issue of Security by a Person Resident outside India) Regulations, 2017, as amended
"Financial Year", "Fiscal", "FY" or "F.Y."	Period of twelve months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular year, unless stated otherwise
"FIR"	First information report
"FPI(s)"	Foreign Portfolio Investor, as defined under the FPI Regulations
"FPI Regulations"	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
"FIPB"	The erstwhile Foreign Investment Promotion Board
"FVCI"	Foreign venture capital investors, as defined and registered with SEBI under the FVCI Regulations
"Fugitive Economic Offender"	A fugitive economic offender as defined under the Fugitive Economic Offenders Act, 2018, as amended
"FVCI Regulations"	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended
"GDP"	Gross domestic product
"GoI" or "Government" or "Central Government"	Government of India
"GST"	Goods and services tax
"HUF"	Hindu undivided family
"IAS Rules"	Companies (Indian Accounting Standards) Rules, 2015, as amended
"ICAI"	The Institute of Chartered Accountants of India
"IFRS"	International Financial Reporting Standards of the International Accounting Standards Board
"India"	Republic of India
"Ind AS" or "Indian Accounting Standards"	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with IAS Rules
"Ind AS 24"	Indian Accounting Standard 24, "Related Party Disclosures", notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 read with IAS Rules
"Ind AS 37"	Indian Accounting Standard 37, "Provisions, Contingent Liabilities and Contingent Assets", notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 read with IAS Rules

Term	Description
"IGAAP" or "Indian GAAP"	Accounting standards notified under section 133 of the Companies Act, 2013, read with Companies (Accounting Standards) Rules, 2006, as amended) and the Companies (Accounts) Rules, 2014, as amended
"Insider Trading Regulations"	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
"IPO"	Initial public offer
"IST"	Indian standard time
"IT Act"	The Income Tax Act, 1961
"IT"	Information technology
"Lakhs" or "Lacs"	Lakhs
"Listing Regulations"	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
"MCA"	Ministry of Corporate Affairs, Government of India
"MICR"	Magnetic ink character recognition
"MSME"	Ministry of Micro, Small and Medium Enterprises
"N.A." or "NA"	Not applicable
"NAV"	Net asset value
"NBFC"	Non-Banking Financial Company
"NEFT"	National electronic fund transfer
"NPCI"	National Payments Corporation of India
"NRE Account"	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016, as amended
"NRI" or "Non-Resident Indian"	Non-Resident Indian as defined under the FEMA Regulations
"NRO Account"	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016, as amended
"NSDL"	National Securities Depository Limited
"NSE"	National Stock Exchange of India Limited
"OCB" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue
"P/E Ratio"	Price/earnings ratio
"PAN"	Permanent account number allotted under the Income Tax Act, 1961, as amended
"RBI"	Reserve Bank of India
"RONW"	Return on Net Worth
"Rs." or "Rupees" or "₹" or "INR"	Indian Rupees
"RTGS"	Real time gross settlement
"SCRA"	Securities Contracts (Regulation) Act, 1956, as amended
"SCRR"	Securities Contracts (Regulation) Rules, 1957, as amended
"SEBI"	Securities and Exchange Board of India constituted under the SEBI Act
"SBEB Regulations 2021"	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended
"SEBI Act"	Securities and Exchange Board of India Act, 1992, as amended
"SEBI ICDR Regulations"	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
"SEBI Merchant Bankers Regulations"	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
"State Government"	Government of a State of India
"Takeover Regulations"	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended

Term	Description
"U.S.A"/ "U.S."/ "United States"	The United States of America and its territories and possessions, including any state of the United States of America, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands and the District of Columbia
"USD" or "US$"	United States Dollars
"U.S. GAAP"	Generally Accepted Accounting Principles in the United States of America
"VCFs"	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended, as the case may be

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

Certain Conventions

All references to "India" in this Draft Red Herring Prospectus are to the Republic of India and its territories and possession 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 the "US", "U.S." "USA" or "United States" are to the United States of America and its territories and possessions.

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

Financial Data

Unless the context otherwise requires or indicates, the financial information (including financial ratios) and any percentage amounts (excluding certain operational metrics), as set forth in "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 29, 126 and 232, respectively, and elsewhere in this Draft Red Herring Prospectus have been derived from our Restated Financial Statements.

The restated Financial Statements of our Company, as at and for the Financial Years ended March 31, 2022, 2021 and 2020 prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations; and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended from time to time (the "**Guidance Note**"), comprising the restated statement of assets and liabilities as at March 31, 2022, 2021 and 2020, the restated statements of profit and loss (including other comprehensive income), the restated statement of changes in equity, the restated cash flow statement for the Financial Years ended March 31, 2022, 2021 and 2020, the summary statement of significant accounting policies, and other explanatory information.

For further information on our Company's financial information, see "*Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 181 and 232, respectively.

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 calendar year. Reference in this Draft Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year is to the 12 months ended on March 31 of such year, unless otherwise specified.

The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and SEBI ICDR Regulations. Any reliance by persons not familiar with the aforementioned policies and laws on the financial disclosures presented in this Draft Red Herring Prospectus should be limited. There are significant differences between Ind AS, Indian GAAPU.S. GAAP and IFRS. Our Company does not provide a reconciliation of its financial statements with Indian GAAP, IFRS or U.S. GAAP requirements. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. For further details in connection with risks involving differences between Ind AS and other accounting principles, see "*Risk Factors – Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as U.S. GAAP and IFRS, which may affect investors' assessments of our Company's financial condition*" on page 54. 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.

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

Non-GAAP Financial Measures

Certain non-GAAP financial measures relating to our financial performance have been included in this Draft Red Herring Prospectus. We compute and disclose such non-GAAP financial measures relating to our financial performance as we consider such information to be supplemental and useful measures of our business and financial performance. These non-GAAP financial measures and other information relating to financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore, may not be comparable to financial measures of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

Currency and Units of Presentation

All references to:

1. "Rupees" or "INR" or "Rs." Or "₹" are to the Indian Rupee, the official currency of India;

2. "USD" or "US$" or "$" or "U.S. Dollar" are to the United States Dollar, the official currency of the United States of America; and

Except otherwise specified, our Company has presented certain numerical information in this Draft Red Herring Prospectus in "lakhs". One lakh represents 1,00,000.

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

Time

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Exchange Rates

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

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

Currency	As on March 31, 2022 (₹)	As on March 31, 2021 (₹)	As on March 31, 2020 (₹)
1 USD	75.80	73.50	75.39

(Source: www.fbil.org.in)

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from the report titled "*Industry Report on Infrastructure*" dated September 22, 2022 prepared by CRISIL Limited (the "**CRISIL 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 http://www.uskinfra.com/Industry-Report.html. For further details in relation to risks involving the CRISIL Report, see "*Risk Factors – This Draft Red Herring Prospectus contains information from an industry report prepared by CRISIL, commissioned by us for the purpose of the Issue for an agreed fee*" on page 55.

The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Issue), that have been left out or changed in any manner. 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. Industry sources and publications may also base their information on estimates and assumptions that may prove to be incorrect.

This Draft Red Herring Prospectus contains certain data and statistics from the CRISIL Report, which is subject to the following disclaimer:

"*CRISIL Research, a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing the CRISIL report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). The Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of the Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Our Company will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL Ratings Limited, which may, in their regular operations, obtain information of a confidential nature. The views expressed in the Report are that of CRISIL Research and not of CRISIL Ratings Limited. No part of the Report may be published/reproduced in any form without CRISIL's prior written approval.*"

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" on page 29. Accordingly, investment decisions should not be based solely on such information.

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

In accordance with the SEBI ICDR Regulations, the section titled "*Basis for Issue Price*" on page 94, includes information relating to our peer group companies. Such information has been derived from publicly available sources.

FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as “forward-looking statements”. These forward-looking statements include statements which can generally be identified by words or phrases such as “aim”, “anticipate”, “are likely”, “believe”, “continue”, “can”, “could”, “expect”, “estimate”, “intend”, “may”, “likely”, “objective”, “plan”, “propose”, “will continue”, “seek to”, “will achieve”, “will likely”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, plans, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Draft Red Herring Prospectus that are not historical facts. However, these are not the exclusive means of identifying forward-looking statements.

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

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

- We derive majority of our revenue from civil construction and our financial condition would be materially and adversely affected if we fail to obtain new contracts or our current contracts are terminated;

- Infrastructure projects are typically awarded to us on satisfaction of prescribed pre-qualification criteria and following a competitive bidding process. Our business and our financial condition may be adversely affected if new infrastructure projects are not awarded to us or if contracts awarded to us are prematurely terminated;

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

- Our business currently is primarily dependent on projects in India undertaken or awarded by governmental authorities and other entities funded by the GoI or state governments and we derive majority of our revenues from contracts with a limited number of government entities. Any adverse changes in the central or state government policies may lead to our contracts being foreclosed, terminated, restructured or renegotiated, which may have a material effect on our business and results of operations; and

- Our projects are exposed to various implementation and other risks, including risks of time and cost overruns, and uncertainties, which may adversely affect our business, financial condition, results of operations, and prospects.

For further discussion of factors that could cause our actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 29, 126 and 232, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Forward-looking statements reflect the current views of our Company as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs, assumptions, current plans, estimates and expectations, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Neither our Company, our Directors, our Promoter, the Book Running Lead Manager, the Syndicate Members nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company will ensure that investors in India are informed of material developments pertaining to our Company and the Equity Share forming part of the Issue from the date of this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges.

SUMMARY OF THE ISSUE DOCUMENT

This section is a general summary of the terms of the Issue, certain disclosures included in this Draft Red Herring Prospectus is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled "*Risk Factors*", "*The Issue*", "*Capital Structure*", "*Industry Overview*", "*Our Business*", "*Objects of the Issue*", "*Our Promoter and Promoter Group*", "*Financial Statements*", *"Management's Discussions and Analysis of Financial Condition and Results of Operations*", "*Outstanding Litigation and Material Developments*", and *"Issue Structure",* on pages 29, 65, 79, 101, 126, 87, 176, 181, 232, 264 and 284 respectively.

Primary business of our Company

We are in the business of construction of roads including National Highways, State Highways, District Roads, Smart Roads under PM's Smart City Mission projects, Smart Roads under Municipal Corporations, Bruhat Bengaluru Mahanagara Palike (BBMP) and Local Area Roads in various Taluka Places etc., in the State of Karnataka, Constructions of Bridges across Major and Minor Rivers, Railway Over Bridges (ROB), construction of Major and Minor Irrigation and canal projects, Industrial Areas, based in the State of Karnataka. We bid for Roads, Bridges, Irrigation & Canals Industrial Area construction in the State of Karnataka including Government Departments.

Summary of the industry in which our Company operates

Developing and modernising the infrastructure sector has been a priority area for the Government of India and has witnessed increasing public investments and budgetary support. Further, the government has also undertaken several reforms and initiatives in the infrastructure sector which has resulted in robust secular growth in most of the segments within the sector. Within infra segments, roads continue to have the highest share. Within the infrastructure space, road projects will be a critical investment driver from fiscals 2023-27. CRISIL Research also expects metro rail, water supply and sanitation, and railway projects to garner larger shares.

Name of the Promoter

Our Promoter is Udayshivakumar. For further details, see "*Our Promoter and Promoter Group*" on page 176.

Issue Size

Issue of up to [●] Equity Shares of face value of ₹ 10 for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ 6,000 lakhs. The Issue shall constitute [●] % of the post-Issue paid-up Equity Share capital of our Company. For details, see "*Issue Structure*" on page 284.

Objects of the Issue

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

(in ₹ lakhs)

S. No.	Particulars	Estimated Amount(1)
1.	Funding incremental working capital requirements of our Company	4,500
2.	General corporate purposes(1)	[●]
Total		[●]

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

For further details, see "*Objects of the Issue*" on page 87.

Aggregate pre-Issue shareholding of our Promoter, Promoter Group, as a percentage of the pre-Issue Equity Share capital of our Company

The aggregate pre-Issue shareholding of our Promoter and members of our Promoter Group as a percentage of the pre-Issue paid-up Equity Share capital of the Company is set out below:

S. No.	Name of Shareholder	No. of Equity Shares	% of total pre-Issue paid up Equity Share capital
Promoter			
1.	Udayshivakumar	3,61,27,000	98.97
Total (A)		**3,61,27,000**	**98.97**
Promoter Group			
1.	Amrutha	3,65,000	1.00
2.	Manjushree Shivakumar	2,000	0.01
3.	Poojashree	2,000	0.01
4.	Aishwaryashree	2,000	0.01
5.	R Prabhakar	1,000	Negligible
Total (B)		**3,72,000**	**1.03**
Total (A+B)		**3,64,99,000**	**100.00**

Summary derived from the Restated Financial Statements

The following information has been derived from our Restated Financial Statements:

(₹ in lakhs, except per share data)

Particulars	As at and for the Fiscal ended		
	March 31, 2022	**March 31, 2021**	**March 31, 2020**
Equity Share capital	3,650.00	3,650.00	3,650.00
Net Worth	6,832.14	5,618.04	4,686.51
Revenue from operations	18,562.92	21,039.67	19,360.78
Profit / (loss) after tax	1,214.81	931.92	1,048.72
Earnings per share (basic) (in ₹)	3.33	2.55	2.87
Earnings per share (diluted) (in ₹)	3.33	2.55	2.87
Net Asset Value per Equity Share (in ₹)	18.72	15.39	12.84
Total Borrowings	2,648.29	3,060.23	3,395.34

Notes:

1. 'Net worth': Equity Share capital and other equity less capital reserves. Net worth has been computed as a sum of Equity share capital and other equity less capital reserves.

2. Net Asset Value per Equity Share = Net worth derived from Restated Financial Statements as at the end of the year divided by number of equity shares outstanding as at the end of year as per Restated Financial Statements.

3. Total borrowings means total borrowings includes current maturities of long term borrowings, current and non-current borrowings.

For further details see "*Financial Statements*" and "*Basis for Issue Price*" on pages 181 and 94.

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

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

Summary of Outstanding litigation

A summary of outstanding litigation proceedings as on the date of this Draft Red Herring Prospectus as disclosed in the section titled "*Outstanding Litigation and Material Developments*" in terms of the SEBI ICDR Regulations is provided below:

For further details, see "*Outstanding Litigation and Material Developments*" on page 264.

Name of Entity	No. of Criminal Proceedings	No. of Tax Proceedings	No. of Statutory or Regulatory Proceedings	No. of Disciplinary actions by SEBI or Stock Exchanges against our Promoter	No. of Material civil litigation	Aggregate amount involved* (₹ in lakhs)
Company#						
By the Company	Nil	5	Nil	Nil	1	1,289.61
Against the Company	Nil	2	Nil	Nil	Nil	650.14
Directors						
By the Directors^	Nil	6	Nil	Nil	1	803.99

Name of Entity	No. of Criminal Proceedings	No. of Tax Proceedings	No. of Statutory or Regulatory Proceedings	No. of Disciplinary actions by SEBI or Stock Exchanges against our Promoter	No. of Material civil litigation	Aggregate amount involved* (₹ in lakhs)
Against the Directors^	1	1	Nil	Nil	Nil	0.02
Promoter						
By the Promoter	Nil	6	Nil	Nil	1	803.99
Against the Promoter	1	1	Nil	Nil	Nil	0.02
Joint Venture						
By the Joint Venture	Nil	Nil	Nil	Nil	Nil	Nil
Against the Joint Venture	Nil	Nil	Nil	Nil	Nil	Nil

**To the extent quantifiable.*
#Including cases of erstwhile partnership
^Includes cases filed by and/or against our Promoter, Chairman and Managing Director, Udayshivakumar.

Risk factors

Specific attention of the Bidders is invited to "*Risk Factors*" on page 29.

Summary of contingent liabilities

Following are the details as per the Restated Financial Statements as at and for the Financial Years ended on March 31, 2022, 2021 and 2020:

(₹ in lakhs)

Particulars		As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
A.	Bank guarantees	3,848.85	3,560.00	-
B.	Demands by Service Tax/GST/Excise Authorities under disputes	-	-	-
C.	Income-tax demand raised by authorities^	1,688.78	-	-
	Total	**5,537.63**	**3,560.00**	**-**

^Included demands raised post balance sheet date i.e., March 31, 2022.

For further details, please see the section titled "*Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements – Annexure 29 – Contingent Liabilities in respect of*" at page 214 of this Draft Red Herring Prospectus.

Summary of related party transactions

A summary of the related party transactions in Fiscals 2022, 2021 and 2020 as per Ind AS 24 - Related Party Disclosures, derived from our Restated Financial Statements, is detailed below:

(₹ in lakhs)

Name	Nature of Transaction	For the Year ended 31 March 2022	For the Year ended 31 March 2021	For the Year ended 31 March 2020
Aishwarya USK Stone Crusher	Purchases	-	60.02	56.29
Udayshivakumar Stone Crusher	Purchases	1,154.62	1,084.12	-
Aishwarya USK Stone Crusher	Rent	-	240.00	-
R. Prabhakar	Rent	-	40.00	-
Udayshivakumar	Loan Taken	5,772.14	1,650.20	2,551.39
Udayshivakumar	Loan Repaid	5,766.45	1,753.37	2,435.86
Udayshivakumar	Rent Received	10.00	-	-
Udayshivakumar Stone Crusher	Rent Received	203.39	-	-
R. Prabhakar	Sales	32.88	-	-
R. Prabhakar	Purchases	31.11	-	-

Outstanding balances payable to:

(₹ in lakhs)

Name	Nature of Transaction	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Aishwarya USK Stone Crusher	Trade Payable	-	116.31	56.29
Udayshivakumar Stone Crusher	Trade Payable	0.34	(69.93)	-
Mr. Udayshivakumar	Borrowing	18.06	12.37	115.54
Mr. R. Prabhakar	Trade Payable	30.27	25.04	-

For further details, see "*Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements – Annexure 33 – Related Party Transactions*" on page 217.

Financing arrangements

There have been no financing arrangements whereby our Promoter, members of the Promoter Group, directors of our Promoter, our Directors and their relatives 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 Draft Red Herring Prospectus.

Weighted average price at which specified securities were acquired by the Promoter in the one year preceding the date of this Draft Red Herring Prospectus

S. No.	Name	Number of Equity Shares*	Weighted average price per Equity Share (in ₹)
Promoter			
1.	Udayshivakumar	Nil	NA

**As certified by the Statutory Auditor by way of its certificate dated September 27, 2022*
Note: *For arriving at the weighted average price at which the equity shares of the Company were acquired by the Promoter only acquisition of equity shares has been considered while arriving at weighted average price per Equity Share for last one year.*

Weighted average cost of acquisition of all shares transacted in last three years and one year preceding the date of this Draft Red Herring Prospectus

Period	Weighted average cost of acquisition (in ₹)*#
Last one year preceding the date of this Draft Red Herring Prospectus	Nil^
Last 18 months preceding the date of the DRHP	Nil^
Last three years preceding the date of this Draft Red Herring Prospectus	10.00

**As certified by the Statutory Auditor by way of its certificate dated September 27, 2022*
 # To be updated once the price band information is available
^Acquired as Gift

Details of price at which specified securities were acquired in the last three years preceding the date of this Draft Red Herring Prospectus

The details of the price at which specified securities were acquired in the last three years preceding the date of this Draft Red Herring Prospectus, by our Promoter and Promoter Group is disclosed below:

S. No.	Name of the acquirer/shareholder	Date of acquisition of equity shares	Number of equity shares acquired	Acquisition price per equity share*(in ₹)
Promoter				
1.	Udayshivakumar	December 23, 2019	3,61,35,000	10.00
Members of Promoter Group (other than the Promoter)				
2.	Amrutha	December 23, 2019	3,65,000	10.00
3.	Manjushree Shivakumar	July 27, 2022	2,000	Nil#
4.	Poojashree	July 27, 2022	2,000	Nil#
5.	Aishwaryashree	July 27, 2022	2,000	Nil#
6.	R. Prabhakar	July 27, 2022	2,000	Nil#

**As certified by the Statutory Auditor by way of its certificate dated September 27, 2022*
#Acquired as Gift from Udayshivakumar.

As on date of this Draft Red Herring Prospectus, our Company does not have any shareholders with a nominee director or with other rights.

Average cost of acquisition by our Promoter

The average cost of acquisition of Equity Shares by our Promoter as at the date of this Draft Red Herring Prospectus is set forth below:

S. No.	Name	Number of Equity Shares*	Average cost of acquisition per Equity Share (in ₹)
Promoter			
1.	Udayshivakumar	3,61,27,000	10.00

* *As certified by the Statutory Auditor by way of its certificate dated September 27, 2022*
Note*: Average cost of acquisition of equity shares of the Company held by the Promoter in respect of his shareholding in the Company is calculated as per FIFO Method.*

For further details of the average cost of acquisition of our Promoter, see "*Capital Structure – Build-up of the Promoter's shareholding in our Company*" on page 83.

Details of pre-IPO placement

Our Company is not contemplating a pre–IPO placement.

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

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

Split / Consolidation of Equity Shares in the last one year

There has been no split or consolidation of the Equity Shares of our Company in the last one year.

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

Our Company has not applied for or obtained any exemption from complying with any provisions of securities laws from SEBI.

SECTION II – RISK FACTORS

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

To obtain a more detailed understanding of our business and operations, prospective investors should read this section in conjunction with "Our Business", "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 126, 181 and 232, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus.

The risks described below are not the only ones relevant to us or our Equity Shares, but also the industry in which we operate in or to India. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our businesses, financial condition, results of operations and prospects. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our businesses, financial condition, results of operations, and prospects could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. 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 advisors about particular consequences to you of an investment in the Issue.

Prospective investors should pay particular attention to the fact that we are incorporated under the laws of India and are subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For details, see "Forward Looking Statements" on page 22.

Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below. The financial information in this section is derived from our Restated Financial Statements, unless otherwise stated.

Internal Risk Factors

1. ***We derive majority of our revenue from civil construction and our financial condition would be materially and adversely affected if we fail to obtain new contracts or our current contracts are terminated.***

   We are significantly dependent upon the civil construction segment of our business. The revenue generated from our contracts with customers constitutes 86.99%, 90.41% and 87.78% of our total revenues for the Financial Years 2022, 2021 and 2020. The revenues generated from our civil construction segment for the Financial Years 2022, 2021 and 2020 were ₹ 16,147.07 lakhs, ₹ 19,021.45 lakhs and ₹ 16,994.39 lakhs, respectively. Further, the Order Book value in respect of our civil construction business for the Financial Years 2022, 2021 and 2020 was ₹ 88,062.00 lakhs, ₹ 1,07,884.00 lakhs and ₹ 1,01,291.00 lakhs, respectively. We bid for projects on an ongoing basis and infrastructure projects are typically awarded by the GoI following a competitive bidding process and satisfaction of prescribed qualification criteria. There have been instances in the past, wherein bids made by us for infrastructure projects were rejected on account of a favorable position held by our competitors or our inability to meet the prescribed eligibility criteria. There can be no assurance that we would be able to meet such criteria in the future, whether independently or together with other joint venture partners. 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.

   Our business, growth prospects and financial performance largely depends on our ability to obtain new contracts, and there can be no assurance that we will be able to procure new contracts. Our future results of operations and cash flows may fluctuate from period to period depending on the timing of our contract. In the event we are unable to obtain new contracts, our business will be materially and adversely affected.

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

Infrastructure projects are typically awarded to us following a competitive bidding process and satisfaction of prescribed technical and financial pre-qualification criteria. While track record, experience of project execution, service quality, health and safety records, qualified and experienced personnel, reputation and sufficiency of financial resources are important considerations in awarding contracts, there can be no assurance that we would be able to meet such technical and financial qualification criteria, whether independently or together with other joint venture partners. Further, once prospective bidders satisfy the pre- qualification requirements of the tender, the project is usually awarded on the basis of price competitiveness of the bid. We generally incur costs in the preparation and submission of bids, which are one-time, non-reimbursable costs. We cannot assure you that we would bid where we have been pre-qualified to submit a bid, or that our bids, when submitted or if already submitted, would result in projects being awarded to us.

We are pre-qualified to bid independently on projects tendered by departments of Central Government and State Government and other entities, of contract value up to ₹ 20,000.00 lakhs for EPC contracts and ₹ 15,000.00 lakhs for BOQ contracts based on our technical and financial capacity as on March 31, 2022. For further details please see – "*Our Business- Order Book*" on page 130.

If we are not able to pre-qualify in our own right to bid for large construction and development projects, we may be required to partner and collaborate with third parties for joint bidding for such projects. We may face competition from other bidders in a similar position looking for acceptable joint venture partners for pre-qualification requirements. If we are unable to partner with other suitable companies or lack the credentials to be the partner-of-choice for other companies, we may lose the opportunity to bid for large infrastructure projects, which could affect our growth plans. In cases of bids in a consortium, we may also not be able to secure bids due to negligence or disqualification of our joint venture partners, as these factors would be beyond our control. If a joint venture partner fails to perform its obligations satisfactorily, we may be required to incur additional expenditure to ensure the adequate performance and delivery of the contracted services or make payments on behalf of the joint venture partners, which could adversely affect the profitability of the contract.

Another factor which may impact the growth of our business is that our clients may terminate their construction agreements for reasons set forth in these agreements. If the client terminates any of our construction agreements, under the relevant agreement it is generally required to compensate us for the amount, depending on the valuation of the unpaid works and the timing of the termination in relation to the payment milestones associated with the respective projects, unless the agreement is terminated pursuant to applicable law or our breach of the terms of the agreement is material. Such compensation process is likely to be time consuming and the amount paid to us may not be fully compensated to us. We cannot assure you that we would receive such amounts on a timely basis or in an amount equivalent to the value of our investment plus our lost profits. While such instances have not occurred in the past, however an early termination of our contracts by our clients may adversely affect our business, results of operation and financial condition.

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

As on August 31, 2022, our Order Book was ₹ 1,19,689 lakhs. In addition, the contracts in our Order Book are subject to changes in our scope of services to be provided as well as adjustments to the costs relating to the contracts. Our Order Book comprises the estimated revenues from the unexecuted portions of all our ongoing projects *i.e.*, the total contract value of such ongoing projects secured by us as reduced by the value of work billed until the date of such order book. Project delays, modifications in the scope or cancellations may occur from time, due to delay in payments by our clients or our own defaults, incidents of *force majeure*, adverse cash flows, regulatory delays and other factors beyond our control. In view of the above, projects can remain in Order Book for extended periods of time because of the nature of the project and the timing of the particular services required by the project. Delays in the completion of a project can lead to our project clients delaying in making our payments. For instance during the COVID-19 pandemic, our project clients made delayed payments due to the slowdown in execution of projects, which adversely impacted our cash flows. Even relatively short delays or surmountable difficulties in the execution of a project could result in delays in receiving, on a timely basis, all payments due to us on a project. Our inability to complete or monetize such work in a timely manner, or at all, may adversely affect our business and results of operations.

All our projects are executed with Central Government, State Government and local bodies, namely, NHAI, MoRTH, State Highway Development Corporations Limited, Karnataka Road Development Corporation Limited, Karnataka Industrial Area Development Board, Davanagere Harihara Urban Development Authority, *etc*. and therefore, the risk of contracts in Order Book being cancelled or suspended generally is not high. While, there have not been any instances of termination of contracts in the past, our project clients, may due to unforeseen circumstances such as, failure to obtain licenses and approvals or rights over a land, public interest litigations filed by environmentalist against the proposed projects, may either terminate our contracts or may default and fail to pay amounts owed, which may adversely affect our Order Book and in turn can impact our business and financial condition. Hence, our Order Book may not be indicative of our future results due to various factors including delays, reduction in scope, cancellation, execution difficulty, payment postponement or payment default in regard to our Order Book projects or any other incomplete projects, or disputes with clients in respect of any of the foregoing, which could adversely affect our cash flow position, revenues and earnings. For further details please see – "*Our Business- Order Book*" on page 130.

4. Our business currently is primarily dependent on projects in India undertaken or awarded by governmental authorities and other entities funded by the GoI or state governments and we derive majority of our revenues from contracts with a limited number of government entities. Any adverse changes in the central or state government policies may lead to our contracts being foreclosed, terminated, restructured or renegotiated, which may have a material effect on our business and results of operations.

Our business is primarily dependent on projects in India undertaken or awarded by governmental authorities and other entities funded by the GoI or state governments such as, road, irrigation, civil, smart cities, flyovers, bridges, railway over bridges, *etc*. We currently derive majority of our revenues from contracts with a limited number of government entities, including NHAI, MoRTH, State Highway Development Corporations Limited, Karnataka Road Development Corporation Limited, Karnataka Industrial Area Development Board, Davanagere Harihara Urban Development Authority, *etc*. For further details please see – "*Our Business- Order Book*" on page 130. A break-up of the contract awarded to us by various government authorities, as per our Order Book has been provided below:

(₹ in lakhs)

S. No.	Particulars	Fiscal 2022	Fiscal 2021	Fiscal 2020
1.	Central Government	39,947.00	44,361.00	52,866.00
2.	State Government	3,490.00	12,688.00	11,299.00
3.	Local authorities / Municipal bodies	44,625.00	50,835.00	37,126.00
	Total	**88,062.00**	**1,07,884.00**	**1,01,291.00**

Larger contracts from few customers may represent a larger part of our Order Book, increasing the potential volatility of our results and exposure to individual contract risks. Such concentration of our business on a few projects or clients may have an adverse effect on our results of operations and result in a significant reduction in the award of contracts which could also adversely affect our business if we do not achieve our expected margins or suffer losses on one or more of these large contracts, from such clients. Further, there can be no assurance that the GoI or the state governments will continue to place emphasis on the infrastructure or related sectors. In the event of any adverse change in budgetary allocations for infrastructure development or a downturn in available work in the infrastructure sector or resulting from any change in government policies or priorities, our business prospects and our financial performance, may be adversely affected. The contracts with government entities may be subject to extensive internal processes, policy changes, government or external budgetary allocation, insufficiency of funds and political pressure, which may lead to lower number of contracts available for bidding or increase in the time gap between invitation for bids and award of the contract or lead to renegotiation of the terms of these contracts which may lead to a delay in our business operations. While, any of the aforementioned events have not occurred in the past, however as long as government entities are responsible for awarding contracts to us and are a critical party to the development and ongoing operations of our projects, our business is directly and significantly dependent on projects awarded by them.

With reference to projects where our bids have been successful, there may be delays in award of the projects and/or notification of appointed dates, which may result in us having to retain resources which remain unallocated, thereby adversely affecting our financial condition and results of operations. Any adverse changes in the GoI or state government policies may lead to our contracts being foreclosed or terminated. In addition, we may be restricted in our ability to, among other things, sell our interests to third parties, contract with certain customers or assign our rights or obligations under our contracts to any person. While any of the aforementioned events have not occurred in the past, however, these restrictions may limit our flexibility in operating our business, which could have an adverse effect on our business, prospects, results of operations, cash flows and financial condition.

5. ***Our projects are exposed to various implementation and other risks, including risks of time and cost overruns, and uncertainties, which may adversely affect our business, financial condition, results of operations, and prospects.***

As on August 31, 2022, we have executed various projects in and around the State of Karnataka. For further details please see – "*Our Business- Order Book- Completed Projects*" on page 132. Further, as on August 31, 2022, our Company is executing 25 ongoing projects which include 7 roads, 7 smart roads, 1 bridge, 7 irrigation projects and 3 civil construction works with an aggregate Order Book of ₹ 72,030.00 lakhs. For further details please see – "*Our Business- Order Book*" on page 130.

A break-up of the Order Book value of the aforementioned projects has been provided below:

(₹ in lakhs)

S. No.	Particulars of the project	March 31, 2022	March 31, 2021	March 31, 2020
1.	Road	20,730.00	33,357.00	26,402.00
2.	Smart cities	32,592.00	23,354.00	24,129.00
3.	Bridges	6,702.00	13,172.00	19,452.00
4.	Irrigation	21,182.00	22,057.00	23,844.00
5.	Civil construction works	6,856.00	15,944.00	7,464.00
	Total	**88,062.00**	**1,07,884.00**	**1,01,291.00**

The construction or development of these projects involves various implementation risks including construction delays, delay or disruption in supply of raw materials, delays in acquisition of land by our project clients, unanticipated cost increases, force majeure events, cost overruns, disputes with our joint venture partners, or delays in securing required licenses by our project clients, or making advance payments. We may be further subject to regulatory risks, financing risks and the risks that these projects may ultimately prove to be unprofitable.

While our contracts to provide BOQ and EPC services always include escalation clauses covering any increased costs we may incur, we may suffer cost overruns or even losses in these projects due to unanticipated cost increases which may not be covered in the escalation clauses of these contracts. Despite the escalation clauses in some of our construction contracts, our government clients may interpret the applicability of the escalation clauses in their favour and we may experience difficulties in enforcing such clauses to recover the costs we incurred in relation to the work performed as per the underlying contract. We may have to bear risks associated with any increase in actual costs for construction activities exceeding the agreed work. There has been an instance in the past, wherein the incremental costs incurred by our Company were not considered by our project clients, as part of the escalation clause of the contracts executed with them, consequent to which our Company initiated legal proceedings, in the form of arbitration, as per the project contract. For details, please see "*Outstanding Litigation and Material Developments - Other pending material litigation by our Company*" on page 265. Such legal proceedings are extensive and time-taking and it cannot be assured that the outcome of such proceedings will be in our favour or the incremental costs sought by us would be awarded to us, in full or part, or at all. These legal proceedings could divert management time and attention, consume our financial resources in defense or prosecution of such legal proceedings or cause delays in the construction, development or commencement of operations of our projects, or strain our relation with our project clients and there can be no assurance that we will be successful in all, or any, such proceedings. If any of these risks materialize, they could adversely affect our profitability, which may in turn have an adverse effect on our overall results of operations. For further details, please see "*Outstanding Litigation and Material Developments*" on page 264.

Further, while our contracts with our clients have clauses which allow us to seek extension of time for completing our projects, we may for unforeseen reasons, not be able to obtain extensions for projects and thereby face delays or time overruns. While there have not been any instances in the past, where we were not provided extension of time for completion of projects or where penalties were levied on account of delay, however, our project clients may, as per the agreed upon contractual terms, be entitled to invoke penalty provisions and/or terminate the contract in the event of delay in completion of the work if the delay is not on account of any of *force majeure* clauses or any agreed exceptions. With respect to some of our projects, in the event of termination for any of the aforesaid reasons, we may only receive partial payments under such agreements and such payments may be less than our estimated cash flows from such projects. If any or all of these risks materialize, we may suffer significant cost overruns or time overruns or even losses in these projects due to unanticipated increase in costs as a result of which our business, profits and results of operations will be materially and adversely affected.

6. ***Our business has been relatively concentrated in the state of Karnataka, consequently, we are exposed to risks emanating from economic, regulatory and other changes in these locations which we may not be able to successfully manage may adversely affect our business, financial condition, results of operations, and prospects.***

Our project portfolio has been relatively concentrated in the state of Karnataka. We generate our entire revenue from our projects which have been set-up in and around the State of Karnataka. For the Fiscal 2022, Fiscal 2021 and Fiscal 2020, our projects in and around Karnataka contributed to ₹ 16,147.07 lakhs, ₹ 19,021.45 lakhs and ₹ 16,994.39 lakhs of our total revenue from operations, respectively.

This concentration of business subjects us to various risks, including but not limited to:

(i) regional slowdown in construction activities or reduction in infrastructure projects;
(ii) vulnerability to change in laws, policies and regulations of the political and economic environment;
(iii) perception by our potential customers that we are a regional construction company which hampers us from competing for large and complex projects at the national level; and
(iv) limitation on our ability to implement the strategy to cluster projects in the states where we intend to conduct business.

Existing and potential competitors to our businesses in these states may increase their focus on these states, which could reduce our market share. The concentration of our operations heightens our exposure to adverse developments related to competition, as well as economic, political, demographic and other changes, which may adversely affect our business prospects, financial conditions and results of operations. While we strive to geographically diversify our project portfolio and reduce our concentration risk, we cannot assure you that adverse developments associated with the region will not impact on our business. If we are unable to mitigate the concentration risk, we may not be able to develop our business as planned and our business, financial condition and results of operation could be adversely affected.

7. ***We have availed moratorium benefits and have rescheduled our borrowings in the past.***

Our Company has availed vehicle loans from John Deere Financial India Private Limited, SREI Equipment Finance Limited and Hinduja Leyland Finance Limited and had opted for moratorium benefits as part of the reliefs offered by the Reserve Bank of India and the Central Government during the COVID-19 pandemic. The details of the benefits availed have been provided below:

Banks	Type of facility	Benefit availed
John Deere Financial India Private Limited	Term Loan	Moratorium availed for the loan falling due between March 1, 2020 and August 31, 2020
SREI Infrastructure Finance Limited	Term Loan	Moratorium availed for the loan falling due between March 1, 2020 and August 31, 2020
Hinduja Leyland Finance Limited	Term Loan	Moratorium availed for the loan falling due between March 1, 2020 and August 31, 2020

For further details, please see – "*History and Certain Corporate Matters- Defaults or rescheduling/restructuring of borrowings with financial institutions/banks*" on page 154.

We cannot assure you that we will not apply for moratorium for any of our existing loans or request our lenders to reschedule of our loans. We also cannot assure you that any of our requests in this regard would be accepted by our lenders or it would not trigger any restrictive covenants or events of default as per the agreements executed with our lenders. Occurrence of any of the aforementioned events, could affect our cash flows, financial condition and business operations.

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

We derive a significant portion of our revenues from a limited number of clients. As on August 31, 2022, our Order Book was ₹ 1,19,689.00 lakhs and the total contribution to our Order Book by our top client, National Highway Authority of India, was ₹ 25,050 lakhs which amounted to 20.93% of our Order Book. In the fiscal years ended March 31, 2022, March 31, 2021 and March 31, 2020, 62.78%, 66.26% and 73.54% of our revenues from operations were derived from our top five customers, respectively, and 81.51%, 87.08% and 83.99% of our revenue from operations were derived from our top ten customers, respectively. For the Fiscals ended March 31, 2022, March 31, 2021 and March 31, 2020, ₹ 11,653.69 lakhs, ₹ 13,941.86 lakhs and ₹ 14,237.34 lakhs were derived from our top five customers, respectively and ₹ 15,130.44 lakhs, ₹ 18,320.68 lakhs and ₹ 16,260.90 lakhs were derived from our top ten customers, respectively. For further details please see – "*Our Business- Order Book*" on page 130.

Larger contracts from few customers may represent a larger part of our portfolio, increasing the potential volatility of our results and exposure to individual contract risks. We may be vulnerable to accepting onerous contractual terms with regard to change in scope of work or inclusion of additional work within the scope of an existing contract. While such instances have not occurred in the past, however such concentration of our business on a few projects or clients may have an adverse effect on our results of operations and result in a significant reduction in the award of contracts which could also adversely affect our business if we do not achieve our expected margins or suffer losses on one or more of these large contracts, from such clients.

We cannot assure you that we can maintain the historical levels of project orders from these clients or that we will be able to find new clients in case we lose any of them. Further, major events affecting our clients, such as adverse market conditions, regulatory changes, adverse cash flows, change in government or applicable governmental policies, could adversely impact our business. If any of our major clients become financially strained, we may face delays in receiving payments from our project clients, which may adversely impacting our cash flows and financial condition. For instance during the COVID-19 pandemic, our project clients made delayed payments due to the slowdown in execution of projects, which adversely impacted our cash flows. Any future events leading to delays or difficulties in execution of a project could result in delays in receiving, on a timely basis and our inability to complete or monetize such work in a timely manner, or at all, may adversely affect our business and results of operations.

Our experience in the infrastructure sector and ability to offer timely and efficient completion of work as per the agreed upon terms has enabled us to maintain our continued eligibility and becoming pre-qualified for bidding in contracts offered by our project clients. However, in the event we are unable to complete our projects within the duration prescribed under our contracts, or the quality of our work deteriorates, then our relationship will get strained and we may not get further orders from our current clients which could adversely affect our business. While all our projects are executed with Central Government, State Government and local bodies, and therefore, the risk of contracts in Order Book being cancelled or suspended generally is not high, however, our project clients, may due to unforeseen circumstances such as, failure to obtain licenses and approvals or rights over a land, public interest litigations filed by environmentalist against the proposed projects, may either terminate our contracts or may default and fail to pay amounts owed, which may adversely affect our Order Book and in turn can impact our business and financial condition. In addition, our clients may also be entitled to terminate the agreement in the event of delay in completion of the work if the delay is not on account of any of the agreed exceptions. In the event any one or more such clients should terminate their contracts for any reason or cease doing business with us in the future, or be affected by external or internal risks that impact their ability to make contracted payments to us, our business and prospects may be adversely affected. There is no assurance that we will be able to broaden our client base in any future periods.

9. There are outstanding litigations involving our Company, if determined adversely, may adversely affect our business and financial condition.

As on the date of this Draft Red Herring Prospectus, our Company is involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and/or severally from us and/or other parties, as the case may be. We cannot assure you that these legal proceedings will be decided in our favour, or that no further liability will arise out of these proceedings. We may incur significant expenses in such legal proceedings and we may have to make provisions in our financial statements, which could increase our expenses and liabilities. Any adverse decision may adversely affect our business, results of operations and financial condition.

A summary of the pending tax proceedings and other material litigations involving our Company, Directors and Promoter has been provided below:

Name of Entity	No. of Criminal Proceedings	No. of Tax Proceedings	No. of Statutory or Regulatory Proceedings	No. of Disciplinary actions by SEBI or Stock Exchanges against our Promoter	No. of Material civil litigation	Aggregate amount involved* (₹ in lakhs)
Company[#]						
By the Company	Nil	5	Nil	Nil	1	1,289.61
Against the Company	Nil	2	Nil	Nil	Nil	650.14
Directors						
By the Directors^	Nil	6	Nil	Nil	1	803.99
Against the Directors^	1	1	Nil	Nil	Nil	0.02
Promoter						
By the Promoter	Nil	6	Nil	Nil	1	803.99
Against the Promoter	1	1	Nil	Nil	Nil	0.02
Joint Venture						
By the Joint Venture	Nil	Nil	Nil	Nil	Nil	Nil
Against the Joint Venture	Nil	Nil	Nil	Nil	Nil	Nil

**To the extent quantifiable*
[#]Including cases of erstwhile partnership
^Includes cases filed by and/or against our Promoter, Chairman and Managing Director, Udayshivakumar.

For further details, please refer to the section titled "*Outstanding Litigation and Material Developments*" on page 264 of this Draft Red Herring Prospectus.

10. ***We require various statutory and regulatory permits and approvals in the ordinary course of our business, and our failure to obtain, renew or maintain them in a timely manner may adversely affect our operations.***

We require certain statutory and regulatory permits, approvals, licenses, registrations and permissions for our business and operations. While we have obtained the applicable approvals from the relevant authorities, we have also made applications for certain licenses which are essential for us to carry out our day to day operations. The details of applications made by our Company and our Joint Venture have been provided below:

S. No.	Details of License	Authority with which application has been made	Date of Application
Company			
1.	Change of name in PAN card pursuant to conversion of our Company from a private limited company to a public limited company	Income Tax Department, Government of India	September 17, 2022
2.	Change of name in GST certificate pursuant to conversion of our Company from a private limited company to a public limited company	Department of Commercial Taxes, Government of Karnataka,	September 21, 2022
3.	Consent to establish under Section 25 of Water (Prevention & Control of Pollution) Act, 1974, and Section 21 of Air (Prevention & Control of Pollution) Act, 1981 for our four ready-mix concrete plants situated at Haveri	Karnataka State Pollution Control Board	September 24, 2022
4.	Consent to establish under Section 25 of Water (Prevention & Control of Pollution) Act, 1974, and Section 21 of Air (Prevention & Control of Pollution) Act, 1981 for our four ready-mix concrete plants situated at Shivamogga	Karnataka State Pollution Control Board	September 24, 2022
5.	Consent to establish under Section 25 of Water (Prevention & Control of Pollution) Act, 1974, and Section 21 of Air (Prevention & Control of Pollution) Act, 1981 for our four ready-mix concrete plants situated at Davangere.	Karnataka State Pollution Control Board	September 24, 2022

S. No.	Details of License	Authority with which application has been made	Date of Application
6.	Consent to establish under Section 25 of Water (Prevention & Control of Pollution) Act, 1974, and Section 21 of Air (Prevention & Control of Pollution) Act, 1981 for our four ready-mix concrete plants situated at Chitradurga.	Karnataka State Pollution Control Board	September 24, 2022
	Joint Venture		
7.	Approval of mining lease with necessary clearances and permits for the stone quarries situated at Haveri	Deputy Commissioner, Haveri	September 9, 2022
8.	Approval of mining lease with necessary clearances and permits for the stone quarries situated at Shivamogga	Deputy Commissioner, Shivamogga	September 13, 2022

Our Company and our Joint Venture are yet to apply for certain approvals for carrying out its business and operations, details of such approvals have been provided below:

S. No.	Details of License	Authority to be applied for the license
	Company*	
1.	Explosive license	Directorate General of Mines Safety
2.	Permission for conducting mining operations	Department of Mines & Geology, Karnataka
3.	Permission for installation or trial operation of equipment	Department of Mines & Geology, Karnataka
4.	Ground water clearance	Karnataka Pollution Control Board
5.	Approval for diesel storage	Directorate General of Mines Safety
	Joint Venture#	
1.	Permanent Account Number	Income Tax Department, Government of India
2.	License under the Goods and Service Tax Act, 2017	Government of Karnataka
3.	Civil/ electrical contractor license	Karnataka, Public Works Department

**Our Company has recently been awarded a project for conducting mining operations by the Government of Karnataka, for which we would be required to apply for certain licenses and approvals. The list of licenses is indicative in nature and we may be required to apply for additional licenses for conducting this project. Since the project is at a very initial stage and is yet to commence, we have not applied for the aforementioned approvals.*

#Our Joint Venture, Udayshivakumar-Kotarki Joint Venture, has been formed to undertake a project awarded to us by NHAI. Our Joint Venture is yet to commence business operations and therefore has not applied for these approvals.

There can be no assurance that the relevant authorities will issue such permits or approvals in the timeframe anticipated by us or at all. For details of the key laws and regulations applicable to us, see "*Key Regulations and Policies*" and "*Government and other Approvals*" on pages 146 and 268.

We may need to apply for further approvals in the future including renewal of approvals that may expire from time to time. There can be no assurance that the relevant authorities will issue such permits or approvals in the timeframe anticipated by us or at all. In addition, during the course of our business we also receive notices from various statutory authorities primarily related to the labour employed by us for our projects. While, our Company has not been issued notices from statutory and other regulatory authorities for non-compliance under labour laws, however we cannot assure you that we will not receive any such notices or that we will be effectively able to respond to such notices.

Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations. Further, we cannot assure that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may impede our operations.

There can be no assurance that we will not become involved in future litigation or other proceedings or be held responsible in any such future litigation or proceedings relating to safety, health and environmental matters in the future, could divert management time and attention, and consume financial resources in defense or prosecution of such legal proceedings or cause delays in the construction, development or commencement of operations of our projects. No assurance can be given that we will be successful in all, or any, of such proceedings. Further, clean-up and remediation costs, as well as damages, other liabilities and related litigation, could adversely affect our business, financial condition and results of operations.

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

Actual or claimed defects in construction quality during the construction of our projects, could give rise to claims, liabilities, costs and expenses. Further, we may not be able to recover such increased costs from our project clients in part, or at all, for any defects observed in the projects or damage caused to the project on account of the fault of our workers. We may further face slight delays in the estimated project completion schedule in respect of such projects on account of additional works required to be undertaken towards rectifying such construction faults, and we may have to appoint additional workforce and resources in order to complete the project within the pre-determined time period, which may result in increased expenditure for our Company, which we may not be able to pass on to our project clients. While any of the aforementioned events which could materially impact our projects or business operations, have not occurred in the past, however we cannot assure you that any claims in respect of the quality of our construction will not arise in the future and would not affect our business or financial condition. In the event any material events which bring the quality of our services could impact our eligibility to bid for civil construction, irrigation, mining and other projects may be affected, or in the event any defects in our construction trigger the extreme circumstances leading to termination or affect public interest, could lead to termination of our contracts blacklisting of our registration as a civil constructor and therefore could adversely affect our business operations and result of operations.

We seek protection through our practice of covering risks through contractual limitations of liability, indemnities and insurance. However, there can be no assurance that any cost escalation or additional liabilities in connection with the development of such projects would be fully offset by amounts due to us pursuant to the guarantees and indemnities, if any, provided by our contractors or insurance policies that we maintain. While there have not been any material events which have led us to claim coverage from our insurance policies, however, any liability in excess of our insurance payments, reserves or backup guarantee could result in additional costs, which would reduce our profits. Further, such construction faults may result in loss of goodwill and reputation, and may furthermore have a material and adverse impact on our eligibility in respect of future bids made by us towards projects, thereby affecting our future operations and revenues.

In addition, if there is a client dispute regarding our performance, the client may delay or withhold payment to us. If we were ultimately unable to collect these payments, our profits would be reduced. While there have not been any such instances in the past, however, these claims, liabilities, costs and expenses, if not fully covered, thus could have an adverse effect on our business, financial condition, results of operations, and prospects.

12. Our Company has set up ready-mix concrete manufacturing units in Belgaum, Haveri, Shivamogga, Davangere and Chitradurga between 2018 and 2022 therefore, these manufacturing units have a limited operating history, which might make it difficult for the investors to evaluate our historical performance or future prospects. Further, we have recently ventured into the business verticals of mining and toll collection and therefore we have limited experience in these business verticals.

Our Company is engaged in the business of providing civil construction services for projects such as, road, irrigation, civil, smart cities, flyovers, bridges, railway over bridges, *etc*. undertaken or awarded by governmental authorities and other entities funded by the GoI or state governments. In order to facilitate the same, we have set up five manufacturing units for producing ready-mix concrete, which is used in our projects and is also sold to third parties. We have a limited operating history of running our manufacturing units and we may not have sufficient experience to address the risks related to the said manufacturing units. Due to limited operational history in these manufacturing units, we cannot assure the commercial success from these manufacturing units. We may face difficulty in understanding the demand and supply patterns, updates in the marketing segments for ready-mix concrete which may pose a risk in the smooth operation, and working of our manufacturing units. In the event that we fail to understand the market operations and the risks related to the same, our business, financial performance and cash flows may be affected.

Furthermore, we have recently been awarded a project by the Government of Karnataka for mining and extraction of iron ore from the land taken on lease by Government of Karnataka. Further, in the year 2022, we had entered into an arrangement with NHAI wherein we were engaged as a fee collection agent for the

Halligudi toll fee plaza. While, the mining project is yet to initiate, we have limited experience in these business verticals and therefore we cannot assure that we will be successfully be able to execute the work accorded to us in the projects. In the event that we fail to understand the nuances involved in undertaking these projects, our business, financial performance and cash flows may be affected.

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

As part of our business and as is customary, we are required to provide financial and performance bank guarantees in favour of our project clients under the respective contracts for our projects. For our projects, we typically issue bank guarantees to the relevant authority with whom the contractual arrangement has been entered into. These guarantees are typically required to be furnished within a few days of the signing of a contract and remain valid up to around sixty days after the defect liability period prescribed in that contract. We may not be able to continue obtaining new financial and performance bank guarantees in sufficient quantities to match our business requirements. If we are unable to provide sufficient collateral to secure the financial bank guarantees, performance bank guarantees or letters of credit, our ability to enter into new contracts or obtain adequate supplies could be limited and could have a material adverse effect on our business, results of operations and financial condition.

Further, the process of obtaining letters of credit, financial and performance bank guarantees, tends to increase our working capital requirements. As of March 31, 2022, March 31, 2021, and March 31, 2020, we had issued bank guarantees (including letter of credit) amounting to ₹ 3,848.85 lakhs, ₹ 3,560.00 lakhs, and ₹ Nil, respectively, towards securing our financial / performance obligations under our ongoing projects. We may be unable to fulfil any or all of our obligations under the contracts entered into by us in relation to our ongoing projects due to unforeseen circumstances which may result in a default under our contracts resulting in invocation of the bank guarantees issued by us. If any or all the bank guarantees are invoked, it may result in a material adverse effect on our business and financial condition.

14. ***Our business is capital intensive. If we experience insufficient cash flows to meet required payments on our debt and working capital requirements, there may be an adverse effect on the results of our operations.***

Our business requires a significant amount of working capital which is based on certain assumptions, and accordingly, any change of such assumptions would result in changes to our working capital requirements. A significant amount of working capital is required to finance the purchase or manufacturing of materials, mobilization of resources and other work on projects before payment is received from clients. Further, since the contracts we bid typically involve a lengthy and complex bidding and selection process which is affected by a number of factors, it is generally difficult to predict whether or when a particular contract we have bid for will be awarded to us and the time period within which we will be required to mobilize our resources for the execution of such contract. As a result, we may need to incur additional indebtedness in the future to satisfy our working capital requirements. Our working capital requirements may increase if we undertake larger or additional projects or if payment terms do not include advance payments or such contracts have payment schedules that shift payments toward the end of a project or otherwise increase our working capital burden.

Furthermore, the objects of the Issue include funding working capital requirements of our Company, which is based on management estimates and certain assumptions. For more information in relation to such management estimates and assumptions, please see "*Objects of the Issue*" on page 87. Our working capital requirements may be subject to change due to factors beyond our control including force majeure conditions, an increase in defaults by our customers, non-availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

Our capital expenditure requirements and growth strategy thus require continued access to significant amounts of capital on acceptable terms. We cannot assure you that market conditions and other factors will permit future project and acquisition financings, debt or equity, on terms acceptable to us or at all. Our ability to arrange financing and the costs of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from financial institutions, the amount and terms of our existing indebtedness, investor confidence, the continued success of current projects and laws that are conducive to our raising capital in this manner. Our attempts to consummate future financings may not be successful or be on terms favourable to us or at all. In addition, our ability to raise funds, either through equity or debt, is limited by certain restrictions imposed under Indian law. Further, if the demand for, or supply of, infrastructure financing at attractive rates or terms were to diminish or cease to exist, our business, prospects, financial condition and results of operation could be adversely affected.

15. ***Any inability to maintain our equipment assets or manage our employees or inadequate workloads may cause underutilization of our workforce and equipment bank, and such underutilization could reduce our ability to sweat our assets which may have an impact on our profitability.***

We are dependent on our large workforce for the operation of our projects and maintain a workforce and utilize our equipment based upon our current and anticipated workloads. As on August 31, 2022, we had 49 full-time employees and 99 on-site workers, such as drivers, JCB operators, cleaners and other operations and maintenance staff, *etc*.. For further details, see "*Our Business – Equipment*" on page 139.

While, in the past we have not faced any concerns in relation to availability of work force, however during the months of April and May 2020, we faced shortage of labour staff owing to the COVID 19 pandemic and consequently our project clients awarded us extension of time to complete our projects. Accordingly, our business activities were affected to the extent of non-availability of adequate workforce and resultant delays in undertaking construction activities. We cannot assure you that we may not face shortage of labour in the future. We estimate our future workload largely based on whether and when we will receive certain new contract awards. While our estimates are based upon our best judgment, these estimates can be unreliable and may frequently change based on newly available information. In a project where timing is uncertain, it is particularly difficult to predict whether or when we will receive a contract award. The uncertainty of contract awards and timing can present difficulties in matching our workforce size and equipment bank with our contract needs. In planning our growth, we have been adding to our workforce and equipment bank as we anticipate inflow of additional orders. We may further incur substantial equipment loans if we purchase additional equipment in anticipation of receiving new orders. If we do not receive future contract awards or if these awards are delayed or reduced, we may incur significant costs from maintaining the under-utilized workforce and equipment bank. While we have not faced such instances in the past, occurrence of such instances may cause deficit in working capital to pay our loan instalments on time or at all, which may result in reduced profitability for us or cause us to default under our loans.

As of August 31, 2022, our equipment base comprised over 190 construction equipment and vehicles. As of March 31, 2022, March 31, 2021 and March 31, 2020, the expense incurred for the maintenance of our equipment and vehicles constituted 1.59%, 0.61% and 0.41%, of our total expenses for the said periods. Further, during the Financial Years ended, March 31, 2022, March 31, 2021and March 31, 2020, our Company incurred expenses amounting to ₹ 271.15 lakhs, ₹ 120.01 lakhs and ₹ 74.38 lakhs, towards maintenance of our equipment and vehicles. The maintenance and management of such equipment is critical for timely completion and delivery of our projects. Our equipment and vehicle suppliers and manufacturers assist us in timely maintenance of our equipment and vehicle base and also carry out repairs on our equipment and vehicles, however we cannot assure you that we would be able to timely contact our equipment suppliers and manufacturers to maintain our equipment and vehicles, on an urgent basis. Our operations could be disrupted if we do not successfully manage relationships with our equipment and vehicle suppliers and manufacturers, if they do not perform or are unable to perform agreed-upon services, or if they are unwilling to make their services available to us at reasonable prices. We have not entered into long term contracts for maintenance of our equipment and vehicles, and such services are normally based on the quotes we receive from our equipment and vehicle suppliers and manufacturers. Since we have no formal arrangements for maintenance of our equipment and vehicles, the equipment and vehicle suppliers and manufacturers not contractually obligated to provide their services to us and may choose to provide the same to our competitors. If our equipment and vehicle suppliers and manufacturers and vendors, do not perform their service obligations, it could adversely affect our reputation, business, financial condition and results of operations. Further, an inability to maintain and adequately manage our equipment and vehicles, which have a limited period of useful life, could have an adverse impact on our business and financial condition. In addition, we may also be unable to hire or retain qualified engineers and workmen in line with the demand in our projects as well as our growth, which may have an impact on our reputation and results of operations. There can also be no assurance that we will not experience disruptions to our operations due to disputes or other problems with our work force such as work stoppages or increased wage demands, which may adversely affect our business.

16. ***We operate in a competitive industry and our failure to successfully compete may adversely affect our business, financial condition and results of operations, and prospects.***

The infrastructure sector, including for BOQ and EPC contracts, is competitive and highly fragmented. We compete against various domestic engineering, construction and infrastructure companies for infrastructure projects. Some of our competitors may have larger financial resources or access to lower cost funds, or may have stronger engineering or technical capabilities in executing complex projects, or projects with certain specifications or in certain geographies. They may also benefit from greater economies of scale and operating efficiencies. Further, the premium placed on having experience may cause some of the new entrants to accept lower margins in order to be awarded a contract. The nature of the bidding process may cause us and our competitors to accept lower margins in order to be awarded the contract. In certain instances, certain competitors may choose to under-bid, which may adversely impact our market share, margins, revenues and financial condition. Whilst we have sufficient track record and experience in undertaking BOQ and EPC projects and the aforementioned events have not occurred in the past, however, if we are unable to bid for and win projects, whether large or small, or compete effectively with competitors, we may be unable to sustain or increase our volume of order intake.

Given the fragmented nature of the Indian infrastructure industry, we may not have adequate information about the projects our competitors are constructing. As we seek to diversify our regional focus, we may face competition from existing competitors as well as local infrastructure companies, who may have better market understanding and reputation in such geographies. These competitive factors may result in reduced revenues, reduced margins and loss of market share. Failure to compete successfully against current or future competitors could harm our business, operating cash flows and financial condition.

17. ***The failure of a joint venture partner to perform its obligations could impose additional financial and performance obligations resulting in reduced profits or, in some cases, significant losses from the joint venture and may have an adverse effect on our business, results of operations and financial condition. In addition to the above, we may undertake joint ventures in the future, which may be difficult to integrate and manage. Further, our joint venture partners may not perform their obligations satisfactorily and their interests may differ from ours, which could have a material adverse effect on our business and results of operations***.

We have recently formed a joint venture under the name of Udayshivakumar-Kotarki Joint Venture, by entering into an unincorporated joint venture arrangement between our Company and Kotarki Constructions Private Limited, pursuant to the joint bidding agreement for joint venture dated April 22, 2022. The success of our joint venture depends significantly on the satisfactory performance by our joint venture partner and fulfilment of its obligations. If our joint venture partner fails to perform these obligations satisfactorily, the joint venture may be unable to perform adequately or deliver its contracted services. In such cases we may be required to make additional investments and/ or provide additional services to ensure the adequate performance and delivery of the contracted services as we are subject to joint and several liabilities as a member of the joint venture. Such additional obligations could result in reduced profits or, in some cases, significant losses for us. The inability of a joint venture partner to continue with a project due to financial or legal difficulties could mean that we would bear increased and possibly sole responsibility for the completion of the project and bear a correspondingly greater share of the financial risk of the project. Further any disputes that may arise between us and our strategic partners may cause delays in completion or the suspension or abandonment of the project. In the event that a claim, arbitration award or judgement is awarded against the consortium, we may be responsible for the entire claim. While there have be no instances in the past, we cannot assure that our relationship with our joint venture partner in the future will be amicable or that we will have any control over their actions The realization of any of these risks and other factors may have an adverse effect on our business, results of operations and financial condition.

Further, we believe that our efforts at diversifying into new services and into new domestic markets can be facilitated by entering into joint venture agreements or strategic alliances with partners whose operations, resources, capabilities and strategies are complementary to our Company. There can be no assurance that the integration of such joint ventures in the future, whether strategic or financial will be successful or that the expected strategic benefits of any such action will be realised. There can be no assurance that we will be able to identify suitable joint venture partners on commercially reasonable terms or be able to raise sufficient funds to finance such strategies for growth. If we are unable to successfully manage relationships with our joint venture partners, our growth and profitability may suffer. Our reliance on joint venture partners may increase in sectors where we have limited experience. Any of these factors could adversely affect our business, financial condition, results of operations, cash flows and business prospects. Additionally, there can be no assurance that we will be able to consummate our joint ventures in the future on terms acceptable to us, or at all. Further there is no assurance that services through joint ventures and alliances will generate the expected levels of interest amongst our customers or that our new ventures will generate return on investment at expected levels or at all.

18. We are yet to obtain consents/ no objection certificate from State Bank of India for the Issue.

Our Company has entered into agreements for fund based and non-fund-based borrowings with certain lenders. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations which *inter-alia* include change in capital structure (including this present proposed Issue), formulation of any scheme of amalgamation or reconstruction, declaring dividends, further expansion of business, which shall require our Company to obtain prior approval. In accordance with the terms of the loan agreements, our Company had applied to State Bank of India for obtaining its consent for undertaking this Issue, however, as of date of this Draft Red Herring Prospectus, our Company is yet to receive consent from the said lender. We have *vide* letter dated September 12, 2022 and follow-on letters dated September 24, 2022, requested State Bank of India to provide us with its consent to undertake the Issue, however, as of date of this Draft Red Herring Prospectus, we have not received any response from the said lender. Undertaking the Issue without obtaining consent from State Bank of India may constitute a breach of covenant under the relevant financing documents, which could entitle the said lender to consider this Issue as an event of default under the loan agreements, thereby entitling them to take adverse actions against our Company as per their respective agreements. The occurrence of any of the events mentioned above can adversely affect our business, results of operations and financial condition.

19. We may not be able to collect trade receivables arise due to the change in service tax rate after the implementation of GST, due from our clients, in a timely manner, or at all, which may adversely affect our business, financial condition, results of operations and prospects.

There may be delays in the collection of trade receivables from our clients or entities owned, controlled or funded by our clients or their related parties. As on March 31, 2022, ₹ 4,595.13 lakhs, or 58.94% of our total trade receivables, had been outstanding from the customers for reimbursement of GST. In the pre-GST regime, our Company was levying VAT of 4% on the amount of services provided and was successfully able to recover the same from the customers. Post introduction of GST, the tax rate was changed to 12% w.e.f. July 01, 2017. There were many ongoing projects which were started before the GST regime and completed the same projects after the introduction of GST regime which were liable to charge a tax rate of 12%. Our Company has submitted the bills adding GST of 12% for the payment to the government departments. However, the government departments cleared the bills only on the basis of contract amount and did not pay the GST amount of 12% charged in the bills. The matter is taken up by the Association of contractors before the honorable High Court of Karnataka for claiming the GST reimbursement. Our failure to collect such receivables due from our clients, in a timely manner, or at all, may adversely affect our business, financial condition, results of operations and prospects. For details, please refer chapter *"Restated Financial Statements"* on page 181 of the DRHP.

Additionally, we may, at times, be required to claim additional payments from our clients for additional work and costs incurred in excess of the contract price or amounts not included in the contract price. These claims may typically arise from changes in the initial scope of work or from delays caused by our clients. The costs associated with these changes or client caused delays may include direct costs such as labour and material costs associated with the performance of additional work, as well as indirect costs that may arise due to delays in the completion of the project, such as high fixed costs for maintaining idle labour and machinery while such projects are delayed or stalled.

We may not always have the escalation clauses in our project contracts in respect of the additional work to support our claims. Where we have escalation clauses in our project contracts, we may seek to enforce our contractual rights. However, our clients may interpret such clauses restrictively and dispute our claims. These claims are thus often subject to lengthy arbitration, litigation or other dispute resolution proceedings. We cannot assure you that we can recover adequately our claims. Our debtors may not make timely payments towards the amount payable to us, in the event we win the cases filed against them. In addition, we may incur substantial costs in collecting against our debtors and such costs may not be recovered in full or at all from the debtors. As we often need to fulfil significant working capital requirements in our operations, delayed collection of receivables or inadequate recovery on our claims could materially and adversely affect our business, cash flows, financial condition and results of operations.

20. ***Increases in the prices of construction materials, fuel, labour and equipment could have an adverse effect on our business, results of operations and financial condition.***

The cost of construction materials, fuel, labour and equipment maintenance constitutes a significant part of our operating expenses. In the fiscal years ended March 31, 2022, March 31, 2021 and March 31, 2020, construction expenses, which include *inter alia* construction materials, fuel, labour and equipment maintenance constituted 90.13%, 92.01% and 93.80% of our total expenses. Further, for the Fiscals ended March 31, 2022, March 31, 2021 and March 31, 2020, ₹ 15,356.05 lakhs, ₹ 18,174.80 lakhs and ₹ 16,904.90 lakhs were incurred towards construction materials, fuel, labour and equipment maintenance, respectively.

We are vulnerable to the risk of rising and fluctuating raw material prices, which are determined by demand and supply conditions in the global and Indian markets as well as government policies. Any unexpected price fluctuations after placement of orders, shortage, delay in delivery, quality defects, or any factors beyond our control may result in an interruption in the supply of such materials and adversely affect our business, financial performance and cash flows.

While, our contracts to provide BOQ and EPC services always include escalation clauses covering any increased costs we may incur, we may suffer cost overruns or even losses in these projects due to unanticipated cost increases which may not be covered in the escalation clauses of these contracts. Despite the escalation clauses in some of our construction contracts, our government clients may interpret the applicability of the escalation clauses in their favour and we may experience difficulties in enforcing such clauses to recover the costs we incurred in relation to the work performed as per the underlying contract. As a result, our ability to pass on increased costs may be limited and we may have to absorb such increases which may adversely affect our business, financial condition and results of operations. We may also suffer significant cost overruns or even losses in these projects due to unanticipated cost increases resulted from *force majeure* events or unforeseen circumstances which are not covered under the escalation clauses, and consequently we may experience difficulties in enforcing such clauses to recover the incremental costs we incurred in relation to our projects. If any of these risks materialize, they could adversely affect our profitability, which may in turn have an adverse effect on our overall results of operation.

In addition, India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Also any upward revision of the prescribed minimum wage or other benefits required to be paid to our workers (including in the event of injuries or death sustained in course of employment, dismissal or retrenchment) will result in the increase in cost of labour which we may be unable to pass on to our customers due to market conditions and also the pre agreed conditions of contract. This would result in us being required to absorb the additional cost, which may have a material adverse impact on our profitability. Further we also depend on third party contractors for the provision of various services associated with our business. Such third party contractors and their employees/workmen may also be subject to these labour legislations.

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

As we continue to grow, we must continue to improve our managerial, technical and operational knowledge and allocation of resources, and implement an effective management information system. In order to fund our ongoing operations and future growth, we need to have sufficient internal sources of liquidity or access to additional financing from external sources, including debt or equity. For further details on our strategies, see "*Our Business – Strategies*" on page 128. Further, we will be required to manage relationships with a greater number of clients, suppliers, contractors, service providers, lenders and other third parties. We will need to further strengthen our internal control and compliance functions to ensure that we will be able to comply with our legal and contractual obligations and minimize our operational and compliance risks. There can be no assurance that we will not suffer from capital constraints, operational difficulties or difficulties in expanding existing business and operations and training an increasing number of personnel to manage and operate the expanded business. There can be no assurance that we will be able to successfully manage our growth, strategies or that our expansion plans will not adversely affect our existing operations and thereby have an adverse effect on our business, financial condition, results of operations and prospects.

Further, we could also encounter difficulties and delays in executing our growth strategies due to a number of factors, including, unavailability of human and capital resources, inability to develop adequate systems, infrastructure and technologies, delayed payments or non-payments by clients, failure to implement bidding strategy, failure to correctly identify market trends, increase in cost of raw material, fuel, labour *etc*., failure to form and maintain alliance with joint venture partners, failure on the part of our joint venture partners to perform their contractual obligations or any other risk that we may or may not have foreseen and such difficulties may result in delay in the execution of our projects. There can be no assurance that we will be able to execute our growth strategy on time and within the estimated costs, or that we will meet the expectations of our clients.

22. ***Our ability to negotiate the standard form of Government contracts for our projects may be limited and certain unusual or onerous provisions may be imposed on us, which may restrict our flexibility in undertaking our business and thereby affect the efficient execution and profitability of our projects.***

All of our projects are awarded to us by Government authorities such as NHAI, MoRTH, State Highway Development Corporations Limited, Karnataka Road Development Corporation Limited, Karnataka Industrial Area Development Board, Davanagere Harihara Urban Development Authority, etc.. As a result, our ability to negotiate the terms of contracts with our clients, particularly governmental agencies, is limited and certain unusual or onerous provisions may be imposed on us. The contractual terms of such contracts may present risks to our business, including: 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 and engineering prior to submitting a bid; liability for defects arising in case of termination of the agreement; clients' 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 our clients; commitment of the government to secure encumbrance free land, utility shifting and delay of the government in obtaining approvals; and the right of the government client to terminate our contracts for convenience at any time after providing us with the required written notice within the specified notice period.

Our ability to continue operating our concessions or undertake projects thus largely depends on our government clients, who may terminate the relevant concession or construction agreements for reasons set forth in these agreements. If the government client terminates any of our project contracts, under the relevant agreement it is generally required to compensate us for the amount of our unrecovered investment, unless the agreement is terminated pursuant to applicable law or our breach of the terms of the agreement is material. Such compensation process is likely to be time consuming and the amount paid to us may not fully compensate us. We cannot assure you that we would receive such compensation on a timely basis or in an amount equivalent to the value of our investment plus our lost profits.

Further, under our BOQ and EPC contracts, the contract price and scheduled completion date of the project may not be adjusted for any unforeseen difficulties or costs and we are responsible for having foreseen difficulties that may arise in completing the project. Additionally, a failure to repair or rectify defects during the performance guarantee period as stated in the contract, our project clients may revoke our bank guarantee, which may affect our reputation and goodwill and also result in us incurring additional expenditure on account of such revocation. Further, most BOQ and EPC contracts allow the project clients the right to change the scope of work and associated details unilaterally. These onerous conditions in Government contracts may affect the efficient execution of our projects and may have adverse effects on our profitability. Moreover, the form of the concession agreement has only evolved recently and there is limited guidance available on the interpretation of a number of terms and conditions of such concession agreements. In the event that the interpretation of such concession agreements is unfavourable to us, our business and prospects may be adversely affected.

For details of the general terms and conditions of our concession agreements, see "*Business*" on page 126.

23. ***Obsolescence, destruction, theft, breakdowns of our major plants or equipment or failures to repair or maintain the same may adversely affect our business, cash flows, financial condition and results of operations.***

To maintain our capability to undertake large-scale projects, we seek to purchase plants and equipment built with the latest technologies and knowhow and keep them readily available for our construction activities through careful and comprehensive repairs and maintenance. However, while there have been no instances in the past of obsolescence of our plants or equipment, destruction, theft or major equipment breakdowns or failures to repair our major plants or equipment, we cannot assure you that we will be immune from the associated operational risks such as the obsolescence of our plants or equipment, destruction, theft or major equipment breakdowns or failures to repair our major plants or equipment, which may result in their unavailability, project delays, cost overruns and even defaults under our construction contracts. The latest technologies used in newer models of construction equipment may improve productivity significantly and render our older equipment obsolete.

Obsolescence, destruction, theft or breakdowns of our major plants or equipment may significantly increase our equipment purchase cost and the depreciation of our plants and equipment, as well as change the way our management estimates the useful life of our plants and equipment. In such cases, we may not be able to acquire new plants or equipment or repair the damaged plants or equipment in time or at all, particularly where our plants or equipment are not readily available from the market or requires services from original equipment manufacturers. Some of our major equipment or parts may be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability of bulk discounts. While, our equipment and vehicle suppliers and manufacturers assist us in timely maintenance of our equipment and vehicle base and also carry out repairs on our equipment and vehicles, however we cannot assure you that we would be able to timely contact our equipment suppliers and manufacturers to maintain our equipment and vehicles, on an urgent basis. Further, we have also availed insurance policies to protect our Company against the risk of destruction, theft, breakdowns, repair or maintenance failures. The insurance cover on the assets of our Company amounts to ₹ 2,070.76 lakhs as of March 31, 2022, covering 12.79% and 81.01% of the total assets of our Company i.e. ₹ 16,193.63 lakhs (excluding intangible assets and deferred tax assets) and property, plant and equipments of our Company *i.e.*, ₹ 2,556.16 lakhs, respectively, as of March 31, 2022. However our insurance coverage may not be adequate to cover all the risks to which our equipment and vehicles are exposed to, and may have an adverse effect our business, cash flows, financial condition and results of operations.

24. ***Our operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees and contract labour.***

We are dependent on our work force for the operation of our ongoing projects. For details regarding our ongoing projects, see "*Our Business – Order Book*" on page 130. As on August 31, 2022, we had 49 full-time employees and 99 on-site workers, such as drivers, JCB operators, cleaners and other operations and maintenance staff, *etc*.

We engage third-party sub-contractors to perform parts of our contract or provide services or manpower. The cost of engaging sub-contractors constitutes a significant part of our operating expenses. In the fiscal years ended March 31, 2022, March 31, 2021 and March 31, 2020, we had incurred ₹ 11,825.18 lakhs, ₹ 14,562.95 lakhs and ₹ 14,094.05 lakhs towards sub-contracting. While there have been no instances in the past of delay in performance of duties by our sub-contractors, we cannot ensure that there will be no future delays in performance of duties by our sub-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 provide quality services, equipment and supplies for execution and completion of our projects. Further, while we may sub-contract our construction work and may be indemnified by the sub-contractor for any penalties or liquidated damages suffered by our Company due to their default, we may still be liable to pay damages or penalties for any defects in design and shortcoming in quality of construction of our projects during their construction and operation. In addition, we can make no assurance that such 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. While the aforementioned events have not occurred in the past, we cannot assure you that such events will not occur in the future and would not affect our business operations, results of operations and financial condition.

If our sub-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. Further, any disputes between our sub-contractors and their employees, or our sub-contractors' failure to satisfy regulatory obligations towards their workers, where we are registered as the principal employer, may also result in disruptions in our operations, or in increased compliance costs for us. While such events have not occurred in the past, any future occurrence of such events may adversely affect our ability to complete a project in a timely manner. Further, if a sub-contractor becomes insolvent, we may be unable to recover damages or compensation for defective work and we may incur additional expenditure as a result of correcting any defective work. While, none of our sub-contractors are insolvent or have been declared insolvent in the past, occurrence of any such events in the future may have an adverse effect on our reputation, cash flows, business, financial condition, results of operations, and prospects.

25. ***In the past, there have been instances of non-filings of certain forms which were required to be filed as per the reporting requirements under the Companies Act, 2013 to RoC.***

In the past, there have been instances of non-filings of statutory forms with RoC as per the reporting requirements laid down under the Companies Act, 2013. Our Company has availed vehicle loans from HDFC Bank Limited, Axis Bank Limited, Canara Bank, Daimler Financial Services India Private Limited, Hinduja Leyland Finance Limited, HDB Financial Services, John Deere India Private Limited, SREI Infrastructure Finance Limited and State Bank of India Limited . Our Company has registered vehicle loans availed from HDFC Bank Limited and Daimler Financial Services India Private Limited amounting to ₹ 594.81 lakhs and has filed relevant forms with the RoC. However, certain loans availed from Axis Bank Limited, Canara Bank, Daimler Financial Services India Private Limited, Hinduja Leyland Finance Limited, HDB Financial Services, John Deere India Private Limited, SREI Infrastructure Finance Limited and State Bank of India Limited are still in the name of the erstwhile sole proprietorship and partnership firm and while these loans are appearing in the books of accounts of our Company, we have not been able to file the relevant forms for registering these loans with the RoC. The details of these loans have been provided below:

(₹ in lakhs)

S. No.	Name of the lender	Amount sanctioned	Amount outstanding as at March 31, 2022
1.	Axis Bank Limited	16.30	5.08
2.	Canara Bank	30.00	13.59
3.	Daimler Financial Services India Private Limited	1,354.54	421.80
4.	Hinduja Leyland Finance Limited	524.58	200.79
5.	HDB Financial Services Limited	39.51	10.59
6.	John Deere India Private Limited	335.20	186.56
7.	SREI Infrastructure Finance Limited	456.96	79.40
8.	State Bank of India	21.65	11.31
	Total	**2,778.74**	**929.12**

Further, our Company has not filed Form MSME -1 and Form CHG-1 for registering the personal properties mortgaged by our Promoter to secure the cash credit and bank guarantee facilities sanctioned by the State Bank of India *vide* its letter of arrangement dated June 1, 2021. For details, please see, "*Financial Indebtedness*" on page 260.

No show cause notice in respect to the above has been received by our Company till date and no penalty or fine has been imposed by any regulatory authority in respect to the same. It cannot be assured, that there will not be such instances in the future or our Company will not commit any further delays or defaults in relation to its reporting requirements, or any penalty or fine will not be imposed by any regulatory authority in respect to the same. The happening of such event may cause a material effect on our results of operations and financial position.

26. ***We do not own certain premises used by our Company. Disruption of our rights as licensee/ lessee or termination of the agreements with our licensors/ lessors would adversely impact our manufacturing operations and, consequently, our business.***

As on the date of this Draft Red Herring Prospectus, our Company has taken on lease certain properties from related parties or third parties, the details of which have been provided below:

S. No.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
1.	Lease Deed dated May 5, 2022 between sole proprietor of M/s Sh. Vishwanath C. Vijapur, Vijapur Automobiles ("**Lessor**") and our	Four Shops and open space of the plot no 1115, 1114 CTS No: 6978 in RS No. 619 situated at KIADB, Kanbargi Industrial Area, Kanbargi Belagavi, Taluka and District, Belagavi	For the 1st, 2nd and 3rd years: ₹ 8.98 lakhs per year For the 4th,5th and 6th year: ₹ 10.33 lakhs per year	For a period of ten years from April 10, 2022 until April 9, 2032	RMC manufacturing unit

S. No.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
	Company ("**Lessee**")		For 7th, 8th and 9th year: ₹ 11.88 lakhs per year For the 10th year: ₹ 13.66 lakhs per year		
2.	Lease Deed dated October 25, 2021 between Rudrappa dated ("**Lessor**") and our Company ("**Lessee**")	Survey No. 269/5, Devagiri Village, Haveri – 581 110, Karnataka, India.	₹ 2.25 lakhs/- per year, with an increment of 5% every year, post 3 years.	For a period of 10 years commencing from October 25, 2021	RMC manufacturing unit
3.	Lease Deed dated July 6, 2019 between A Rangaswamy dated ("**Lessor**") and our Company ("**Lessee**")	Survey No. 201 & 198, Village Siruyur, Bhadravati, Shimoga - 577 201, Karnataka, India	For 1 to 3 years : ₹ 0.30 lakhs- per month and ₹ 3.60 lakhs/- per year For 3-6 years: ₹ 0.37 lakhs/- per month and ₹ 4.50 lakhs/- per year	For a period of 10 years commencing from July 6, 2019	RMC manufacturing unit
4.	Lease Deed dated March 15, 2018 between Siraj Ahmed dated ("**Lessor**") and our Company ("**Lessee**")	Near H K Poha Industries, Harapanahalli Road, Mustafa Nagar, Davangere – 577 001, Karnataka, India	₹ 3.50 lakhs/- per year, with an increase of 10% every year	For a period of 10 years commencing from March 15, 2018	RMC manufacturing unit
5.	Lease Deed dated April 1, 2021 between R. Prabhakar dated ("**Lessor**") and our Company ("**Lessee**")	Survey no. 79/1, Janakonda Village, Kasaba Hobali, Chitradurga- 577 501, Karnataka, India Two Ashok Leyland UE2820EX4, RMC, 3900, transit mixtures.	RMC Plant: ₹ 2.50 lakhs per month Transit mixtures: ₹ 1.25 lakhs, per month for each vehicle.	For a period of 5 years commencing from April 1, 2021	RMC manufacturing unit
6.	Office Rental Agreement dated January 14, 2022 between C Krishnappa ("**Landlord**") and our Company ("**Tenant**")	Serial No. 178, Machohalli Gate, Near Pooja Hospital, Magadi Main Road, Bengaluru – 560 091, Karnataka, India.	₹ 0.10 lakhs per month along with an interest free security deposit of ₹ 1 lakh.	For a period of 11 months commencing from January 14, 2022	Liaison office
7.	Office Rental Agreement dated January 20, 2022 between Ramesh Kumar ("**Landlord**") and our Company ("**Tenant**")	GF-1, No. 26/1, Yamuna Bai Road, Madhavanagar, Bengaluru - 560 001, Karnataka, India.	₹ 0.63 lakhs per month along with an interest free security deposit of ₹ 6 lakhs.	For a period of 11 months commencing from January 20, 2022	Liaison office

For details, please refer to the chapter titled "*Our Business- Land and Property*" on page 144 of this Draft Red Herring Prospectus.

There can also be no assurance that our Company will be able to renew the lease agreements or deeds entered into with third parties in a timely manner or at all. Further, there can be no assurance that we will not face any disruption of our rights as a lessee/ licensee and that such leave and license and lease agreements will not be terminated prematurely by the licensor/lessor. Any such non-renewal or early termination or any disruption of our rights as lessee / licensee will adversely affect our business operations.

27. ***Compliance with, and changes in, environmental, health and safety laws and regulations or stringent enforcement of existing environmental, health and safety laws and regulations may result in increased liabilities and increased capital expenditures may adversely affect our cash flows, business results of operations and financial condition.***

Our project operations are subject to environmental, health and safety and other regulatory and/ or statutory requirements in the jurisdictions in which we operate. Construction activities in India are subject to various health and safety laws and regulations as well as laws and regulations governing their relationship with their respective employees in areas such as minimum wages, maximum working hours, overtime, working conditions, hiring and terminating employees, contract labour and work permits. Accidents, in particular fatalities, may have an adverse impact on our reputation and may result in fines and/or investigations by public authorities as well as litigation from injured workers or their dependents. Non-compliance with these laws and regulations, which among other things, limit or prohibit emissions or spills of toxic substances produced in connection with our operations, could expose us to civil penalties, criminal sanctions and revocation of key business licenses. As a consequence of unanticipated regulatory or other developments, future environmental and regulatory related expenditures may vary substantially from those currently anticipated. While, any accidents and non-compliances with laws relating to environmental, health and safety have not occurred in the past, however, we cannot assure you that our costs of complying with current and future regulations will not adversely affect our business, results of operations or financial condition. In addition, we could incur substantial costs, our products could be restricted from entering certain markets, and we could face other sanctions, if we were to violate or become liable under the health and safety laws and regulations. Our potential exposure includes fines and civil or criminal sanctions, third-party property damage or personal injury claims and clean-up costs. For further details, please refer to "*Key Regulations and Policies*" and "*Government and other Approvals*" on pages 146 and 268, respectively, of this Draft Red Herring Prospectus.

28. ***We rely on our information technology systems for our operations and its reliability and functionality is critical to the success of our business. In the event of any failures in our information technology systems, it may have a material adverse impact on our operations and financial condition.***

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

Further, our future success will depend in part on our ability to respond to technological advances and emerging standards and practices on a cost effective and timely basis. In addition, Government authorities may require adherence with certain technologies in the execution of projects and we cannot assure you that we would be able to implement the same in a timely manner, or at all. Our failure to successfully adopt such technologies in a cost effective and a timely manner could increase our costs (in comparison to our competitors who may be able to successfully implement such technologies) and lead to us bidding at lower margins/loss of bidding opportunities vis-à-vis such competitors. While any of the aforementioned events have not occurred in the past, any future occurrence of any of the above events may adversely affect our business, results of operations and financial condition.

29. ***Our Company has applied for registration of certain trademarks in its name. Until such registrations are granted, we may not be able to prevent unauthorised use of such trademarks by third parties, which may lead to the dilution of our goodwill.***

Our Company has made the following applications for registering our name and logo under the Trade Mark Act, 1999:

Sr. No.	Particulars of the mark	Application No.	Class	Date of Application	Current status of the Application
1.	USK Udayshivakumar Infra Limited	5621562	33	September 23, 2022	Send to Vienna Codification
2.	UDAYSHIVAKUMAR INFRA LIMITED	5621561	33	September 23, 2022	Formalities Chk Pass

Pending the registration of these trademarks, any other vendor in the similar line of business as ours may use the above-mentioned trademarks and we may have a lesser recourse to initiate legal proceedings to protect our intellectual property. Further, our applications for the registration of certain trademarks may be opposed by third parties, and we may have to incur significant cost in relation to these oppositions. In the event we are not able to obtain registrations due to opposition by third parties or if any injunctive or other adverse order is issued against us in respect of any of our trademarks for which we have applied for registration, we may not be able to use such trademarks and / or avail the legal protection or prevent unauthorized use of such trademarks by third parties, which may adversely affect our goodwill and business. For further details on the trademarks, registered or pending registration, please refer to the chapters titled "*Our Business - Intellectual Property*" and "*Government and Other Approvals - Intellectual property*" on pages 143 and 270, respectively, of this Draft Red Herring Prospectus.

30. Our Company depends on the knowledge and experience of our Promoter and other Key Managerial Personnel for our growth. The loss of their services may have a material adverse effect on our business, financial condition and results of operations.

Our Company depends on the management skills and guidance of our Promoter for development of business strategies, monitoring its successful implementation and meeting future challenges. Our Key Managerial Personnel complement the vision of our Promoter and perform a crucial role in conducting our day-to-day operations and execution of our strategies. In the event we are unable to attract and retain managerial personnel or our Key Managerial Personnel join our competitors or form competing companies, our ability to conduct efficient business operations may be impaired. The loss of the services of such personnel or our Promoter and our inability to hire and retain additional qualified personnel may have an adverse effect on our business, financial condition and results of operations.

31. Our agreements with various banks for financial arrangements contain restrictive covenants for certain activities and if we are unable to get their approval, it might restrict our scope of activities and impede our growth plans.

As on March 31, 2022, our aggregate outstanding indebtedness was ₹ 2,648.29 lakhs. Some of the financing arrangements entered into by our Company contain restrictive covenants and / or events of default that limit our ability to undertake certain types of transactions. We cannot assure you that we will be able to comply with these financial or other covenants. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise rectified by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. Further, the banks may change the extant banking policies or increase the interest rates/levy penal interest for non-compliances, if any. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information of outstanding indebtedness, see the chapter titled "*Financial Indebtedness*" on page 260 of this Draft Red Herring Prospectus.

32. Our Promoter and a member of our Promoter Group have extended personal guarantees with respect to loan facilities availed by our Company. Further, our Promoter has provided his property as collateral security for loan facilities availed by our Company. Revocation of any or all of these personal guarantees or withdrawal of such property may adversely affect our business operations and financial condition.

Our Promoter, Udayshivakumar and Amrutha, a member of our Promoter Group have extended personal guarantees in favour of certain banks with respect to the loan facilities availed by our Company from them. The details of the personal guarantees extended have been provided below:

(₹ *in lakhs*)

S. No.	Name of the lender	Name of the Director/ Promoter	Name of the facility	Amount of personal guarantee provided as at March 31, 2022
1.	HDFC Bank Limited	Amrutha	Term Loan	153.30
2.		Udayshivakumar		188.68
3.	Hinduja Leyland Finance Limited	Amrutha	Term Loan	200.79
4.	State Bank of India	Amrutha and Udayshivakumar	Cash Credit loan	1,359.95
5.		Amrutha and Udayshivakumar	Bank Guarantee	3,848.85
Total				**5,751.57**

Further, our Promoter, Udayshivakumar has provided his properties as collateral security for the working capital facility availed by our Company from State Bank of India. For details, please refer to the chapter titled — "*Financial Indebtedness*" on page 260 of this Draft Red Herring Prospectus.

In the event any of these guarantees are revoked or the properties provided as collateral security are withdrawn, our lenders may require us to furnish alternate guarantees or an additional security or may demand a repayment of the outstanding amounts under the said facilities sanctioned or may even terminate the facilities sanctioned to us. There can be no assurance that our Company will be able to arrange such alternative guarantees or provide an alternate collateral security in a timely manner or at all. If our lenders enforce these restrictive covenants or exercise their options under the relevant debt financing agreements, our operations and use of assets may be significantly hampered and lenders may demand the payment of the entire outstanding amount and this in turn may also affect our further borrowing abilities thereby adversely affecting our business and operations. For further details, please refer to the chapter titled — "*Financial Indebtedness*" on page 260 of this Draft Red Herring Prospectus.

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

Our business operations are subject to operating risks, including fatal accidents, mishaps failure of equipment, power supply, labour disputes, natural disasters or other force majeure conditions which are beyond our control. The occurrence of any of these factors could significantly affect our results of operations and financial condition. Although we take precautions to minimize the risk of any significant operational problems at our operation sites, there can be no assurance that we will not face such disruptions in the future.

During the construction and maintenance period, we may be exposed to various risks which we may not be able to foresee or may not have adequate insurance coverage. Our insurance coverage may not be adequate to cover such loss or damage to life and property, and any consequential losses arising due to such events will affect our operations and financial condition. Further, in addition to the above, any such fatal accident or incident causing damage or loss to life and property, even if we are fully insured or held not to be liable, could negatively affect our reputation, thereby making it more difficult for us to conduct our business operations effectively, and could significantly affect our Order Book, availability of insurance coverage in the future and our results of operations.

34. ***Our Promoter and one of the members of our Promoter Group are co-borrowers to certain vehicle loans availed by our Company. In event of default of the debt obligations, our Promoter will have to bear the liability, which may adversely affect the Promoter's ability to manage the affairs of our Company. Further certain of our vehicle loans are in the name of the erstwhile sole proprietorship and partnership firm and are yet to be transferred to the name of our Company.***

Our Company has availed vehicle loans from certain lenders where our Promoter and one of the members of our Promoter Group are co-borrowers. The details of the loans have been provided below:

(₹ *in lakhs*)

S. No.	Name of lender	Name of the Promoter/ member of the Promoter Group	Nature of facility	Amount outstanding as at March 31, 202
1.	Axis Bank Limited	Udayshivakumar	Term Loan	5.08
2.	Canara Bank	Udayshivakumar	Term Loan	13.59
3.	Daimler Financial Services India Private Limited	Udayshivakumar	Term Loan	466.18

S. No.	Name of lender	Name of the Promoter/ member of the Promoter Group	Nature of facility	Amount outstanding as at March 31, 202
4.	HDB Financial Services Limited	Udayshivakumar	Term Loan	39.51
5.	HDFC Bank Limited	Udayshivakumar	Term Loan	153.30
6.	John Deere India Private Limited	Amrutha and Udayshivakumar	Term Loan	186.57
Total				**864.23**

Further, certain vehicle loans availed from Axis Bank Limited, Canara Bank, Daimler Financial Services India Private Limited, Hinduja Leyland Finance Limited, HDB Financial Services, John Deere India Private Limited, SREI Infrastructure Finance Limited and State Bank of India Limited are in the name of the *erstwhile* sole proprietorship and partnership firm and are yet to be transferred to our Company. Since, these vehicle loans are not in the name of our Company, we have not been able to file the form filings for registering these loans with the RoC. While, these loans are reflecting in our books of accounts, there has not been any formal intimation from our lenders of transfer of these loans in the name of our Company. Details of the aforementioned vehicle loans have been provided below:

(₹ in lakhs)

S. No.	Name of the lender	Amount sanctioned	Amount outstanding as at March 31, 2022
1.	Axis Bank Limited	16.30	5.08
2.	Canara Bank	30.00	13.59
3.	Daimler Financial Services India Private Limited	1,354.54	421.80
4.	Hinduja Leyland Finance Limited	524.58	200.79
5.	HDB Financial Services Limited	39.51	10.59
6.	John Deere India Private Limited	335.20	186.56
7.	SREI Infrastructure Finance Limited	456.96	79.40
8.	State Bank of India	21.65	11.31
Total		**2,778.74**	**929.12**

In the event, any of the aforementioned lender refuse to transfer the vehicle loans in the name of our Company and consequently demand repayment of these loans, we may have to avail further borrowings or pay the outstanding amount from our internal accruals, which may adversely affect our cash flows and financial position. Although, the aforementioned events have not occurred in the past, occurrence of these events may affect our business, financial condition, results of operations and prospects.

35. ***Our Promoter and members of Promoter Group hold Equity Shares and have interests in our performance in addition to their normal remuneration or benefits and reimbursement of expenses incurred.***

Our Promoter and members of our Promoter Group may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Our Promoter and members of our Promoter Group may also be deemed to be interested to the extent of Equity Shares held by as well as to the extent of any dividends, bonuses, or other distributions on such Equity Shares. Further, our Company has entered into an equipment lease agreement cum work order dated April 1, 2021 with one of the entities forming part of our Promoter Group, namely, M/s. Udayshivakumar Stone Crusher, whereby our Company has provided ten equipment, including JCB, dumpers, tractors and dozers on lease to M/s. Udayshivakumar Stone Crusher for a period of five years for a fixed rent amounting to ₹ 10.00 lakhs, payable on a yearly basis. Our Promoter, Chairman and Managing Director, Udayshivakumar is a partner in M/s. Udayshivakumar Stone Crusher and shall be deemed to be interested in the equipment lease agreement cum work order, in the said capacity. In addition, our Promoter, Udayshivakumar and Manjushree Shivakumar, a member of our Promoter Group, are entitled to receive remuneration and certain perquisites, in the capacity of a Managing Director and an Executive Director, respectively. For further details, see "*Capital Structure*", "*Our Management – Interests of Directors*", "*Our Promoter and Promoter Group – Interest of our Promoter*" and "*Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements – Annexure 33 – Related Party Transactions"* on pages 79, 161, 176 and 217 of this Draft Red Herring Prospectus, respectively. We cannot assure you that our Promoter and members of our Promoter Group, will exercise their rights as shareholders to the benefit and best interest of our Company.

36. ***Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.***

Our operations may be subject to risks such as fire, accidents and natural disasters. We maintain customary insurance policies for our Company, including fire and allied perils for the inventory and buildings, directors' and officers' liability policy, and vehicle insurance. The insurance cover on the assets of our Company amounts to ₹ 2,070.76 lakhs as of March 31, 2022, covering 12.79% and 81.01% of the total assets of our Company i.e. ₹ 16,193.63 lakhs (excluding intangible assets and deferred tax assets) and property, plant and equipments of our Company *i.e.*, ₹ 2,556.16 lakhs, respectively, as of March 31, 2022. For further details, please see "*Our Business – Insurance*" on page 143.

Whilst we believe that we maintain adequate insurance coverage amounts for our business and operations, our insurance policies are subject to exclusions and deductibles, and may not provide adequate coverage or cover all risks. If any or all of our equipment is damaged in whole or in part, or if there is a loss of life of our employees, our operations may get interrupted, totally or partially, for a temporary period. Additionally, our Company does not maintain cybercrime insurance. We also do not maintain key-man insurance for any of our key personnel and loss of the services of such key personnel may have an adverse effect on our business, financial condition and results of operations.

There can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that our insurance policies will be adequate to cover the losses incurred. Notwithstanding the insurance coverage that we carry, we may not be fully insured against certain business risks such as the occurrence of an event that causes losses in excess of limits specified under the relevant policy or losses arising from events not covered by the insurance policies and insurance policies that we procure may not be adequate to cover all the risks associated with our business. Additionally, there may be various other risks and losses for which we are not insured because such risks are either uninsurable or not insurable on commercially acceptable terms.

Our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at an acceptable cost or at all. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance or 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, cash flows and financial condition may be adversely affected.

37. ***Our Promoter and members of the Promoter Group have significant control over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.***

Upon completion of this Issue, our Promoter and members of our Promoter Group will collectively hold [●]% of the Equity share capital of our Company. As a result, our Promoter will have the ability to exercise significant influence over all matters requiring shareholders' approval. Accordingly, our Promoter will continue to retain significant control, including being able to control the composition of our Board of Directors, determine decisions requiring simple or special majority voting of shareholders, undertaking sale of all or substantially all of our assets, timing and distribution of dividends and termination of appointment of our officers, and our other shareholders may be unable to affect the outcome of such voting. There can be no assurance that our Promoter will exercise their rights as shareholders to the benefit and best interests of our Company. Further, such control could delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in our Company's best interest. The interests of our Promoter could conflict with the interests of our other equity shareholders, and our Promoter could make decisions that materially and adversely affect your investment in the Equity Shares.

38. ***The average cost of acquisition of Equity Shares held by our Promoter could be lower than the Issue Price.***

Our Promoter's average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price as may be decided by the Company, in consultation with the Book Running Lead Manager. The details of the average cost of acquisition of Equity Shares held by our Promoter, as at the date of the DRHP is set out below:

S. No.	Name	Number of Equity Shares*	Average cost of acquisition per Equity Share (in ₹) #
Promoter			
1.	Udayshivakumar	3,61,27,000	10.00

* As certified by the Statutory Auditor by way of its certificate dated September 27, 2022
Note: *Average cost of acquisition of equity shares of the Company held by the Promoter in respect of his shareholding in the Company is calculated as per FIFO Method.*

For more details regarding weighted average cost of acquisition of Equity Shares by our Promoter and build-up of Equity Shares by our Promoter in our Company, see "*Capital Structure*" beginning on page 79.

39. Our Joint Venture has been formed to engage in a similar line of business as our Company and may compete with us.

Our Joint Venture, namely, Udayshivakumar-Kotarki Joint Venture, has been formed to engage in the same businesses as that of our Company, and may have common pursuits with our Company. While our Joint Venture is yet to commence its business operations and will be terminated once the project contemplated in the joint bidding agreement for joint venture dated April 22, 2022 executed between our Company and Kotarki Constructions Private Limited is completed, there is currently no active conflict between our Joint Venture and our Company, we cannot assure you that there will be no conflict of interest in allocating business opportunities between us and our Joint Venture going forward. We have not entered into any non-compete agreement with our Joint Venture, and there can be no assurance that our Joint Venture will not compete with our existing business or that we will be able to suitably resolve any such conflict without an adverse effect on our business and financial performance. For details, see, "*History and Certain Corporate Matters - Our subsidiary, associate or joint venture*" at page 155.

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

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing Shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

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

As of March 31, 2022, we have entered into several related party transactions with our Promoter and individuals and entities forming a part of our Promoter Group. In addition, we have in the past also entered into transactions with other related parties. A summary of the related party transactions in Fiscals 2022, 2021 and 2020 as per Ind AS 24 - Related Party Disclosures, derived from our Restated Financial Statements, is detailed below:

(₹ in lakhs)

Name	Nature of Transaction	For the Year ended 31 March 2022	For the Year ended 31 March 2021	For the Year ended 31 March 2020
Aishwarya USK Stone Crusher	Purchases	-	60.02	56.29
Udayshivakumar Stone Crusher	Purchases	1,154.62	1,084.12	-
Aishwarya USK Stone Crusher	Rent	-	240.00	-
R. Prabhakar	Rent	-	40.00	-
Udayshivakumar	Loan Taken	5,772.14	1,650.20	2,551.39
Udayshivakumar	Loan Repaid	5,766.45	1,753.37	2,435.86
Udayshivakumar	Rent Received	10.00	-	-
Udayshivakumar Stone Crusher	Rent Received	203.39	-	-
R. Prabhakar	Sales	32.88	-	-
R. Prabhakar	Purchases	31.11	-	-

Outstanding balances payable to :

(₹ in lakhs)

Name	Nature of Transaction	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Aishwarya USK Stone Crusher	Trade Payable	-	116.31	56.29

Name	Nature of Transaction	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Udayshivakumar Stone Crusher	Trade Payable	0.34	(69.93)	-
Mr. Udayshivakumar	Borrowing	18.06	12.37	115.54
Mr. R. Prabhakar	Trade Payable	30.27	25.04	-

For further details, see "*Financial Statements*" on page 181.

While we believe that all our related party transactions have been conducted on an arm's length basis, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

42. ***In addition to our existing indebtedness for our existing operations, we may incur further indebtedness during the course of business. We cannot assure that we would be able to service our existing and/ or additional indebtedness.***

As on March 31, 2022, our Company's total outstanding indebtedness is ₹ 2,648.29 lakhs. In addition to the indebtedness for our existing operations, we may incur further indebtedness during the course of our business. We cannot assure you that we will be able to obtain further loans at favorable terms. Increased borrowings, if any, may adversely affect our debt-equity ratio and our ability to borrow at competitive rates. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an adverse effect on our cash flows.

Any failure to service our indebtedness or otherwise perform our obligations under our financing agreements entered with our lenders or which may be entered into by our Company, could trigger cross default provisions, penalties, acceleration of repayment of amounts due under such facilities which may cause an adverse effect on our business, financial condition and results of operations. For details of our indebtedness, please refer to the chapter titled — "*Financial Indebtedness*" on page 260 of this Draft Red Herring Prospectus.

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

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our capital requirements through our bank finance, unsecured loans, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled "*Objects of the Issue*" beginning on page 87 of this Draft Red Herring Prospectus.

44. ***Our Company has not paid any dividends in the past and we may not be able to pay dividends in the future.***

Our Company has not declared dividends for any financial year in the past and our Company may not be able to declare dividends in the future. The declaration, payment and amount of any future dividends is subject to the discretion of the Board and Shareholders, and will depend upon various factors, *inter alia*, our earnings, financial position, capital expenditures and availability of profits, restrictive covenants in our financing arrangements and other prevailing regulatory conditions from time to time. Any of these factors may thus restrict our ability to pay dividends in the future. If we are unable to pay dividends in the future. Realization of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

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

We usually need to provide performance guarantees when we undertake projects, which are often demanded by our clients to protect them against potential defaults by us. We are also often required to have our lenders issue letters of credit in favour of our suppliers for purchases of equipment and raw materials. We thus may have substantial contingent liabilities from time to time depending on the projects we undertake and the amount of our purchases. As at March 31, 2022, our contingent liabilities, that have not been provided for were as follows:

(₹ in lakhs)

Particulars		**As at 31 March 2022**
A.	Bank guarantees	3,848.85
B.	Demands by Service Tax/GST/Excise Authorities under disputes	-
C.	Income-tax demand raised by authorities^	1,688.78
	Total	**5,537.63**

^Included demands raised post balance sheet date i.e., March 31, 2022.

For further details of contingent liability, see the section titled — "*Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements – Annexure 29 – Contingent Liabilities in respect of*" at page 214 of this Draft Red Herring Prospectus. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

46. ***Our Company has availed unsecured loans from our Promoter, which are recallable in nature.***

As on March 31, 2022, our Company has outstanding unsecured loans aggregating to ₹ 18.06 lakhs, which have been extended by our Promoter, Udayshivakumar which are recallable in nature and can be recalled at any time by our Promoter. We cannot assure you that our Promoter will not demand repayment of the unsecured loans extended to us. In the event, our Promoter seeks a repayment of any these unsecured loans, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. If we are unable to arrange for any such financing arrangements, we may not have adequate working capital to carry out the operations or complete our ongoing operations. Therefore, any such demand may adversely affect our business, financial condition and results of operations. For further details, see "*Financial Indebtedness*" on page 260 of this Draft Red Herring Prospectus.

47. ***The deployment of funds is entirely at our discretion and as per the details mentioned in the chapter titled "Objects of the Issue".***

As the issue size shall be less than ₹10,000 lakhs, under Regulation 41 of the SEBI ICDR Regulations it is not required that a monitoring agency be appointed by our Company, for overseeing the deployment and utilization of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Audit Committee will monitor the utilization of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue, our Promoter shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be specified by the SEBI, in respect to the same. For further details, please refer to the chapter titled — "*Objects of the Issue*" on page 87 of this Draft Red Herring Prospectus.

48. ***Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as U.S. GAAP and IFRS, which may affect investors' assessments of our Company's financial condition.***

Our Restated Financial Statements for the Financial Years 2022, 2021 and 2020 included in this Draft Red Herring Prospectus are presented in conformity with Ind AS, in each case restated in accordance with the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectus (Revised 2019)" issued by the ICAI. Ind AS differs from accounting principles with which prospective investors may be familiar, such as Indian GAAP, IFRS and U.S. GAAP.

We have not attempted to explain in a qualitative manner the impact of the IFRS or U.S. GAAP on the financial information included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial information to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP, which may differ from accounting principles with which prospective investors may be familiar in other countries. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus, which are restated as per the SEBI ICDR Regulations included in this Draft Red Herring Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Ind AS, the Companies Act and the SEBI Regulations. Any reliance by persons not familiar with Indian accounting practices, Ind AS, the Companies Act and the SEBI Regulations, on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited

49. This Draft Red Herring Prospectus contains information from an industry report prepared by CRISIL, commissioned by us for the purpose of the Issue for an agreed fee.

This Draft Red Herring Prospectus contains information from an industry report prepared by CRISIL which we have commissioned and paid for. This Draft Red Herring Prospectus includes information that is derived from the CRISIL Report, prepared by CRISIL, a research house, pursuant to an engagement with our Company. CRISIL has advised that while it has taken due care and caution in preparing the commissioned report, which is based on information obtained from sources that it considers reliable (Information), it does not guarantee the accuracy, adequacy or completeness of the Information and disclaims responsibility for any errors or omissions in the Information or for the results obtained from the use of the Information. The CRISIL also highlights certain industry and market data, which may be subject to estimates and/or assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. Further, such estimates and / or assumptions may change based on various factors. We cannot assure you that CRISIL's estimates and / or assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Red Herring Prospectus. Additionally, some of the data and information in the CRISIL Report are also based on discussions / conversations with industry sources, and may not, have been nor be capable of being, independently verified. Further, the CRISIL Report is not a recommendation to invest or disinvest in our Company. CRISIL has disclaimed all financial liability in case of any loss suffered on account of reliance on any information contained in the CRISIL Report.

50. Our Company does not have any documentary evidence for the educational qualifications and experience of certain of our Directors and our Chief Financial Officer.

Our Non-Executive Director, Amrutha is unable to trace documents evidencing her educational qualification and our Independent Director, Kencha Hanumantha Reddy and our Chief Financial Officer are unable to trace documents evidencing their experience in their respective sectors. Due to lack of documents and relevant information from the aforementioned Directors and KMP, we have placed reliance upon affidavits issued by each of the Directors and KMP, confirming the disclosures made in their respective biographies in the chapter titled "*Our Management*". For further details, please refer to the chapter titled "*Our Management*" on page 156 of this Draft Red Herring Prospectus.

51. We may not maintain profitability in the future.

Although we have been profitable in the past, we expect to make investments in growing our business and may undertake acquisitions of other synergistic companies, which could reduce our profitability compared to past periods. As a result of these increased expenditures, our profitability could decline in future periods. In future periods, our revenue could decline or grow more slowly than we expect. We also may incur significant losses in the future for a number of reasons, including due to the other risks described in this Draft Red Herring Prospectus, and we may encounter unforeseen expenses, difficulties, complications, delays and other unknown factors.

External Risk Factors

Risks in relation to India

52. Financial instability in other countries may cause increased volatility in Indian financial markets. Any

adverse change or downgrade in ratings of India may adversely affect our business, results of operations and cash flows.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. A loss of 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. Financial disruptions may occur again and could harm our business, our future financial performance and the prices of the Equity Shares.

The recent outbreak of COVID-19 has significantly affected financial markets around the world. Any other global economic developments or the perception that any of them could occur may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition, cash flows and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

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

53. ***Changing laws, rules and regulations and legal uncertainties in India may adversely affect our business and financial performance.***

Our business and financial performance could be adversely affected by unfavourable changes in, or interpretations of existing laws, or the promulgation of new laws, rules and regulations applicable to us and our business. Please see "*Key Regulations and Policies*" on page 146.

The regulatory and policy environment in which we operate is evolving and subject to change. There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements, conditions, costs and expenditures on our operations. Any changes in international treaties or export technological restrictions in other countries and the related uncertainties with respect to the implementation of the any such regulations may have a material adverse effect on our business, financial condition, results of operations and cash flows. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations and cash flows. Any changes to such laws may adversely affect our business, financial condition, results of operations, cash flows and prospects.

For instance, due to the COVID- 19 pandemic, the Government of India also passed the Taxation and Other Laws (Relaxation of Certain Provisions) Act, 2020, implementing relaxations from certain requirements under, among others, the Central Goods and Service Tax Act, 2017 and Customs Tariff Act, 1975. Further, the Government of India has notified the Finance Act, 2022, which has introduced various amendments. More recently, the Government of India announced the union budget for Fiscal 2023, following which the Finance Bill, 2022 ("**Finance Bill 2022**") was introduced in the Lok Sabha on February 1, 2022. Subsequently, the Finance Bill 2022 received the assent from the President of India on March 30, 2022, and became the Finance Act, 2022 ("**Finance Act 2022**"). We have not fully determined the impact of these recent and proposed laws and regulations on our business. We cannot predict whether any amendments made pursuant to the Finance Act, 2022 would have an adverse effect on our business, financial condition and results of operations. 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.

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

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

We are exposed to the risks of the Indian financial system which may be affected by the financial difficulties faced by certain Indian financial institutions whose commercial soundness may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is sometimes referred to as "systemic risk", may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with which we interact on a daily basis. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and adversely affect our business.

55. ***We may be affected by competition laws, the adverse application or interpretation of which could adversely affect our business.***

The Competition Act, 2002, of India, as amended ("**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India ("**AAEC**"). Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and may result in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or the provision of services or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of customers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise.

On March 4, 2011, the Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (the "**CCI**"). Additionally, on May 11, 2011, the CCI issued Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. However, since we pursue an acquisition driven growth strategy, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations, cash flows and prospects.

56. ***Our business is affected by economic, political and other prevailing conditions in India.***

We are incorporated in India, and our operations are solely in India. As a result, our results of operations and cash flows are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations and cash flows, may include:

- any increase in interest rates or inflation;

- any exchange rate fluctuations;
- any scarcity of credit or other financing, resulting in an adverse impact on economic conditions and scarcity of financing for our expansions;
- prevailing income conditions among consumers and corporates;
- changes in tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in the region or globally, including in various neighboring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in the relevant country's principal export markets;
- epidemic, pandemic or any other public health in India or in countries in the region or globally, including in India's various neighboring countries;
- any downgrading of the Government's debt rating by a domestic or international rating agency;
- instability in financial markets;
- other significant regulatory or economic developments in or affecting India or the emerging markets; and
- logistical and communications challenges.

57. If there is any change in tax laws or regulations, or their interpretation, such changes may significantly affect our financial statements for the current and future years, which may have a material adverse effect on our financial position, business, results of operations and cash flows.

Any change in tax laws including upward revision to the currently applicable normal corporate tax rate of 22% along with applicable surcharge and cess, our tax burden will increase. Other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, may no longer be available to us.

Similarly, in relation to the applicable law on indirect taxation, the Government of India has notified a comprehensive national GST regime that combines taxes and levies by the central and state governments into one unified rate of interest with effect from July 1, 2017.

The Government of India has announced the union budget for Fiscal 2022 and the Finance Act, 2021 ("**Finance Act**") has received assent from the President of India on March 28, 2021. We cannot yet ascertain the impact that the Finance Act may have on our business and operations or on the industry in which we operate, with certainty, or whether any amendments made pursuant to the Finance Act would have a material adverse effect on our business, financial condition, cash flows and results of operations.

We cannot predict whether any tax laws or regulations impacting our products will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have a material adverse effect on our business, financial condition, cash flows and results of operations. Prospective investors should consult their own tax advisors in relation to the consequences of investing in the Equity Shares.

58. Investors outside India may not be able to enforce any judgment of a foreign court against us, except by way of a suit in India.

Our Company is incorporated as a public limited company under the laws of India and all our Directors and Key Managerial Personnel reside in India. Further, certain of our assets, and the assets of our Directors and Key Managerial Personnel, may be located in India. As a result, it may not be possible for investor to effect service of process outside India upon our Company and such persons in jurisdiction outside India or to enforce against them judgments obtained in courts outside India against them. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with Indian public policy.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, which includes the United Kingdom, Singapore, Hong Kong and United Arab Emirates. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Code of Civil Procedure, 1908 (the "**Civil Code**"). A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit on the judgment under Section 13 of the Civil

Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on except (i) where the judgment has not been pronounced by a court of competent jurisdiction, (ii) where the judgment has not been given on the merits of the case, (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognise the law of India in cases to which such law is applicable, (iv) where the proceedings in which the judgment was obtained were opposed to natural justice, (v) where the judgment has been obtained by fraud or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record.

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

59. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Financial turmoil in Asia, U.S., Russia and elsewhere in the world in recent years has affected the Indian economy. 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 of 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. Financial disruptions may occur again and could harm our business, our future financial performance and the trading price of the Equity Shares.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections in recent years. In particular, sub-prime mortgage loans in the United States have experienced increased rates of delinquency, foreclosure and loss. Since September 2008, liquidity and credit concerns and volatility in the global credit and financial markets increased significantly with the bankruptcy or acquisition of, and government assistance extended to, several major U.S. financial institutions.

Developments in the Eurozone have exacerbated the ongoing global economic crisis. Large budget deficits and rising public debts in Europe have triggered sovereign debt finance crises that resulted in the bailouts of European economies and elevated the risk of government debt defaults, forcing governments to undertake aggressive budget cuts and austerity measures, in turn underscoring the risk of global economic and financial market volatility. Financial markets and the supply of credit could continue to be negatively impacted by ongoing concerns surrounding the sovereign debts and/or fiscal deficits of several countries in Europe, the possibility of further downgrades of, or defaults on, sovereign debt, concerns about a slowdown in growth in certain economies and uncertainties regarding the stability and overall standing of the European Monetary Union. Following the United Kingdom's exit from the European Union ("**Brexit**"), there remains significant uncertainty around the terms of their future relationship with the European Union and, more generally, as to 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.

Trade tensions between the U.S. and major trading partners, most notably China, continue to escalate following the introduction of a series of tariff measures in both countries. Although China is the primary target of U.S.

trade measures, value chain linkages mean that other emerging markets, primarily in Asia, may also be impacted. China's policy response to these trade measures also presents a degree of uncertainty. There is some evidence of China's monetary policy easing and the potential for greater fiscal spending, which could worsen existing imbalances in its economy. This could undermine efforts to address already high debt levels and increase medium-term risks. In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition, cash flows and results of operation.

These and other related factors such as concerns over recession, inflation or deflation, energy costs, geopolitical issues, slowdown in economic growth in China and Renminbi devaluation, commodity prices and the availability and cost of credit have had a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the United States, Europe and the global credit and financial markets. A lack of clarity over the process for managing the exit and uncertainties surrounding the economic impact could lead to a further slowdown and instability in financial markets. This and any prolonged financial crisis may have an adverse impact on the Indian economy, and in turn on our business.

A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian financial markets and indirectly in the Indian economy in general. Any worldwide financial instability could influence the Indian economy. In response to such developments, legislators and financial regulators in the United States, Europe and other jurisdictions, including India, have implemented several policy measures designed to add stability to the financial markets. In addition, any increase in interest rates by the United States Federal Reserve will lead to an increase in the borrowing costs in the United States, which may in turn impact global borrowing as well. Furthermore, in several parts of the world, there are signs of increasing retreat from globalization of goods, services and people, as pressure for the introduction of a protectionist regime is building and such developments could adversely affect Indian exports. However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. In the event that the current adverse conditions in the global credit markets continue or if there is any significant financial disruption, this could have an adverse effect on our business, future financial performance and the trading price of the Equity Shares.

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

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

Risks in relation to the Issue

61. Our 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 Issue Price 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 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 may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. Consequently, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Issue Price, or at all.

There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share price could fluctuate significantly because of market volatility. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

62. ***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 BRLM is below their respective issue prices.***

The determination of the Price Band is based on various factors and assumptions and, and will be determined by our Company in consultation with the BRLM. Furthermore, the Issue Price of the Equity Shares will be determined by our Company in consultation with the BRLM through the Book Building Process. These will be based on numerous factors, including factors as described under "*Basis for Issue Price*" beginning on page 94 and may not be indicative of the market price for the Equity Shares after the Issue.

In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLM is below their respective issue price. 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.

63. ***QIBs and Non-Institutional Bidders 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 Retail Individual Bidders are not permitted to withdraw their Bids after Bid/Issue Closing Date.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Issue within six Working Days from the Bid/Issue Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation, 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.

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

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Issue and until Allotment of Equity Shares pursuant to this Issue.

In accordance with current regulations and circulars issued of SEBI, our Equity Shares are required to be listed on BSE and NSE within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

65. The requirements of being a listed company may strain our resources.

We are not a listed company and have historically not been subjected to the compliance requirements and increased scrutiny of our affairs by shareholders, regulators and the public at large 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 Listing Regulations which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations or cash flows as promptly as other listed companies.

Further, as a listed company, we will be required 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, financial condition, results of operations and cash flows. 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.

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

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

67. Any future issuance of Equity Shares or convertible securities or other equity linked securities by our Company may dilute your shareholding and sales of the Equity Shares by our major shareholders may adversely affect the trading price of the Equity Shares.

Any future equity issuances by us, including a primary offering, may lead to the dilution of investors' shareholdings in us. Any disposal of Equity Shares by our major shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of the Equity Shares. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares.

68. Foreign investors are subject to foreign investment restrictions under Indian laws that may limit our ability to attract foreign investors, which may have a material adverse impact on the market price of the Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. For further details, see "*Restrictions on Foreign Ownership of Indian Securities*" page 304. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection or a tax clearance certificate from the income tax authority. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, Government of India, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in FDI Policy. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

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

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as a shareholder of an entity in another jurisdiction.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the stock exchanges, the quantum of gains and any available treaty exemption. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of Securities Transaction Tax ("**STT**"), on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India.

Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. Additionally, pursuant to the Finance Act, 2020, dividend distribution tax ("**DDT**") is not required to be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident.

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

Earlier, the Finance Act, 2019 has made various amendments in the taxation laws and 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. These amendments were notified on December 10, 2019 and have come into effect from July 1, 2020.

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

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

SECTION III – INTRODUCTION

THE ISSUE

The following table summarizes details of the Issue:

Issue of Equity Shares[(1)]	Up to [●] Equity Shares, aggregating up to ₹ 6,000 lakhs
The Issue comprises:	
A) QIB Portion [(2)(3)]	Not less than [●] Equity Shares
of which:	
(i) Anchor Investor Portion	Up to [●] Equity Shares
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
of which:	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares
(b) Balance for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Portion[(4)]	Not more than [●] Equity Shares
of which:	
One-third of the Non-Institutional Portion available for allocation to Bidders with an application size more than ₹ 2 lakhs to ₹ 10 lakhs	[●] Equity Shares
Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 10 lakhs	[●] Equity Shares
C) Retail Portion [(4) (5)]	Not more than [●] Equity Shares
Pre and post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue (as at the date of this Draft Red Herring Prospectus)	3,65,00,000 Equity Shares
Equity Shares outstanding after the Issue	[●] Equity Shares
Use of Net Proceeds	See "*Objects of the Issue*" on page 87 for information on the use of proceeds arising from the Issue.

(1) The Issue has been authorized by a resolution of our Board dated September 17, 2022, and a resolution of our Shareholders passed in the AGM dated September 19, 2022.

(2) Our Company may, in consultation with the BRLM, allocate up to [•]% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see "Issue Procedure" on page 287.

(3) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, subject to applicable law.

(4) Further, (a) 1/3rd of the portion available to NIIs shall be reserved for applicants with application size of more than ₹ 2 lakhs and up to ₹ 10 lakhs and (b) 2/3rd of the portion available to NIIs shall be reserved for applicants with application size of more than ₹ 10 lakhs. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of NIIs. The allocation to each NII shall not be less than the Minimum NII Application Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

(5) Allocation to Bidders in all categories, except Anchor Investors, if any, Non Institutional Investors and Retail Individual Investors, shall be made on a proportionate basis subject to valid Bids received at or above the Issue Price. The allocation to each Non Institutional Investor and Retail Individual Investor shall not be less than the minimum Bid Lot, subject to

availability of Equity Shares in the Non Institutional Portion and the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For further details, see "Issue Procedure" on page 287.

(6) 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 ₹ 5,00,000, shall use UPI. UPI Bidders 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, refer to "*Issue Procedure*" on page 287. For further details of the terms of the Issue, see "*Terms of the Issue*" on page 278.

SUMMARY OF FINANCIAL STATEMENTS

The following tables set forth summary financial information derived from our Restated Financial Statements as of and for the Fiscal Years ended March 31, 2022, March 31, 2021 and March 31, 2020. The summary financial information presented below should be read in conjunction with '*Financial Statements*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' beginning on pages 181 and 232, respectively.

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Restated Statement of Asset and Liabilities

All amounts in Lakhs, unless otherwise stated

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
I. ASSETS			
Non-current assets			
Property, Plant and Equipments and Intangible Assets			
(a) Property, Plant and Equipments	2,556.16	2,555.41	3,121.12
(b) Investment Property	1,198.53	-	-
(c) Financial assets			
(i)Trade receivables	4,595.13	4,263.05	3,431.14
(ii)Other financial assets	1,162.89	1,001.01	1,352.07
(d) Deferred tax assets (net)	67.62	51.15	-
Current Assets			
Inventories	877.43	947.17	983.22
(a) Financial assets			
(i) Trade receivables	3,201.31	4,213.11	5,877.05
(ii) Cash and cash equivalents	1,524.15	525.02	24.51
(b) Other current assets	1,078.04	1,125.81	1,036.97
TOTAL ASSETS	**16,261.25**	**14,681.73**	**15,826.08**
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	3,650.00	3,650.00	3,650.00
(b) Other equity	3,182.14	1,968.04	1,036.51
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	557.12	738.92	1,588.92
(ii) Trade Payables	1,440.57	611.77	611.77
(iii) Other Financial Liabilities	1,209.02	1,172.00	1,715.38
(b) Provisions	11.19	6.94	4.46
(c) Deferred tax liabilities (net)	-	-	20.22
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	2,091.17	2,321.31	1,806.42
(ii) Trade Payables			
(a) Total outstanding dues of micro enterprises and small enterprises	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,912.82	3,662.93	5,076.74
(iii) Other financial liabilities	33.96	42.56	33.89
(b) Other current liabilities	769.24	135.60	132.00
(c) Current Tax Liabilities	403.26	371.19	149.59
(d) Short Term Provisions	0.77	0.48	0.19
TOTAL EQUITY AND LIABILITIES	**16,261.25**	**14,681.73**	**15,826.08**

Restated Statement of Profit and Loss

All amounts in Lakhs, unless otherwise stated

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
I. Revenue from operations	18,562.92	21,039.67	19,360.78
II. Other income	75.89	71.15	79.72
III Total revenue	**18,638.81**	**21,110.82**	**19,440.50**
IV Expenses			
Cost of materials consumed	3,530.87	3,611.85	2,810.85
Changes in inventory	37.14	110.60	(387.56)
Employee benefits expense	366.26	348.45	306.48
Depreciation and amortisation expenses	539.63	487.63	569.95
Construction expense	11,825.18	14,562.95	14,094.05
Finance costs	347.90	517.80	518.33
Other expenses	390.45	113.95	109.90
V Total expenses	**17,037.44**	**19,753.23**	**18,021.98**
VI Profit before tax and exceptional items (III - V)	**1,601.37**	**1,357.59**	**1,418.52**
VII Exceptional Item			
Loss on Sale of Fixed Assets	-	125.93	-
VIII Profit Before Tax (V-VI)	**1,601.37**	**1,231.67**	**1,418.52**
IX Tax expense:			
(1) Current tax	403.03	371.11	349.58
(2) Deferred tax Asset/Liability	(16.47)	(71.37)	20.22
(3) Earlier years tax	-	-	-
X Profit for the year (VI-VII)	**1,214.81**	**931.92**	**1,048.72**
XI Other comprehensive income			
Remeasurements of defined benefit liability/(asset)	(0.57)	(0.31)	-
Tax Impact of Above	0.14	0.08	-
XII Total comprehensive income for the year	**1,214.38**	**931.69**	**1,048.72**
XIII Earning per equity share			
Basic and Diluted (₹)(Face Value of ₹ 10 Each)	3.33	2.55	2.87

Restated Cash Flow Statement

All amounts in Lakhs, unless otherwise stated

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
Cash flow from operating activities			
Profit before Tax	**1,601.37**	**1,231.67**	**1,418.52**
Depreciation	539.63	487.63	569.95
Finance costs	347.90	517.80	518.33
Interest income	(68.79)	(69.76)	(29.87)
Impairment Loss on Trade Receivable	-	-	-
Profit of Partnership Firm	-	-	(371.32)
Accrual of WIP	-	-	359.10
Provision for Gratuity	3.97	2.46	4.65
Change in operating assets and liabilities			
(Increase)/Decrease in trade receivables	679.72	832.03	(2,923.12)
(Increase)/decrease in other current assets	47.77	(88.84)	(107.18)
(Increase)/decrease in inventory	69.73	36.06	(668.97)
(Increase)/decrease in financial assets	(161.88)	351.06	(884.87)
Increase/(Decrease) in financial liabilities	(201.72)	(19.83)	2,676.28
Increase/(Decrease) in provisions	-	-	-
Increase/(Decrease) in trade payables	78.70	(1,413.81)	1,699.07
Increase/(Decrease) in other current liabilities	633.72	3.60	81.04
Cash generated from operations	3,570.13	1,870.06	2,341.61
Income taxes paid	371.49	149.59	199.99
Net cash inflow from operating activities	**3,198.64**	**1,720.47**	**2,141.63**
Cash flow from investing activities			
Sale/(Purchase) of Plant, Property and Equipment	(1,738.61)	78.09	(710.07)
Interest received	68.79	69.76	29.87
Net cash flow from investing activities	**(1,669.81)**	**147.85**	**(680.20)**
Cash flows from financing activities			
Proceeds from Issue of Shares*	-	-	50.36
Finance Cost	(347.90)	(517.80)	(518.33)
Proceeds/ (repayment) from non-current borrowings	(181.80)	(850.00)	(1,024.68)
Net cash inflow (outflow) from financing activities	**(529.71)**	**(1,367.81)**	**(1,492.65)**
Net increase (decrease) in cash and cash equivalents	999.13	500.51	(31.23)
Cash and cash equivalents at the beginning of the year	525.02	24.51	55.73
Cash and cash equivalents at end of the year (Note 8)	**1,524.15**	**525.02**	**24.51**

** Shares of the Company has been issued by converting its Partner's Capital into Equity Share, Net Transaction during the year 2019-20 has been considered as cash flow*

GENERAL INFORMATION

Our Company was originally formed as a sole proprietorship under the name of '*M/s Udayshivakumar*' at Davangere on August 22, 2002 and was converted into a partnership firm under the name of '*M/s. Udayshivakumar*' pursuant to a deed of partnership dated March 31, 2014. The partnership firm was registered under the Indian Partnership Act, 1932 with the Registrar of Firms, Belgaum on April 4, 2014. Further, pursuant to the deed of partnership dated March 8, 2019, the deed of partnership dated March 31, 2014 was reconstituted by amending the existing clauses and inserting new clauses in the deed of partnership. Consequent to the aforesaid amendments a memorandum acknowledging receipt of documents for change in constitution of partnership was issued by Registrar of Firms, Belgaum, on April 3, 2019. Further, pursuant to a resolution dated September 23, 2019 passed at the meeting of partners of M/s Udayshivakumar, the partnership firm was converted into a private limited company under the Companies Act, 2013 with the name '*Udayshivakumar Infra Private Limited*' and a certificate of incorporation dated December 23, 2019 was issued by the Central Registration Centre, Registrar of Companies. Subsequently, pursuant to resolutions passed by our Board of Directors in their meeting held on August 27, 2022 and by our Shareholders in the extra-ordinary general meeting held on August 30, 2022, our Company was converted into a public limited company, consequent to which its name was changed to '*Udayshivakumar Infra Limited*', and a fresh certificate of incorporation dated September 16, 2022, consequent to such conversion was issued by the RoC. For further details, including in relation to changes in name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 152.

Registered Office of our Company

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

1924A/196, Banashankari Badavane,
Near NH-4 Bypass, Davangere – 577 005,
Karnataka, India
Telephone: +91 819 229 7009

Corporate identity number and registration number

Corporate Identity Number: U45309KA2019PLC130901
Registration Number: 130901

The Registrar of Companies

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

Registrar of Companies,
'E' Wing, 2nd Floor, Kendriya Sadana,
Kormangala, Bangalore - 560 034,
Karnataka, India
Telephone: +91 80 2563 3105, 2553 7449/2563 3104
Facsimile: +91 80 2553 8531
E-mail: roc.bangalore@mca.gov.in

Our Board of Directors

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

Name	Designation	DIN	Address
Udayshivakumar	Chairman and Managing Director	05326601	#1924, A/196, Behind Swami Vivekananda School, Near NH4 Bypass, Banashankari Badavane, Davanagere- 577 005, Karnataka, India
Manjushree Shivakumar	Executive Director	09597357	#1924, A/196, Behind Swami Vivekananda School, Near NH4 Bypass, Banashankari Badavane, Davanagere- 577 005, Karnataka, India

Name	Designation	DIN	Address
Amrutha	Non-Executive Director	07774973	#1924/A 196, Behind Swami Vivekananda School, Near NH4, Bypass Banashankari Badavane, Davanagere- 577 005, Karnataka, India
Kencha Hanumantha Reddy	Independent Director	09690994	#3683/ 1-A- 45, Anjaneya Badavane, Near Nethravathi Hostel, Southern Extension, Davanagere- 577 004, Karnataka, India
Chandra Mohan Rajasekar	Independent Director	09737065	Shiva Krupa Nilaya, Back side of Vijaya Hospital, 1st Cross Kunigal Road, Banashankari, Someswarapuram, Tumkur - 572 102, Karnataka, India.
Sreenivas Devaggi Janardhanappa	Independent Director	09736952	H D Pura, Holalkere Taluk, Horakeredevarapura, Chitradurga – 577 557, Karnataka India.

For further details of our Board of Directors, see "*Our Management – Board of directors*" on page 156.

Company Secretary and Compliance Officer

Sanjeevani Shivaji Redekar is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

Sanjeevani Shivaji Redekar
1924A/196, Banashankari Badavane,
Near NH-4 Bypass, Davangere – 577 005,
Karnataka, India
Telephone: +91 819 229 7009
E-mail: cs@uskinfra.com

Investor Grievances

Investors can contact the Company Secretary and Compliance Officer, the Book Running Lead Manager or the Registrar to the Issue in case of any pre-Issue or post-Issue related grievances, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All 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(ies) 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(ies) 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 Intermediary(ies) 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, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the Book Running Lead Manager where the Anchor Investor Application Form was submitted by the Anchor Investor.

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 ₹ 5,00,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 2,00,000 and up to ₹ 5,00,000, 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.

Book Running Lead Manager

Saffron Capital Advisors Private Limited
605, Center Point, 6th floor,
Andheri Kurla Road, J. B. Nagar,
Andheri (East), Mumbai - 400 059,
Maharashtra, India.
Telephone: +91 22 4973 0394
Facsimile: N.A.
E-mail: ipos@saffronadvisor.com
Website: www.saffronadvisor.com
Investor grievance e-mail: investorgrievance@saffronadvisor.com
Contact Person: Amit Wagle/ Gaurav Khandelwal
SEBI Registration Number: INM 000011211

Legal Counsel to our Company

T&S Law
Door Number 1202, Devika Towers,
Ghaziabad – 201 017,
Uttar Pradesh, India
Telephone: +91 99 5877 5287
Email: info.tandslaw@gmail.com

Statutory Auditors to our Company

N B T and Co,
Chartered Accountants
201, 2nd Floor, Mahindra M-Space,
Off Aarey Road, Next to Meenatai Thackeray Blood Bank,
Goregaon (West), Mumbai, Maharashtra – 400 104, India
Telephone: +91 809 745 6165
E-mail: officeofnbt@nbtco.in / info@nbtco.in
Firm Registration Number: 140489W
Peer Review Certificate Number: 013928

Registrar to the Issue

MAS Services Limited
T-34, 2nd Floor, Okhla Industrial Area,
Phase - II, New Delhi -110 020, India;
Telephone: +91 112 638 7281/83, 4132 0335;
Facsimile: +91 112 638 7384
Email ID: info@masserv.com
Investor grievance: investor@masserve.com
Website: www.masserv.com
Contact Person: N C Pal
SEBI Registration: INR 000000049
Validity: Permanent

Syndicate Members

[●]

Banker(s) to the Issue

Escrow Collection Bank(s)

[●]

Public Issue Bank(s)

[●]

Refund Bank(s)

[●]

Sponsor Banks

[●]

Bankers to our Company

State Bank of India Limited
Davangere Main Branch, Branch code : 05624,
No. 44, BSC Avenue, 1st floor, Akkamahadevi Road,
P. J. Extn., Davangere - 577 002, Karnataka, India
Telephone: +91 819 225 0808 / 827 789 8642;
Facsimile: N.A.
Email ID: sbi.05624@sbi.co.in
Website: www.sbi.co.in
Contact Person: Abhilash, Relationship Manager (SME)

Changes in the auditors

Except as stated below, there has been no change in the statutory auditors of our Company in the last three years preceding the date of this Draft Red Herring Prospectus:

Name of the auditor	Date of change	Reason of change
P. Onkarappa & Associates, Chartered Accountants #82/6, Amruth Towers, Near Aruna, Theatre, P. B. Road, Davangere – 577 002, Karnataka, India **Telephone:** +91 720 430 1452 **E-mail:** onkaroffice1gmail.com; opkumarca@gmail.com **Firm Registration Number:** 02496S	September 5, 2022	Resignation of the auditor. The *erstwhile* auditor did not hold a peer review certificate.
N B T and Co, **Chartered Accountants** 201, 2nd Floor, Mahindra M-Space, Off Aarey Road, Next to Meenatai Thackeray Blood Bank, Goregaon (West), Mumbai, Maharashtra – 400 104, India **Telephone:** +91 809 745 6165 **E-mail:** officeofnbt@nbtco.in / info@nbtco.in **Firm Registration Number:** 140489W **Peer Review Certificate Number:** 013928	September 19, 2022	Appointment as the statutory auditor, in place of P. Onkarappa & Associates.

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches 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, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time.

Eligible SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, UPI Bidders Bidding using the UPI Mechanism may only apply through the SCSBs and mobile applications whose names appears on the website of the SEBI, which may be updated from time to time. A list of SCSBs and mobile applications, using the UPI handles and which are live for applying in public issues using UPI mechanism, is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, as updated from time to time.

Syndicate SCSB 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(https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time or any other website prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time or any other website 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, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at https://www.bseindia.com/ and https://www.nseindia.com, as updated from time to time.

RTAs

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 https://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and https://www.nseindia.com/products/content/equities/ipos/asba-procedures.htm, as updated from time to time.

Collecting Depository Participants

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

Experts

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

Our Company has received written consent dated September 19, 2022 from M/s N B T and Co, Chartered Accountants, to include their name as required under section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the

Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of (i) their examination report dated September 19, 2022 on our Restated Financial Statements; and (ii) their report dated September 19, 2022 on the Statement of Special Tax Benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

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

Monitoring Agency

Since, the Issue is for an amount aggregating up to ₹ 6,000 lakhs, in accordance with Regulation 41 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency to monitor utilization of the Net Proceeds. For further details, please see "*Risk Factors – The deployment of funds is entirely at our discretion and as per the details mentioned in the chapter titled "Objects of the Issue""* on page 54.

Appraising Entity

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

Statement of inter-se allocation of responsibilities of the Book Running Lead Manager

Saffron Capital Advisors Private Limited, being the sole Book Running Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Issue. Hence, a statement of inter se allocation of responsibilities is not required.

Credit Rating

As this is an issue of Equity Shares, there is no credit rating for the Issue.

IPO Grading

No credit rating agency registered with the SEBI has been appointed in respect of obtaining grading for the Issue.

Debenture Trustees

As this is an issue of Equity Shares, no debenture trustee has been appointed for the Issue.

Green Shoe Option

No green shoe option is contemplated under the Issue.

Filing of this Draft Red Herring Prospectus

A copy of this Draft Red Herring Prospectus has been filed electronically with SEBI at cfddil@sebi.gov.in, in accordance with the instructions issued by SEBI on March 27, 2020, in relation to "Easing of Operational Procedure –Division of Issues and Listing –CFD", and has also been uploaded on the SEBI intermediary portal at siportal.sebi.gov.in as specified in Regulation 25(8) of SEBI ICDR Regulations and circular (SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018 issued by SEBI.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed, will be filed with the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013, will be filed with the RoC at its office at 'E' Wing, 2nd Floor, Kendriya Sadana, Kormangala, Bangalore - 560 034, Karnataka, India, and through the electronic portal at https://www.mca.gov.in/mcafoportal/login.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 will be decided by our Company, in consultation with the Book Running Lead Manager, will be advertised in all editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Kannada daily newspaper, Kannada being the regional language of Karnataka where our registered office is located), at least two working days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager after the Bid/Issue Closing Date. For further details, see "*Issue Procedure*" on page 287.

All Bidders, other than Anchor Investors, shall only participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, in the case of UPI Bidders, by using the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs Bidding in the Net QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. RIBs Bidding in the Retail Portion (subject to the Bid Amount being up to ₹200,000) can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date. Further, Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bid/Issue Period. Except for Allocation to RIBs, Non-Institutional Investors and the Anchor Investors, Allocation in the Issue will be on a proportionate basis. Allocation to the Anchor Investors will be on a discretionary basis.

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 Book Running Lead Manager to manage this Issue and procure Bids for this Issue.

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

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

For further details on the method and procedure for Bidding, see "*Issue Structure*" and "*Issue Procedure*" on pages 284 and 287, respectively.

Illustration of Book Building Process and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see "*Terms of the Issue*" and "*Issue Procedure*" on pages 278 and 287, respectively.

Underwriting Agreement

After the determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be issued through the Issue. It is proposed that 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, specified therein.

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

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

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

The above-mentioned is indicative underwriting and will be finalised after determination of Issue Price, Basis of Allotment and actual allocation in accordance with provisions of Regulation 40(2) of the SEBI ICDR Regulations.

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

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

Notwithstanding the above table, each of the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to Bidders respectively procured by them in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after determination of the Issue Price and allocation of Equity Shares, but prior to filing the Prospectus with the RoC. The extent of underwriting obligations and the Bids to be underwritten in the Issue by each Book Running Lead Manager shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

The Equity Share capital of our Company as on the date of this Draft Red Herring Prospectus is set forth below:

(In ₹ except share data)

		Aggregate value at face value	Aggregate value at Issue Price*
A	**AUTHORIZED SHARE CAPITAL**(1)		
	5,65,00,000 Equity Shares of face value of ₹ 10 each	56,50,00,000	-
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE**		
	3,65,00,000 Equity Shares of face value of ₹ 10 each	36,50,00,000	-
C	**PROPOSED ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**		
	Public issue of up to [●] Equity Shares (2)	[●]	[●]
	Of which		
	QIB Portion of not more than [●] Equity Shares	[●]	[●]
	Non-Institutional Portion of not less than [●] Equity Shares	[●]	[●]
	Retail Portion of not less than [●] Equity Shares	[●]	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE**		
	[●] Equity Shares of face value of ₹ 10 each	[●]	[●]
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Issue (as on date of this Draft Red Herring Prospectus)	Nil	
	After the Issue	[●]	

* *To be updated upon finalization of the Issue Price.*

(1) *For details in relation to the changes in the authorised share capital of our Company since incorporation, see 'History and Certain Corporate Matters - Amendments to our Memorandum of Association' on page 153.*

(2) *The Issue has been authorized by a resolution of our Board dated September 17, 2022 and a special resolution of our Shareholders passed in the AGM dated September 19, 2022 .*

Notes to the Capital Structure

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

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

Date of allotment	Reason / Nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Cumulative No. of Equity Shares	Name of allottees
December 23, 2019	Subscription to MoA	3,65,00,000	10	10	Cash	3,65,00,000	*Allotment of 3,61,35,000 Equity Shares to Udayshivakumar and 3,65,000 Equity Shares to Amrutha.**

Our Company was originally formed as a sole proprietorship under the name of 'M/s Udayshivakumar' at Davangere on August 22, 2002 and was converted into a partnership firm under the name of 'M/s. Udayshivakumar' pursuant to a deed of partnership dated March 31, 2014. The partnership firm was registered under the Indian Partnership Act, 1932 with the Registrar of Firms, Belgaum on April 4, 2014. Further, pursuant to the deed of partnership dated March 8, 2019, the deed of partnership dated March 31, 2014 was reconstituted by amending the existing clauses and inserting new clauses in the deed of partnership. Consequent to the aforesaid amendments a memorandum acknowledging receipt of documents for change in constitution of partnership was issued by Registrar of Firms, Belgaum, on April 3, 2019. Pursuant to deed of partnership dated March 8, 2019 executed between partners of M/s. Udayshivakumar i.e., Udayshivakumar and Amrutha (collectively, "Partners**"), Partners contributed to share capital of the Company in the proportion of the capital contributed by them in M/s. Udayshivakumar. Following are the details of the capital contribution of Partners in M/s. Udayshivakumar:*

S. No.	***Partner***	***Capital Contribution (in ₹ lakhs)***
1.	*Udayshivakumar*	*3,613.50*
2.	*Amrutha*	*36.50*
Total		***3,650.00***

Pursuant to conversion of the partnership firm into a private limited company, 3,65,00,000 Equity Shares were allotted to Partners, pursuant to subscription to MoA, comprising Udayshivakumar (3,61,35,000 Equity Shares) and Amrutha (3,65,000) Equity Shares.

(b) ***Equity Shares issued for consideration other than cash or out of revaluation reserves***

Our Company has not issued any Equity Shares out of its revaluation reserves or for consideration other than cash.

(c) ***Equity Shares allotted in terms of any schemes of arrangement***

Our Company has not allotted any Equity Shares in terms of any scheme approved under Section 391-394 of the Companies Act, 1956 or Section 230-232 of the Companies Act, 2013.

(d) ***Equity Shares allotted at a price lower than the Issue Price in the last year***

Our Company has not issued any Equity Shares at a price which may be lower than the Issue Price, during a period of one year preceding the date of this Draft Red Herring Prospectus.

2. As on the date of this Draft Red Herring Prospectus, our Company does not have any outstanding preference shares.

3. ***Equity Shares issued pursuant to employee stock option schemes***

As on date of this Draft Red Herring Prospectus, our Company has not issued Equity Shares pursuant to the ESOP Plan and ESARP Plan.

4. **Shareholding Pattern of our Company**

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

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of Equity Shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of 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)	Number of Locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of voting rights			Total as a % of (A+B+ C)			Number (a)	As a % of total Equity Shares held (b)	Number (a)	As a % of total Equity Shares held (b)	
								Class eg: Equity Shares	Class eg: Others	Total								
(A)	Promoter and Promoter Group	6	3,64,99,000	-	-	3,64,99,000	100	-	-	3,64,99,000	100	-	100	-	-	-	-	3,64,99,000
(B)	Public	1	1,000	-	-	1,000	Negligible	-	-	1,000	Negligible	-	Negligible	-	-	-	-	1,000
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)(1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)(2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A)+(B)+(C)	**7**	**3,65,00,000**	**-**	**-**	**3,65,00,000**	**100**	**-**	**-**	**3,65,00,000**	**100**	**-**	**100**	**-**	**-**	**-**	**-**	**3,65,00,000**

5. **Major shareholders**

The list of our major Shareholders and the number of Equity Shares held by them is provided below:

a) The details of our Shareholders holding 1% or more of the paid-up Equity Share capital of our Company as on the date of filing of this Draft Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre-Issue share capital
1.	Udayshivakumar	3,61,27,000	98.97
2.	Amrutha	3,65,000	1.00
Total		**3,64,92,000**	**99.98**

b) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company ten days prior to the date of filing of this Draft Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre-Issue share capital
1.	Udayshivakumar	3,61,27,000	98.97
2.	Amrutha	3,65,000	1.00
Total		**3,64,92,000**	**99.98**

***Note:** Details as on September 17, 2022, being the date ten days prior to the date of this Draft Red Herring Prospectus*

c) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company one year prior to the date of filing of this Draft Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre-Issue share capital
1.	Udayshivakumar	3,61,35,000	99.00
2.	Amrutha	3,65,000	1.00
Total		**3,65,00,000**	**100.00**

***Note:** Details as on September 27, 2021, being the date one year prior to the date of this Draft Red Herring Prospectus.*

d) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company two years prior to the date of filing of this Draft Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre-Issue share capital
1.	Udayshivakumar	3,61,35,000	99.00
2.	Amrutha	3,65,000	1.00
Total		**3,65,00,000**	**100.00**

***Note:** Details as on September 27, 2020, being the date two years prior to the date of this Draft Red Herring Prospectus.*

6. Except for any issuance of Equity Shares pursuant to the Issue, there will be no further issue of Equity Shares whether by way of a split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly, for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or through a rights issue or further public issue of Equity Shares, or otherwise, until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc., as the case may be. Further, other than as set out hereinabove, our Company presently does not intend or propose to alter its capital structure until a period of six months from the Bid/Issue Opening Date.

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

8. As on the date of this Draft Red Herring Prospectus, our Company has a total of seven Shareholders.

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

(i) ***Equity Shareholding of the Promoter***

As on the date of this Draft Red Herring Prospectus, our Promoter holds 3,61,27,000 Equity Shares, equivalent to 98.97% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below.

S. No.	Name of the Shareholder	Pre-Issue Equity Share Capital		Post-Issue Equity Share Capital*	
		No. of Equity Shares	% of total Share-holding	No. of Equity Shares	% of total Share-holding
Promoter					
1.	Udayshivakumar	3,61,27,000	98.97	[●]	[●]
Total		**3,61,27,000**	**98.97**	**[●]**	**[●]**

** Subject to finalisation of Basis of Allotment*

(ii) All Equity Shares held by our Promoter are in dematerialized form as on the date of this Draft Red Herring Prospectus.

(iii) ***Build-up of the Promoter's shareholding in our Company***

The build-up of the Equity shareholding of our Promoter since the incorporation of our Company is set forth in the table below:

Date of allotment/ transfer	Details of allotment/ transfer	Nature of transaction	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ transfer price per Equity Share (₹)	Percentage of pre-Issue Equity Share capital	Percentage of post-Issue Equity Share capital*
Udayshivakumar							
December 23, 2019	Allotment of 3,61,35,000 Equity Shares	Subscription to MoA	3,61,35,000	10	10	99.00	[●]
July 27, 2022	Transfer by way of gift to Manjushree Shivakumar	Gift	(2,000)	10	N.A.	Negligible	[●]
July 27, 2022	Transfer by way of gift to Poojashree	Gift	(2,000)	10	N.A.	Negligible	[●]
July 27, 2022	Transfer by way of gift to Aishwaryashree	Gift	(2,000)	10	N.A.	Negligible	[●]
July 27, 2022	Transfer by way of gift to R. Prabhakar^	Gift	(2,000)	10	N.A.	Negligible	[●]
Total			**3,61,27,000**			**98.97**	**[●]**

** Subject to finalisation of Basis of Allotment*
^ R. Prabhakar has further transferred 1,000 Equity Shares of face value of ₹10 to Nagarthna BS on July 27, 2022 by way of a gift.

(iv) All the Equity Shares held by our Promoter were fully paid-up on the respective dates of allotment or acquisition, as applicable, of such Equity Shares.

(v) As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoter are pledged.

(vi) ***Equity Shareholding of the Promoter Group***

The details of the Equity Shareholding of members forming part of our Promoter Group have been provided below:

S. No.	Name of the Shareholder	Pre-Issue Equity Share Capital		Post-Issue Equity Share Capital*	
		No. of Equity Shares	% of total Share-holding	No. of Equity Shares	% of total Share-holding
1.	Amrutha	3,65,000	1.00	[●]	[●]
2.	Manjushree Shivakumar	2,000	0.01	[●]	[●]
3.	Poojashree	2,000	0.01	[●]	[●]
4.	Aishwaryashree	2,000	0.01	[●]	[●]
5.	R. Prabhakar	1,000	Negligible	[●]	[●]
Total		**3,72,000**	**1.03**	**[●]**	**[●]**

(vii) Except as stated under the heading – "*Build-up of the Promoter's shareholding in our Company*" on page 83, none of the members of the Promoter Group, the Promoter, the Directors of our Company, or any of their respective relatives, as applicable, have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

(viii) There have been no financing arrangements whereby our Promoter, members of the Promoter Group, our Directors, or their relatives 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 Draft Red Herring Prospectus.

10. **Details of lock-in of Equity Shares**

(i) ***Details of Promoter's contribution locked in for eighteen months***

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

Details of the Equity Shares to be locked-in for 18 months from the date of Allotment as Promoter's Contribution are set forth in the table below:

Name of the Promoter	Date of allotment of the Equity Shares *	Nature of transaction	No. of Equity Shares	Face Value (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in	Percentage of the post-Issue paid-up capital (%)**	Date up to which the Equity Shares are subject to lock-in
Udayshivakumar	[●]	[●]	[●]	10	[●]	[●]	[●]	[●]
Total						[●]	[●]	[●]

* *All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition, as the case may be, of such Equity Shares.*

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

Note: The above details shall be filled in the Prospectus to be filed with the RoC.

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

Our Company undertakes that the Equity Shares that are being locked-in are not and will not be ineligible for computation of Promoter's Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:

1. The Equity Shares offered for Promoter's Contribution do not include Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation

reserves or unrealised profits of our Company or from a bonus issuance of Equity Shares against Equity Shares, which are otherwise ineligible for computation of Promoter's Contribution;

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

3. Our Company was incorporated pursuant to conversion of a partnership firm into a company in the year 2019. No Equity Shares have been issued to our Promoter, during the preceding one year at a price less than the Issue Price, against the funds brought in by them pursuant to such conversion; and

4. The Equity Shares forming part of the Promoter's Contribution are not subject to any pledge.

(ii) ***Details of Equity Shares locked-in for six months***

Unless provided otherwise under applicable law, pursuant to the SEBI ICDR Regulations, the entire pre-Issue capital of our Company (including those Equity Shares held by our Promoter in excess of the Promoter's Contribution) shall be locked-in for a period of six months from the date of Allotment or such other minimum lock-in period as may be prescribed under the SEBI ICDR Regulations, subject to certain conditions set out in Regulation 17 of the SEBI ICDR Regulations.

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

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in the following manner: there shall be a lock-in of 90 days on 50% of the Equity Shares Allotted to each of the Anchor Investors from the date of Allotment, and a lock-in of 30 days on the remaining 50% of the Equity Shares Allotted to each of the Anchor Investors from the date of Allotment.

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

(i) 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.

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

(a) With respect to the Equity Shares locked-in for 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.

(b) With respect to the Equity Shares locked-in as 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, and such pledge of the Equity Shares must be one of the terms of the sanction of the loan, 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 to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

(iii) In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoter and locked-in in terms of Regulation 16 of the ICDR Regulations, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the Takeover Regulations.

(iv) Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoter 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 with the transferee and compliance with the provisions of the Takeover Regulations.

11. Our Company, our Promoter, our Directors and the BRLM have not entered into buyback arrangements and / or any other similar arrangements for the purchase of Equity Shares being issued through the Issue.

12. All Equity Shares are fully paid-up as on the date of this Draft Red Herring Prospectus.

13. As on the date of this Draft Red Herring Prospectus, the BRLM and its respective associates (determined as per the definition of 'associate company' under the Companies Act, 2013 and as per definition of the term 'associate' under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The BRLM and its affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

14. As on the date of this Draft Red Herring Prospectus, our Company does not have any active employee stock option schemes.

15. Except as disclosed in "*Our Management*" on page 156, none of our Directors or Key Managerial Personnel of our Company hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

16. No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, our Promoter, the members of our Promoter Group or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.

17. As on date of this Draft Red Herring Prospectus, none of our Promoter and the members of our Promoter Group will participate in the Issue.

18. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.

19. All transactions in Equity Shares by our Promoter and members of our Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Issue shall be reported to the Stock Exchanges within 24 hours of such transactions.

20. Our Promoter will not receive any proceeds from the Issue.

21. At any given time, there shall be only one denomination of the Equity Shares of our Company, unless otherwise permitted by law.

OBJECTS OF THE ISSUE

Our Company proposes to utilize the proceeds from the issue towards funding the following objects and achieve the benefits of listing the Equity Shares on the Stock Exchanges. The Issue comprises of fresh Issue of upto [●] Equity Shares of our Company at an Issue Price of ₹ [●]/-per Equity Share, aggregating upto ₹ 6,000.00 Lakhs by our Company. The proceeds from the Issue after deducting Issue related expenses are estimated to be ₹ [●] Lakh (the ***"Net proceeds"***).

Issue

Our Company proposes to utilize the Net Proceeds from the Issue towards funding the following objects:

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

(Collectively, referred to herein as the "**Objects**")

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges and enhancement of our Company's visibility and brand image and creation of a public market for our Equity Shares in India. The main objects and the objects incidental and ancillary to the main objects of our Memorandum of Associationenable our Company to undertake our existing business activities and to undertake the activities for which the funds are being raised in the Issue.

Net Proceeds

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

Particulars	Amount (₹ in lakhs)
Gross proceeds	6,000
Less: Issue Expense*	[●]
Net Proceeds**	**[●]**

**See "-Issue Related Expenses" see below*
*** To be finalised upon determination of the Issue Price and updated in the Prospectus prior to the filing with theRoC.*

Requirement of Funds and Utilisation of Net Proceeds

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

(₹ in lakhs)

Particulars	Amount which will be Financed from Net Proceeds(1)
Funding incremental working capital requirements of our Company	4,500
General corporate purposes(1)	[●]

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

Proposed schedule of Implementation

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below.

(₹ in lakhs)

S. No.	Particulars	Total Estimated cost	Amount to be deployed from theNet Proceeds in Fiscal 2023	Amount to be deployed from the Net Proceeds in Fiscal 2024
1.	Funding incremental working capital requirements of our Company	4,500	2,000	2,500
2.	General corporate purposes*	[●]	-	-
	Total Net Proceeds	**[●]**	**[●]**	**[●]**

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

The requirement and deployment of funds as indicated above are based on our current business plan, internal management estimates, prevailing market conditions and other commercial and technical factors, including interest rates and other charges, and the financing and other agreements entered into by our Company, and have not been appraised by any bank or financial institution. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business strategy and external factors such as market conditions, competitive environment and interest or exchange rate fluctuations and configuration of the project, increase in input costs of construction materials and labour costs, logistics and transport costs incremental preoperative expenses, taxes and duties, interest and finance charges, engineering procurement and construction costs, working capital margin, regulatory costs, environmental factors and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, at the discretion of our management, subject to compliance with applicable law. Moreover, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for 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 Fresh Issue in accordance with Regulation 7(2) of the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals, general corporate purposes and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, 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 surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Fresh Issue. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects, per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent Fiscals towards the aforementioned Objects.

For further details of factors that may affect these estimates, see "*Risk Factors*" on page 29.

Means of finance

The fund requirements for all the Objects of the Issue are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated meansof finance, excluding the amount to be raised through the Fresh Issue or through existing identifiable internal accruals.

Details of the Objects

1. **Funding incremental working capital requirements of our Company**

We fund a majority of our working capital requirements in the ordinary course of business from various banks and internal accruals. As on March 31, 2022, the outstanding amount under the working capital facilitiesof our Company was ₹ 2648.29 lakhs. For details, see "*Financial Indebtedness*" beginning on page 260.

In order to support the incremental business requirements, our Company requires additional working capital for funding its incremental working capital requirements in Fiscal 2023 and Fiscal 2024. The funding of the incremental working capital requirements of our Company will lead to a consequent increase in our profitability and achieving the proposed targets as per our business plan.

Basis of estimation of incremental working capital requirement

We propose to utilise ₹ 4,500.00 lakhs from the Net Proceeds to fund the long-term working capital requirementsof our Company in Fiscal 2023 and Fiscal 2024. The balance portion of our long-term working capital requirement will be arranged from existing equity, internal accruals and borrowings from banks and financial institutions.

The details of our Company's working capital as at Fiscal 2022, Fiscal 2021 and Fiscal 2020 and the source of funding, derived from the Restated Financial Statements, are provided in the table below:

(₹ in lakhs)

S. No.	Particulars	Notes	Amount as at March 31, 2022	Amount as at March 31, 2021	Amount as at March 31, 2020
1	**Current Assets**				
a)	Trade receivables		3,201.31	4,213.11	5,877.05
b)	Other current assets		1,078.04	1,125.81	1,036.97
c)	Inventories		877.43	947.17	983.22
d)	Cash and Cash equivalents		1,524.15	525.02	24.51
	Total current assets	**(A)**	**6,680.94**	**6,811.11**	**7,921.76**
2	**Current Liabilities**				
a)	Trade payables		2,912.82	3,662.93	5,076.74
b)	Other current liabilities		1,173.27	507.27	281.78
c)	Other Financial Liabilities		33.96	42.56	33.89
	Total current liabilities	**(B)**	**4,120.04**	**4,212.75**	**5,392.41**
3	**Net working capital requirements**	**(C) = (A)–(B)**	**2,560.89**	**2,598.36**	**2,529.35**
4	**Existing funding pattern**				
a)	Current Borrowings (other than current maturities of non-current borrowings)		1,359.95	1,406.90	1,036.67
b)	Internal accruals/equity		1,200.94	1,191.46	1,492.68
	Total		**2,560.89**	**2,598.36**	**2,529.35**

Note: Pursuant to the certificate dated September 27, 2022, issued by the Statutory Auditor.

The projected working capital requirements of the Company for Fiscal 2023 and Fiscal 2024 are as set forth below:

(₹ in lakhs)

S. No.	Particulars	Notes	Estimated Amount as at March 31, 2023	Estimated Amount as at March 31, 2024
1	**Current Assets**			
a)	Trade receivables		4,726.54	7,219.17
b)	Other current assets		1,890.62	2,887.67
c)	Inventories		1,260.41	1,925.11
d)	Cash and Cash equivalents		1,000.00	1,000.00
	Total current assets	**(A)**	**8,877.57**	**13,031.95**
2	**Current Liabilities**			
a)	Trade payables		2,835.92	4,331.50
b)	Other current liabilities		945.31	1,443.83
c)	Other Financial Liabilities		33.96	33.96
	Total current liabilities	**(B)**	**3,815.19**	**5,809.29**
3	**Net working capital requirements**	**(C) = (A)–(B)**	**5,062.38**	**7,222.66**
4	**Existing funding pattern**			
a)	Net proceed from the Issue (IPO)		2000.00	2500.00
b)	Internal accruals or Borrowings		3062.38	4722.66
	Total		**5,062.38**	**7,222.66**

Note: Pursuant to the certificate dated September 27, 2022, issued by the Statutory Auditor.

The table below sets forth the details of holding levels (in days) for Fiscal 2022, Fiscal 2021 and Fiscal 2020 on the basis of audited standalone financial statements and the estimated holding levels (in days) for the Fiscal 2023 and Fiscal 2024 and the assumptions based on which the working plan projectionshas been made and approved by our Board of Directors:

S. No.	Particulars	Number of days for the period ended				
		March 31, 2019 (Actual)	**March 31, 2020 (Actual)**	**March 31, 2021 (Actual)**	**March 31, 2023 (Estimated)**	**March 31, 2024 (Estimated)**
1.	Trade receivables	111	73	63	75	75
2.	Other current assets	20	20	21	30	30
3.	Inventories	19	16	17	20	20
4.	Trade payables	96	64	57	45	45
5.	Other current liabilities	5	9	23	15	15

Note: Pursuant to the certificate dated September 27, 2022, issued by the Statutory Auditor.

The table below sets forth the key justifications for holding levels:

S. No.	Particulars	Details
Current assets		
1.	Trade receivables	The Company had maintained trade receivable days of 111 days in the Fiscal 2020, 73 days in the Fiscal 2021 and 63 days in the Fiscal 2022. The Company anticipate to increase its trade receivables because of new projects and majority of receivable from government departments having higher credit cycle, projected trade receivables days to be 75 days for the Fiscal 2023 and Fiscal 2024.
2.	Other current assets	Other Current Assets include balance with government authorities, advances to suppliers and prepaid expenses. For the Fiscal 2020, Fiscal 2021 and Fiscal 2022, The Company's other current assets were 20 days, 20 day and 21 days. It is anticipated to be at 30 days for Fiscal 2023 and Fiscal 2024.
3.	Inventories	Inventories include raw materials, work in progress, stores & spares etc. The Company had maintained inventory days of 19 days in Fiscal 2020, 16 days in Fiscal 2021 and 17 days in Fiscal 2022. It is assumed to slightly increased inventory days t and to be 20 days for the Fiscal 2023 and Fiscal 2024.
Current liabilities		
1.	Trade payables	The Company had maintained trade payable days of 96 days in Fiscal 2020, 64 days in Fiscal 2020 and 57 days in Fiscal 2022. It is projected to reduce due to improvement in purchase efficiency and projected to be 45 days for the Fiscal 2023 and Fiscal 2024.
2.	Other current liabilities	Other Current Liabilities include current tax liabilities, current provision for employee benefits, advances from customers, statutory dues and deferred government grant. For the Fiscal 2020, Fiscal 2021 and Fiscal 2022, the Company's other current liabilities were 5 days, 9 days and 23 days respectively. It is anticipated to be at 15 days for Fiscal 2023 and Fiscal 2024.

Note: Pursuant to the certificate dated September 27, 2022, issued by the Statutory Auditor.

The aforementioned working capital estimates and projections have been approved by the Board through their resolution dated September 27, 2022.

General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds, aggregating to ₹ [●] lakhs, 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 utilise Net Proceeds include, without limitation, meeting ongoing general corporate purposes or contingencies, strengthening marketing capabilities and brand building exercises, enhancing our technology related infrastructure, strategic initiatives and acquisition and/or funding any shortfall in any of the abovementioned objects. The quantum of utilisation 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 considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act. Our Company's management shall have flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds.

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] lakhs. The expenses of this Issue include, among others, listing fees, selling commission and brokerage, fees payable to the BRLMs, fees payable to legal counsel, fees payable to the Registrar to the Issue, Escrow Collection Bank(s) and Sponsor Bank to the Issue, processing fee to the SCSBs for processing application forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

All Issue expenses will be borne, upon successful completion of the Issue, by our Company in accordance with applicable law.

The estimated Issue expenses are as follows:

(₹ in lakhs)

Activity	Estimated expenses*	As a % of the total estimated Issue expenses(1)	As a% of the total Issue size(1)
BRLMs fees and commissions (including underwriting commission)	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Bank(s) and Bankers to the Issue. Brokerage and sellingcommission and bidding charges for Members of theSyndicate, Registered Brokers, RTAs and CDPs ((2)(3)(4)(5)(6)	[●]	[●]	[●]
Fees payable to the Registrar of the Issue			
Other expenses			
a. Listing fees, SEBI filing fees, BSE and NSE processing fees, book buildingsoftware fees	[●]	[●]	[●]
b. Printing and stationery expenses	[●]	[●]	[●]
c. Advertising and marketing expenses	[●]	[●]	[●]
d. Fees payable to the legal counsel	[●]	[●]	[●]
e. Miscellaneous	[●]	[●]	[●]
Total estimated Issue expenses	**[●]**	**[●]**	**[●]**

**Issue expenses include goods and services tax, where applicable. Issue expenses will be incorporated at thetime of filing of the Prospectus. Issue expenses are estimates and are subject to change.*

(1) Amount will be finalised and incorporated in the Prospectus on determination of Issue Price.

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

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

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

Further, bidding charges of ₹[●] (plus applicable goods and services tax) shall be per valid ASBA Form collected by the Syndicate, RTAs and CDPs (excluding applications made by UPI Bidders using the UPI Mechanism). The terminal from which the Bid has been uploaded will be taken into account in orderto determine the total bidding charges. No additional bidding charges shall be payable to SCSBs on the Bidcum Application Forms directly procured by them. Selling commission payable to the Registered Brokers onthe portion for Retail Individual Bidders, and Non-Institutional Bidders, which are directly procured by theRegistered Brokers and submitted to SCSBs for processing, shall be ₹[●] per valid Bid cum Application Form (plus applicable goods and services tax)

(3) No additional uploading/processing charges shall be payable by our Company and the Selling Shareholdersto the SCSBs on the Bid cum Applications Forms directly procured by them

Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

*Portion for Retail Individual Investors**	*₹ [●] per valid Bid cum Application Form (plus applicable taxes)*
*Portion for Non-Institutional Investors**	*₹ [●] per valid Bid cum Application Form (plus applicabletaxes)*

**For each valid application.*

(4) *The Processing fees for applications made by UPI Bidders using the UPI Mechanism would beas follows:*

*Sponsor Bank(s)**	*₹ [●] per valid Bid cum Application Form* (plus applicable taxes) The Sponsor Bank(s) shall be responsible for making payments to thethird parties such as remitter bank, NCPI and such other parties asrequired in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.*
Payable to Members of the Syndicate (including their sub-Syndicate Members)/ RTAs/ CDPs	*₹ [●] per valid application (plus applicable taxes)*

The processing fees for applications made by UPI Bidders using the UPI Mechanism may bereleased to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliancewith SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, read with the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

(5) *Selling commission on the portion for Retail Individual Bidders (including bids using the UPI Mechanism) and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs would be as follows:*

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

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

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basisof 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 payableto the SCSB and not the Syndicate / Sub-Syndicate Member.

The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

Interim Use of Funds

Pending utilisation for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds only with scheduled commercial banks. In accordance with Section 27 of the Companies Act 2013, ourCompany confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of anyother listed company or for any investment in the equity markets.

Bridge Loan

Our Company has not raised any bridge loans which are required to be repaid from the Net Proceeds.

Monitoring of Utilisation of Funds

In accordance with Regulation 41 of the SEBI ICDR Regulations, since the Net Proceeds do not exceed ₹ 10,000.00 lakhs, appointment of monitoring agency is not applicable.

Variation in Objects of the Issue

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the Objects of the Issue unless our Company is authorised to do so by way of a special resolution of its Shareholders througha postal ballot and such variation will be in accordance with the applicable laws including the

Companies Act, 2013 and the SEBI ICDR Regulations. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act, 2013. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Kannada, the vernacular language of the jurisdiction where our Registered and Corporate Office is situated. Our Promoter will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal to vary the objects, at a price and in such manner as may be prescribed by SEBI in Regulation 59 and Schedule XX of the SEBI ICDR Regulations. For further details see, "*Risk Factors - "The deployment of funds is entirely at our discretion and as per the details mentioned in the chapter titled "Objects of the Issue" on* page 54.

Appraising Entity

None of the Objects for which the Net Proceeds will be utilised have been appraised by any bank/ financial institution or any other agency.

Other Confirmations

No part of the Net Proceeds will be paid to our Promoter, Promoter Group, Directors, our Group Company or our Key Managerial Personnel, 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, or our Group Company in relation to the utilisation of the Net Proceeds

BASIS FOR ISSUE PRICE

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

Investors should also refer to *"Our Business", "Risk Factors", "Restated Financial Statements", "Management's Discussion and Analysis of Financial Position and Results of Operations" and "Other Financial Information"* on pages 126, 29, 181, 232 and 229, 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:

- Focused on Roads, Flyovers and Bridge construction
- Strong Order Book of Roads, Flyovers and Bridge construction projects from various government agencies, local bodies and private developers.
- Strong execution capabilities with industry experience
- Experienced management team

For further details, see *"Our Business – Competitive Strengths"* on page 127.

Quantitative Factors

Some of the information presented below relating to our Company is based on the Restated Financial Statements. For details, see *"Restated Financial Statements"* on page 181.

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

I. Basic and Diluted Earnings per share ("EPS")

Fiscal Year ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2022	3.33	3.33	3
March 31, 2021	2.55	2.55	2
March 31, 2020	2.87	2.87	1
Weighted Average	**2.99**	**2.99**	**-**

Notes:

(1) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights

(2) Basic Earnings per Equity Share (₹) = Restated profit for the year divided by Weighted average number of equity shares outstanding during the year, read with note 1 above

(3) Diluted Earnings per Equity Share (₹) = Restated profit for the year divided by Weighted average number of diluted equity shares outstanding during the year, read with note 1 above

(4) Earnings per Share calculations are in accordance with the notified Indian Accounting Standard 33 'Earnings per share'. The face value of equity shares of the Company is ₹ 10.

(5) The figures disclosed above are based on the Restated Financial Statements.

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

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
Based on basic EPS for Fiscal 2022	[●]	[●]
Based on diluted EPS for Fiscal 2022	[●]	[●]

Industry Peer Group P/E ratio

Particulars	Industry P/E (number of times)
Highest	25.44
Lowest	10.58

Particulars	Industry P/E (number of times)
Average	16.53

***Notes**:*

(1) The industry high and low has been considered from the industry peer set provided above. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed above.

(2) All the financial information for listed industry peers mentioned above is sourced from the annual reports of the relevant companies for Fiscal 2022, as available on the websites of the Stock Exchanges.

III. Return on Networth ("RoNW")

Fiscal Year ended	RoNW (%)	Weight
March 31, 2022	17.78%	3
March 31, 2021	16.59%	2
March 31, 2020	22.38%	1
Weighted Average	**18.15%**	

***Notes**:*

(1) 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.

(2) Return on Net Worth (%) = Restated profit for the year divided by Net worth at the end of the year

(3) 'Net worth': Equity Share capital and other equity less capital reserves

IV. Net asset value per Equity Share (face value of ₹ 10/- each)

Particulars	NAV per equity share (₹)
As on March 31, 2022	18.72
After the Completion of the Issue:	
- At Floor Price	[●]
- At Cap Price	[●]
- At Issue Price(2)	[●]

***Notes**:*

(1) Net Asset Value per Equity Share = Net worth derived from Restated Financial Statements as at the end of the year divided by number of equity shares outstanding as at the end of year as per Restated Financial Statements.

Comparison of accounting ratios with listed industry peers

We believe following is our peer group which has been determined on the basis of listed public companies comparable in the similar line of segments in which our Company operates and whose business segment in part or full may be comparable with that of our business, however, the same may not be exactly comparable in size or business portfolio on a whole with that of our business.

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

Name of the company	Consolidated/ Standalone	Face value (₹ per share)	Closing price on September 21, 2022 (₹ per share)	Revenue from Operations (in ₹ Lakhs) for fiscal 2022	EPS (₹)		NAV (₹ per share)	P/E	RoNW (%)
					Basic	Diluted			
Udayshivakumar Infra Limited *	Standalone	10	NA	18,562.92	3.33	3.33	18.72	NA	17.78
PEER GROUP									
KNR Constructions Limited	Consolidated	2.00	246.05	3,60,582.24	13.58	13.58	91.00	18.12	14.32
PNC Infratech Limited	Consolidated	2.00	271.45	7,20,803.56	22.63	22.63	141.42	12.00	16.00
HG Infra Engineering Limited	Consolidated	10.00	616.85	3,75,143.10	58.31	58.31	220.34	10.58	26.47
IRB Infrastructure	Consolidated	10.00	221.10	5,80,370.00	8.69	8.69	208.07	25.44	2.88

Name of the company	Consolidated/ Standalone	Face value (₹ per share)	Closing price on September 21, 2022 (₹ per share)	Revenue from Operations (in ₹ Lakhs) for fiscal 2022	EPS (₹)		NAV (₹ per share)	P/E	RoNW (%)
					Basic	Diluted			
Developers Limited									

**Financial information for our Company is derived from the Restated Financial Statements as at and for the Fiscal 2022.*
***Source**: All the financial information for listed industry peers mentioned above is sourced from the annual reports of the relevant companies for Fiscal 2022, as available on the websites of the Stock Exchanges*

Notes for peer group:
(1) P/E Ratio has been computed based on the closing market price of equity shares on BSE on September 21, 2022 divided by the Basic EPS as at March 31, 2022.
(2) Return on Net Worth (%) = Profit for the year ended March 31, 2022 divided by Total Equity of the Company as on March 31, 2022.
(3) NAV is computed as the Total Equity of the Company as on March 31, 2022 divided by the outstanding number of equity shares as on March 31, 2022.

The trading price of the Equity Shares could decline due to the factors mentioned in the section *"Risk Factors"* on page 29 and any other factors that may arise in the future and you may lose all or part of your investments.
The Issue Price is [●] times of the face value of the Equity Shares.

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

Investors should read the above-mentioned information along with chapters titled *"Our Business", "Management's Discussion and Analysis of Financial Position and Results of Operations"* , *"Risk Factors" and "Restated Financial Statements"* beginning on pages 126, 232, 29 and 181 respectively of this Draft Red Herring Prospectus to have a more informed view.

STATEMENT OF SPECIAL TAX BENEFITS

To,
The Board of Directors
Udayshivakumar Infra Limited ("Company")
924A/196, Banashankari Badavane,
Near NH-4 Bypass,
Davangere – 577 005,
Karnataka, India

Saffron Capital Advisors Private Limited ("Book Running Lead Manager")
605, Center Point, Sixth Floor,
Andheri - Kurla Road, J.B. Nagar
Andheri (East), Mumbai - 400 059,
Maharashtra, India

Sub: Proposed initial public offering of equity shares (the "Equity Shares") of Udayshivakumar Infra Limited (the "Company" and such initial public offering, the "Offer")

Sub: Statement of Special Tax Benefits available to Company and its shareholders under the Indian tax laws

Dear Sir(s),

We, N B T and Co, Chartered Accountants, hereby confirm that the enclosed **Annexure I** states the possible special tax benefits available to the Company and to its shareholders (the "**Statement**"), under direct and indirect taxes (together "**the Tax Laws**"), presently in force in India. These possible special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfill such conditions.

The benefits discussed in the enclosed **Annexure I** are not exhaustive and cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to them. The Statement is only intended to provide general information to 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 or its own tax consultant with respect to the specific tax implications arising out of their participation in the proposed Offer, particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither do we suggest nor do we advise the investors to invest money based on this Statement.

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

(i) the Company and its shareholders will continue to obtain these possible special tax benefits in future; or

(ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with, or

(iii) the revenue authorities will concur with the views expressed herein.

The contents of the enclosed **Annexure I** are based on the information, explanation and representations obtained from the Company, and on the basis of our understanding of the business activities and operations of the Company.

We have also complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

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

This certificate is issued for the sole purpose of the Offer, and can be used, in full or part, for inclusion in the draft red herring prospectus, the red herring prospectus and the prospectus to be filed in relation to the Offer or any other Offer related material ("**Offer Documents**"), and may be relied upon by the Company, and for the submission of this certificate as may be necessary, to any regulatory / statutory authority, stock exchanges, any other authority as may be required and/or for the records to be maintained by the Book Running Lead Manager in connection with the Offer and in accordance with applicable law, and for the purpose of any defense the Book Running Lead Manager may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.

This certificate may be relied on by the Book Running Lead Manager, their affiliates and legal counsel in relation to the Offer.

We confirm that on receipt of any written communication from Company of any changes in the information, we will immediately communicate any changes in writing in the above information to the Book Running Lead Manager until the date the Equity Shares issued pursuant to the Offer commence trading on the stock exchanges. In the absence of any communication from us till the Equity Shares commence trading on the stock exchanges, you may assume that there is no change in respect of the matters covered in this certificate.

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

Yours faithfully,

For N B T and Co
Chartered Accountants
ICAI Firm Registration Number: 140489W

Sd/-
CA. Arpit Tapadiya
Partner
Membership No.: 182428
Place: Mumbai
UDIN: 22182428AVEOUB8505
Date: September 19, 2022

Annexure I: Statement of possible special tax benefits available to the Company and to the shareholders of the Company under applicable direct and indirect tax laws

ANNEXURE I

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND TO THE SHAREHOLDERS OF THE COMPANY UNDER APPLICABLE DIRECT AND INDIRECT TAX LAWS

This statement of possible special tax benefits is required as per Schedule-VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**ICDR Regulations**"). While the term 'special tax benefits' has not been defined under the ICDR Regulations, for the purpose of this Statement, it is assumed that with respect to special tax benefits available to the Company, and the same would include those benefits as enumerated in this Annexure.

Any benefits under the taxation laws other than those specified in this Annexure are considered to be general tax benefits and therefore not covered within the ambit of this Statement.

Further, any benefits available under any other laws within or outside India, except for those mentioned in this Annexure have not been examined and covered by this statement.

Direct Taxation:

Outlined below are the special tax benefits available to the Company and its shareholders under the Income-tax Act, 1961 (the "'**Act**"), as amended by Finance Act, 2022 i.e. applicable for Financial Year 2022-23 relevant to the Assessment Year 2023-24, presently in force in India.

I. Special tax benefits available to the Company

- There are no special tax benefits available to the Company

II. Special tax benefits available to Shareholders

- There are no special tax benefits available to the shareholders for investing in the Equity Shares of the Company.

Notes:

1. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of Equity Shares.

2. The above Statement covers only certain relevant benefits under Income tax Act, 1961 read with relevant rules, circulars and notifications and does not cover any indirect tax law benefits or benefit under any other law.

3. The above Statement of possible tax benefits is as per the current Income tax Act, 1961 read with relevant rules, circulars and notifications relevant for the Assessment Year 2023-24.

4. This Statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the Equity Shares of the Company.

5. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant double tax avoidance agreements, if any, between India and the country in which such non-resident is a tax resident of.

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

Indirect Taxation:

Outlined below are the special tax benefits available to the Company and its shareholders under the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017 ("**GST law**"), the Customs Act, 1962, Customs Tariff Act, 1975 ("**Customs law**") and Foreign Trade Policy 2015-2020 ("**FTP**") (collectively referred as "**Indirect Tax**") read with rules, circulars, and notifications

I. Special tax benefits available to the Company

- There are no special tax benefits available to the Company

II. Special tax benefits available to Shareholders

- There are no Special Indirect Tax Benefits available to the shareholders for investing in the Equity Shares of the Company.

Notes:

1. The above Statement of Indirect Tax benefits sets out the special tax benefits available to the Company and its shareholders under the Indirect Tax laws mentioned above.

2. The above Statement covers only above-mentioned tax laws benefits and does not cover any Income Tax law benefits or benefits under any other law.

3. This Statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the Equity Shares of the Company.

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

For Udayshivakumar Infra Limited **Sd/-** **Authorised Signatory** **Kodachawad Sheetalkumar M**	**For N B T and Co** **Chartered Accountants** **ICAI Firm Registration Number: 140489W** **Sd/-** **CA. Arpit Tapadiya** **Partner** **Membership No.:** 182428

SECTION IV – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, the information in this section is obtained or extracted from the report dated September 22, 2022 titled "Industry report on infrastructure" prepared and issued by CRISIL (the **"CRISIL Report"**). It is hereby clarified that the information in this section is only an extract of the CRISIL Report and does not comprise the entire CRISIL Report. All information in the CRISIL Report that is considered material by us for the purposes of this Issue has been included in this section, and none of this information has been further modified by us in any manner, except for the limited purpose of presentation or ensuring continuity. Neither we nor any other person connected with the Issue have independently verified industry related information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect.*

Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. For further details, see "*Risk Factors – This Draft Red Herring Prospectus contains information from an industry report prepared by CRISIL, commissioned by us for the purpose of the Issue for an agreed fee*" on page 55.

Macroeconomic Overview of India

Review of India's GDP growth

GDP logged 6.6% CAGR between fiscals 2012 and 2020

In 2015, the Ministry of Statistics and Programme Implementation (MoSPI) changed the base year for calculating India's GDP between fiscals 2005 and 2012. Based on this, the country's GDP logged an eight-year CAGR of 5.4%, growing to Rs.147 trillion in fiscal 2022 from Rs.87 trillion in fiscal 2012.

Fiscal 2021 was a challenging year for the Indian economy because of the covid-19 related distress, which was already experiencing a slowdown before the pandemic struck. GDP contracted 6.6% (in real terms) after growing 3.7% in fiscal 2020. India's GDP (in absolute terms) dropped to Rs.136 trillion in fiscal 2021.

Following this the economy recovered in FY22 as the shocks of the covid-19 pandemic subsided leading to a growth of 8.7% y-o-y resulting in India's real GDP reaching Rs.147 trillion.

- ***Economy rebounded in second half of fiscal 2021, recovery continued in fiscal 2022***

After contracting in the first half because of Covid-19, the economy rebounded in the second half of fiscal 2021, growing 0.5% and 1.6% on-year in the third and fourth quarters, respectively. While the economy shrank as a whole in fiscal 2021, agriculture and allied activities, and electricity, gas, water supply and other utility services were the outliers, logging positive growth. On the other hand, contact-intensive trade, hotels and transport sectors, and services related to broadcasting were hit the most, and continued to contract in all the quarters. Construction – a labour-intensive sector – was also severely hit in the first half, but rebounded in the second half.

The economy got into recovery mode, with GDP expanding 20.1% on-year in the first quarter of fiscal 2022, 8.4% in the second quarter and 5.4% in the third quarter. Slower third quarter growth was partly due to the waning away of the low-base effect of the previous year, when the economy begun expanding post the first pandemic wave. Third quarter growth also seemed to have been impacted by lower government investment spend, with the growth being 5.4% y-o-y. In absolute terms, GDP for the second quarter only just crossed the value reported in the first quarter of fiscal 2020 (pre-Covid), representing a rise of 1.1%. The economic rebound came on the back of reduced pandemic restrictions and improving vaccination coverage. Real GDP growth slowed to 4.1% on-year in Q4 from

5.4% in Q3, led by a sharp slowdown in private final consumption expenditure (PFCE). That said, both government final consumption expenditure (GFCE) and GFCF registered higher growth in Q4. To be sure, a part of the slowdown in Q4 GDP growth is also attributed to base effect.

Key budgetary proposals for Infrastructure sector

The Union Budget 2022-23 bet big on an investment push to lift economic growth, two years and three waves into the pandemic. The idea clearly is to push the growth multiplier rather than stoke consumption through direct budgetary support. For the next fiscal, the government's revenue expenditure is budgeted to grow less than 1% after growing 2.7% in the current fiscal. The total capex of the government (budgetary capex plus revenue grants for capital creation and capex by central public sector enterprises) is budgeted to rise 14.5% as compared with only 3.1% in the current fiscal. The government thus has tightened the belt around revenue expenditure and frontloaded infrastructure spending that would lead to faster economic growth.

Key budget announcements concerning infrastructure are,
At Rs.7.5 trillion, aggregate budgetary support (gross budgetary support or GBS) for capex next fiscal is up 39% over fiscal 2022RE. For infrastructure sectors, budgetary support is 30% up at Rs.4.3 trillion. These exclude Rs.620.57 billion equity infusion into AI Assets Holding Ltd (AIAHL) in fiscal 2022RE PM Gati Shakti Master Plan for expressways is to be formulated. The national highways network will be expanded by 25,000 km next fiscal In the railways sector, 2,000 km of tracks will be brought under train collision avoidance system, Kavach; 400 new generation Vande Bharat trains will be introduced in the next three years Four multi-modal logistics parks will be awarded through the PPP mode next fiscal

CRISIL estimates India's GDP growth at 7.3% in fiscal 2023 with downside risk

The growth outlook for fiscal 2023 is fettered by multiple risks. Global growth is projected to slow, as central banks in major economies withdraw easy monetary policies to tackle escalating inflation. This, together with high commodity prices, especially oil, translates into a negative terms of trade shock for India. At the same time, higher and broad-based inflation domestically will create a drag on consumption revival. Uncertainty due to the Russia-Ukraine conflict could put some of the private capex plans on the back burner. In fact, higher input prices could also result in lower government capex, which has already seen fiscal space shrink with attention shifting to relief measures, to fight rising inflation. Amid this gloomy scenario, the forecast of a normal monsoon comes as a silver lining. We also expect the gaining momentum in contact-intensive services to broad-base and support growth. On balance, CRISIL maintains its real GDP growth projection for fiscal 2023 at 7.3%, with risks tilted to the downside.

Overview of infrastructure sector in India

Developing and modernising the infrastructure sector has been a priority area for the Government of India and has witnessed increasing public investments and budgetary support. Further, the government has also undertaken several reforms and initiatives in the infrastructure sector which has resulted in robust secular growth in most of the segments within the sector.

Share of various infrastructure segments in total construction spends

Within infra segments, roads continue to have the highest share. Within the infrastructure space, road projects will be a critical investment driver from fiscals 2023-27. CRISIL Research also expects metro rail, water supply and sanitation, and railway projects to garner larger shares.

Key growth drivers for the infrastructure industry

Construction sector to be driven by infrastructure sector in the medium term; industrial sector to show modest rise Construction sector is anticipated to grow at 9-12% in FY23 driven by growth in infrastructure segment which is in turn attributed to development of roads and urban infra and a boost provided by central and state capex. The construction sector is projected to record a 35-40% recovery in fiscal 2022 from a low base in fiscal 2021, led by Growth in Construction sector to be propelled by the infrastructure segment over the medium to long term as the building construction and industrial sector record sedate growth rates.

Road projects to dominate long-term construction activity

Roads: The pandemic was a minor speed bump in terms of the fast-growing investments in the roads sector. Construction spend of Rs.21-22 lakh crore over fiscal 2023-2027 will be driven by the steady execution of national highway and high-value expressway projects. The share of HAM in awarding is expected to be similar to fiscal 2020 levels or rise marginally going forward, as the initial outlay required by the NHAI is 40% of the project cost. Also, the NHAI gets an additional 6 months to acquire the required land as players typically take the same time to achieve financial closure. However, delays in appointed dates of already-awarded projects is delaying the execution of these projects.

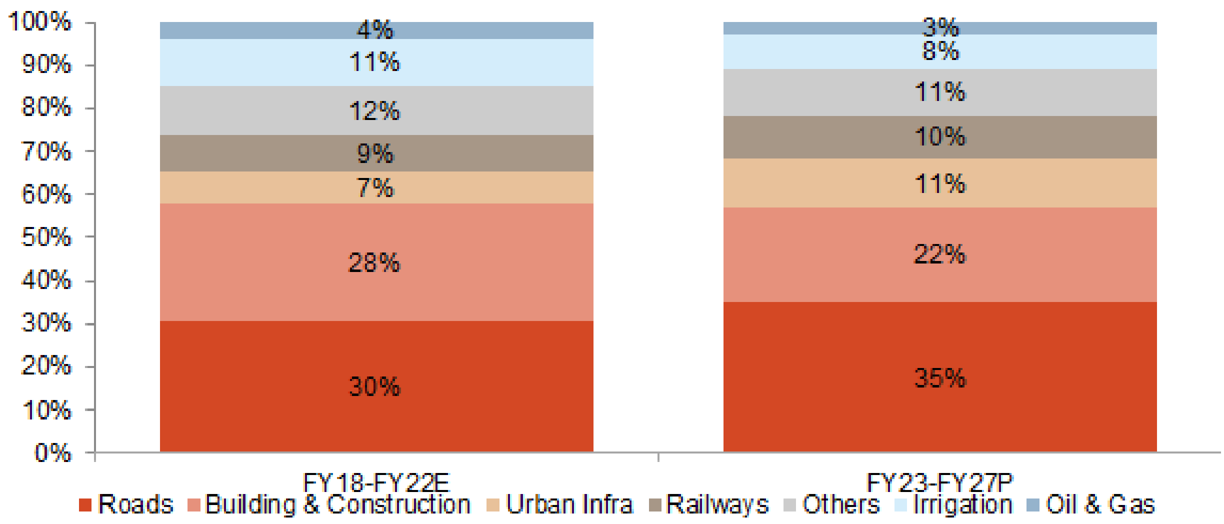
Irrigation: After a logjam in the past few years and post a blip in fiscal 2021 due to the pandemic, investment is expected to improve over the long term due to the low penetration of Irrigation in the country. Investment spends of ~Rs. 4.3-4.5 lakh crore over the next 5 years are anticipated, as compared with the Rs. 3.2 lakh crore investment over the past 5 fiscals. Apart from the top-6 states that accounted for the majority of irrigation investment, Odisha has emerged as a top state with considerable increase in irrigation investments over the past few years.

Railways: Construction spend in railways rose in fiscal 2022 despite the pandemic. Spends are seen rising 8-12% in fiscal 2023 and then moderate going ahead. Investments in railways would be led by a dedicated freight corridor, network decongestion and the bullet train projects. Central budgetary allocations to railways grew by 14% in fiscal 2023 over fiscal 2022 RE. About 50% of the planned outlay is expected to be financed through budgetary support, and the remaining through internal sources and market borrowings/institutional finance.

Within infra segments, roads continue to have the highest share

Within the infrastructure space, road projects will be a critical investment driver from fiscals 2023-27. CRISIL Research also expects metro rail, water supply and sanitation, and railway.

Share of major segments in overall construction spending



Note: E: Estimated; P: Projected

Source: CRISIL Research

National Infrastruture Plan (NIP) drive Infrastructure investments as nearly Rs.55 lakh crore of projects currently under construction

The NIP outlines a spend of 111 lakh crore over fiscals 2020-2025 which is a lofty target with focus on public funds to do the heavy lifting. With public funds being constrained due to the impact of the pandemic across fiscals 2021 and 2022, with vaccination, social and healthcare spends to be met. The investments outlined in the NIP are almost double over the previous 5 year plan and the achievement ratio of the 5 year plans have been dropping with rising outlay of capex. CRISIL Research projects a 65-75% achievement of the NIP. The balance investments are unlikely to be met till fiscal 2025 and will likely spill over into further years.

Roads

Review of past and future investments in key infrastructure segments.

- ***Construction growth in Roads and Highway sector to be driven by execution of high value expressways***

CRISIL Research expects investments in roads to rise 12-16% in fiscal 2023 led by a strong pipeline of awarded and under execution national highway projects, execution of higher value expressways and recovery in state road investments. Investments in National highways led by expressway execution are projected to rise 25-30% while state road investments are projected growing 8-10% in FY23.

Investments in roads in fiscal 2022 are expected to have recorded a 8-10% rise despite the second wave and challenges due to irregular monsoon in certain states in Q3FY2022.

Road projects augur well for construction players, as nearly all funds (save those used for land acquisition) are channelised into construction. Investments in road and highways, is forecasted to almost double over fiscals 2023-27 compared to fiscals 2018-22, due to the government's focus on roads, and state and national highways driven by public funds. Around 50% of the projects awarded by the National Highways Authority of India (NHAI) in fiscal 2021 are through the hybrid annuity model (HAM), in which 40% of the total construction cost is paid by the government during the construction period. Thus, more than 75-80% of the total investment expected in national highways will be expensed by public funds (state and centre).

Expected spend on road construction

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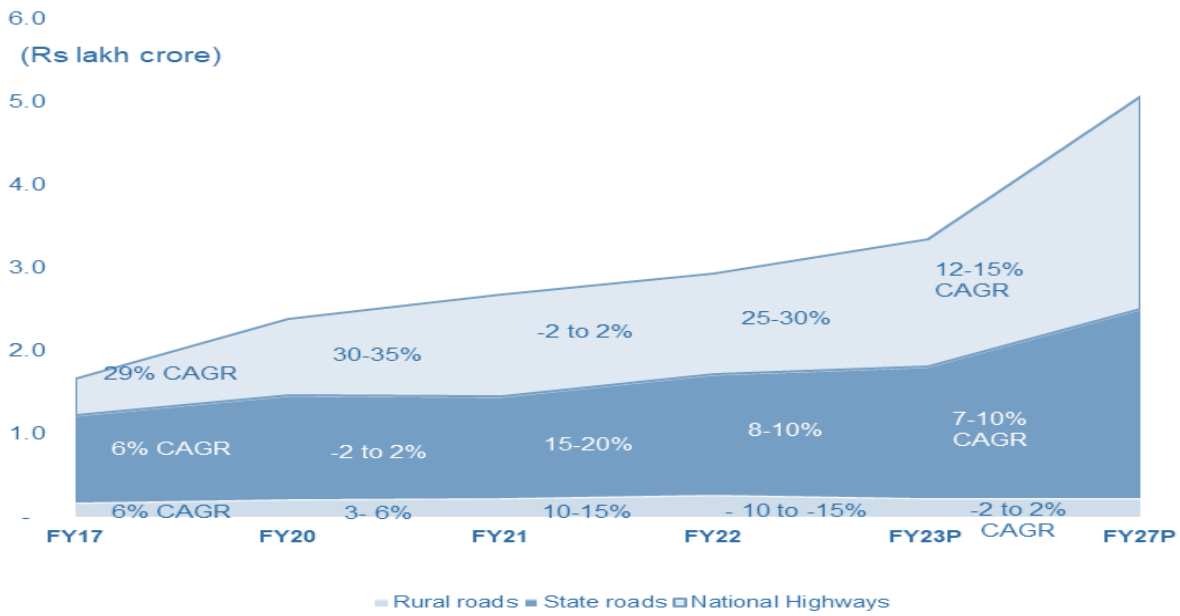
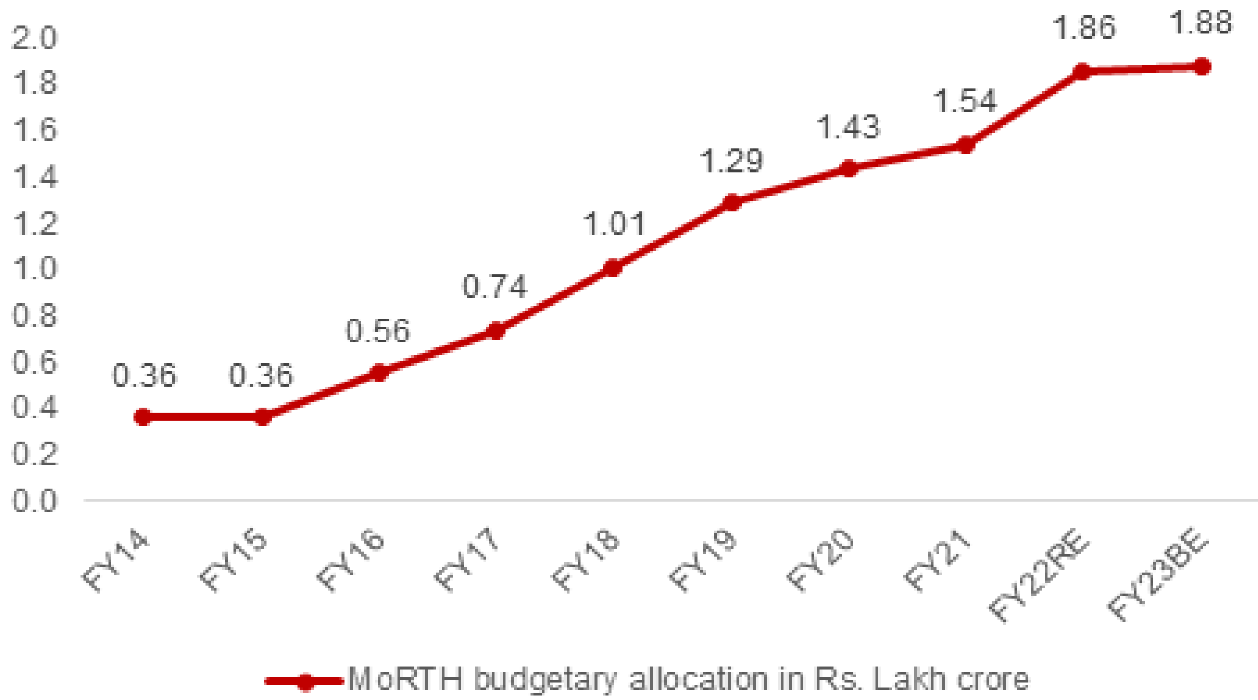


E: Estimated; P: Projected
Source: CRISIL Research

Budgetary allocation for capital expenditure in national highways



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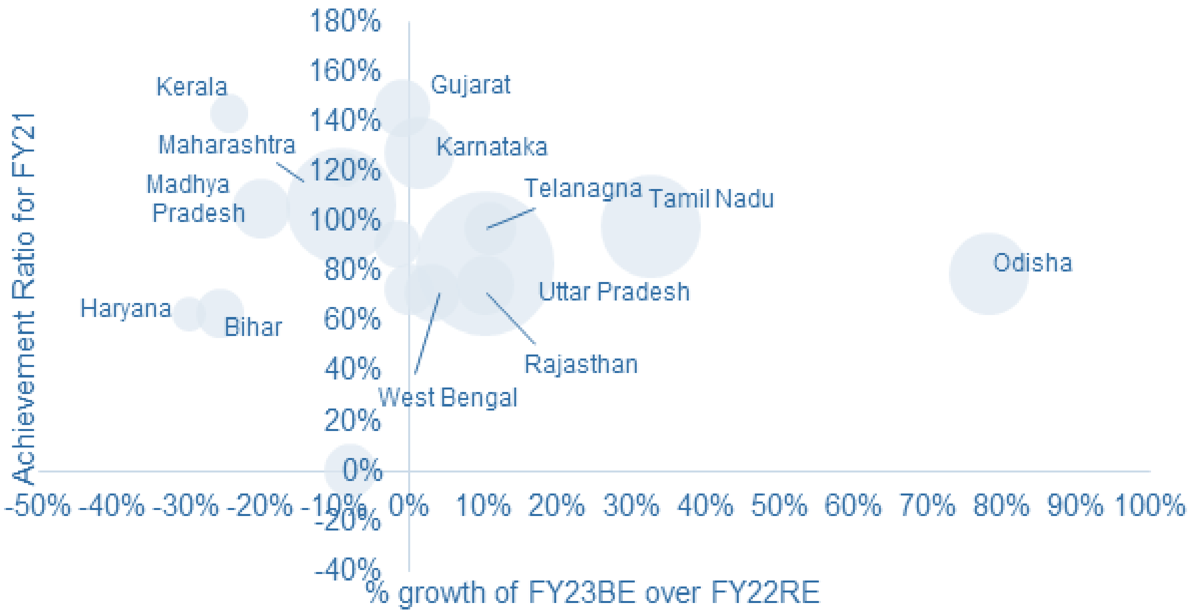
Note: FY13 to FY20 are actual spending numbers. FY21 is revised estimate and FY22 is budget estimate.
Source: Ministry of Road, Transport & Highways, CRISIL Research

• ***Investments in state roads to rise 8-10% in fiscal 2023 post recovery from covid lows of fiscal 2021 in fiscal 2022***

With healthy budget allocations in FY23 by state governments, Crisil projects 8-10% growth going by historical trends. State budgets for 19 states, accounting for 95% of road investments in FY20, have recorded 2-3% rise in FY22RE over FY22BE. Budgeted estimated for fiscal 2023 for these states have shown 6% rise over the budgeted estimates of fiscal 2022.

Currently, 12-15% of the investment in state road projects is through the public-private partnership mode. We expect steady private participation in state road projects, led by large progressive states such as Gujarat, Karnataka, Madhya Pradesh and Maharashtra. A few states have been seriously pursuing the HAM model. Karnataka and Maharashtra have awarded projects under HAM. Other states such as Madhya Pradesh and Rajasthan have also indicated substantial interest in the model.

Achievement of healthy allocations for FY23 a monitorable

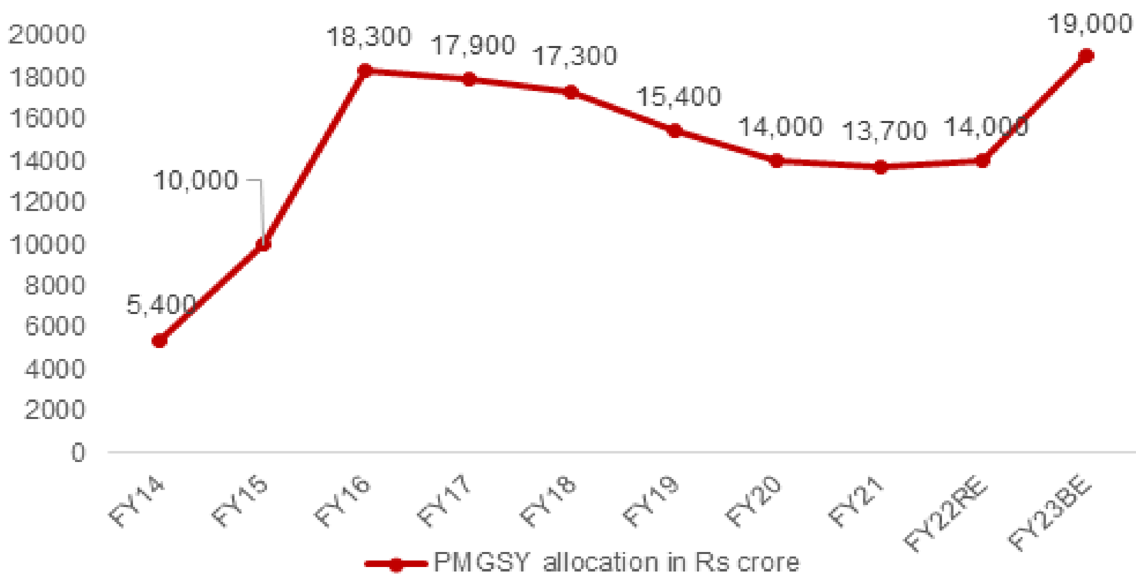


Note: Size of bubble in road capex allocation for FY23BE
Source: CRISIL Research, State budget documents

- ***Rural road construction witnessed an uptrend in FY21 and FY22 creating high base for FY23***

Execution under the PMGSY reached an all-time high of 49,037 km in fiscal 2019, with the construction in fiscal 2020 and 2021 below those levels. The budgetary allocation to the PMGSY has been maintained at Rs.14,000-15,000 crore in the past three budgets, including fiscal 2020 with revised allocation seen at Rs.14,000 crore for fiscal 2022.

Budgetary allocation to the PMGSY (Rs.crore)



Note: FY13 to FY20 are actual spending numbers. FY22 is revised estimate and FY23 is budget estimate.
Source: Ministry of Rural Development, CRISIL Research

- ***Budgetary announcements Roads and highways***

Roads and highways capex for next fiscal is only 0.8% higher than fiscal 2022RE. And, crucially, the entire Rs.1.88 lakh crore is via GBS, which is 55% higher on-year. The IEBR limit has been completely eliminated for next fiscal, reducing dependence on the NHAI's borrowings. At Rs.20,000 crore, asset monetisation target for the next fiscal is 54% up on-year, indicating a shift in funding modes where it shall fund 10% of its requirements.

The GBS for the current fiscal is 36% higher than fiscal 2021, which is also evident in the 37% increase in the ministry's capex during April-December. However, this is not reflected in road building, as construction has shrunk 14% to 6,185 km during the period. This is attributable to execution of high-value expressways as part of Bharatmala, under which cost of construction is three-fold that of four-lane highways

Allocation for the PMGSY for the next fiscal is Rs.19,000 crore, up 36% over fiscal 2022RE. But, over the past two years, achievement ratio under the scheme has been a low 70-75%. Therefore, actual expenditure against the allocation remains a monitorable.

Railways

- ***Construction spends in railways to rise 8-12% in fiscal 2023***

Investments in Railways would be led by doubling, track renewals, network expansion, dedicated freight corridor, station development and high-speed rails. While half of the proposed investments will come from budgetary support, the remaining will depend on increased private sector participation and institutional financing.

- ***Construction capex in railways projected to rise 8-12% in FY23***

CRISIL Research expects an 8-12% rise in investments in railways in fiscal 2023 led by rise in budget allocation for railways, implementation of high value projects such as the Mumbai-Ahmedabad Bullet train, gaining traction in station redevelopment and completion of the freight corridor. The rise is post a 30-36% rise in investments in Railways in fiscal 2022 owing to high base as first half of FY21 was impacted by lockdown due to coronavirus and the second wave did not cause any major impact on construction as seen in the previous year due to the first wave. A construction capex of Rs.5.8-6.2 lakh crore is seen over the next 5 years compared to 3.8 lakh crore over the past 5 years led by investments in network decongestion, dedicated freight corridors and high-speed trains

Construction spend on railways to increase at 7-9% CAGR over next five years

CRISIL Research expects construction expenditure in railway projects to double between fiscals 2023 and 2027 compared with the preceding five years, fiscals 2018 to 2022.

Irrigations

- ***State funded irrigation construction capex to rise 8-12% in FY23***

CRISIL Research expects construction capex in Irrigation to rise by 8-12% on year in fiscal 2023. State budget allocation for FY23 for 20 states, which accounted for more than 95% of irrigation spends in FY20, have witnessed a 20% rise over FY22RE numbers. However, in keeping with historical achievement ratios of 75-80% we expect a 8-12% rise in fiscal 2023 over fiscal 2022 numbers. Construction capex in FY22 is expected to have risen by 4-6% on a low pandemic impacted base as states refocused on infrastructure spends post diversion of state funds for meeting social and healthcare spends in fiscal 2021. The share of top 7 states is expected to decline marginally to 65-70% in irrigation spends over fiscals 2022 and 2023.

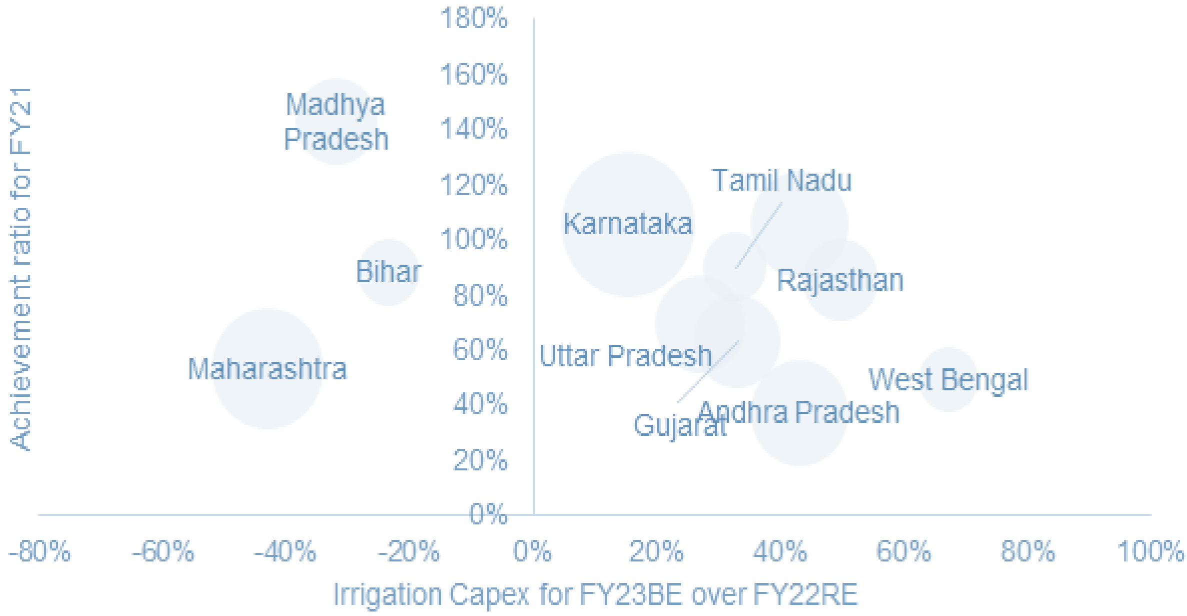
Construction spend in irrigation projected to rise to Rs.4.3-4.5 lakh crore over fiscals 2023 to fiscal 2027 from Rs.3.2 lakh crore over the past five years (fiscal 2018 to 2022) owing to the push from state governments to increase irrigation penetration in states

In fiscal 2016, the central government converged irrigation schemes under the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) to expand the area under cultivation. The key schemes converged are Accelerated Irrigation Benefits Programme (AIBP), Integrated Watershed Management Programme, On Farm Water Management, and Per Drop More Crop.

- ***Spending in irrigation by states to increase, Centre to focus on monitoring***

The government has increased the spending requirement by state governments from 32% to 42%, in line with greater transfer of taxes to states. The central government will play an active role in monitoring the progress of PMKSY projects, and has taken several steps to crystallise investments for irrigation.

Achievement ratio across states



Note: Size of the bubble indicates irrigation investments for FY23BE in Rs.Crore
Source: CRISIL Research, State budget documents

Overview of key infrastructure schemes

- ***National Investment Pipeline (NIP)***

National Infrastructure Pipeline ("NIP") has been launched by the government for fiscal 2020 to 2025, to boost infrastructure. As per the Final Report of NIP Task Force, National Infrastructure Pipeline ("NIP") is expected to have an investment of ₹111 trillion during the period fiscal 2020 to 2025. Investments in energy (24%), roads (18%), urban (17%), and railways (12%) will amount to over 70% of the projected capital expenditure during the said period. As per the economic survey, NIP will be funded from Central Government (39%), State Government (40%), and the private sector (21 per cent). As per the official India investment grid website accessed on 20th June 2022, 2,420 projects are currently under development covering over 34 sub sectors.

- ***National Monetisation Pipeline (NMP)***

Success of the National Monetisation Pipeline (NMP) unveiled by the Centre recently hinges critically on road assets, a CRISIL Research analysis underlines. As per the report of the Task Force for the National Infrastructure Pipeline (NIP), 15-17% of the Rs.111-lakh crore investment outlay envisaged under it is to be met through innovative and alternative initiatives such as asset monetisation and funding through a development finance institution (DFI). NMP has two stated objectives. One, to recycle public capital by generating upfront fees on the existing brownfield infrastructure assets and utilising the proceeds for new asset creation. Two, to bring in private sector efficiencies in operation and management of these assets sans the construction risk. Monetisation of road assets holds the key here, as it accounts for ~27% of the NMP in value terms. The government aims to generate Rs.1.6 lakh crore by monetising 26,700 km of four-lane-and-above national highways via the toll-operate-transfer (TOT) and the infrastructure investment trust (InvIT) routes at Rs.6 crore per km.

- ***GATI SHAKTI***

Projects worth Rs. 100-lakh cr across diverse sectorsto get a boost To speed up implementation of infrastructure projects worth Rs. 100-lakh crore and bring down logistics cost, Prime Minister Narendra Modi on Wednesday launched the 'PM GatiShakti - National Master Plan' for multi-modal connectivity spanning road, railways, aviation, clean energy and digital connectivity to economic zones. "We are laying a foundation for the next 25 years. This national master plan will give 'gatishakti' to development plans of the 21st century and will help in the timely completion of these plans," Modi said, unveiling the Gati Shakti National Master Plan on Wednesday. The project will incorporate infrastructure schemes of various Ministries and State Governments designed and executed with a common vision, per a tweet by the Prime Minister's Office. The plan will incorporate projects under existing flagship schemes under different Ministries including Bharatmala, Sagarmala, Bharat Net, Udaan and expansion of road and railway networks and inland waterways.

Construction sector record healthy growth driven by central government capex

Source: CGA, NHAI, PMGSY, MNREGA, Ministry of housing and urban affairs, MOSPI, CRISIL Research

Review of roads infrastructure in India

Overview of India's road sector

India has the second-largest road network in the world, spanning 6.372 million km as of fiscal 2022. Road transportation, the most frequently used mode of transportation in India, accounts for about ~86% of passenger traffic and close to ~64% of freight traffic as of fiscal 2022. Although Indian national highways span nearly 140,995 km, constituting just 2% of road length, they accounted for about 40% of total road traffic in fiscal 2022. The secondary system of roads comprises of state roads and major district roads, which accounted for the remaining 60% of traffic and 98% of road length.

Road network in India in fiscal 2022

Road network	Length ('000km)	Percentage of total - length	Percentage of total - traffic	Connectivity to
National highways	141.0	~2%	40%	Union capital, state capitals, major ports, foreign highways
State highways	171.0	~3%	60%	Major centres within the states, national highways
Other roads	6,059.8	~95%		Major and other district roads, rural roads - production centres, markets, highways, railway stations

Source: MoRTH Annual Report 2021-22, CRISIL Research

- ***Total length and break-down of national, state and rural roads***

Break-down of road length across different regions (in KMs) as of Dec 2021

KM	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
National highways	97,991	101,011	114,158	126,350	132,500	132,995	136,440	140,995
State highways	167,109	176,166	175,036	186,908	186,528	194,900	176,818	171,039
Other roads	5,207,044	5,326,116	5,608,477	5,902,539	6,067,269	6,165,660	5,902,539	6,059,813
Total	54,72,144	56,03,293	58,97,671	62,15,797	63,86,297	64,93,555	6,215,797	6,371,847

Source: MoRTH Annual Report 2021-22, CRISIL Research

Key challenges faced by road sector in India

- ***Issues and challenges for road sector***

Given the share of roads in the overall transport of goods and passenger traffic, it is critical to develop the roads sector. Although the government has been continuously making efforts to give a fillip to the sector, several issues and challenges hamper the pace of development.

- ***NHAI trying to reduce risk associated with BOT projects with changes in MCA***

In order to improve private participation via the BOT-toll mode, NHAI & the ministry also introduced changes to the BOT MCA aimed at key issues such as land acquisition, revenue assessment in case of traffic shortfall and stuck projects. Key amendments to the MCA are as below:

Land Acquisition:
Minimum 90% Right of Way before issue of Appointed Date as against 80% earlier, providing more comfort to lenders & developers Balance 10% to be granted within 180 days of appointed date, else it would be removed from the scope of work. Automatic de-scoping clause would enable the developer to receive PCOD/COD on the completed stretch and start tolling Termination clause if appointed date is not received within one year of concession signing date

Traffic risk

Revenue assessment of project to be done every 5 years instead of 10 years (or once in a life time of a project) earlier. In case of traffic either exceeding or seeing a shortfall from the Target traffic, the concession period would be adjusted according providing more comfort to lenders & developers

Stuck Projects

In case the project has not achieved COD one year post its scheduled completion date, the project will be mutually foreclosed and the Authority shall pay the concessionaire an amount equal or lower of: 90% of the debt due less insurance cover and Value of work done This will prevent dragging of projects that would lead to time and cost overruns that happened in the earlier BOT era

- ***Subdued private participation due to limited financial flexibility witnessing strong revival***

Funding constraints and financial stress have thwarted the pace of development in the roads sector. The PPP model for road construction and development acted as a catalyst and provided an impetus to the sector's growth. In fiscal 2008-12, of the total 10,600 km of national highways completed under the National Highways Development Programme, 50% was funded through the BOT (build-operate-transfer)-toll model and 10% through the BOT-annuity model. The rise of PPP in the road sector has also had some adverse effects. Period of 2007 to 2011 was considered to be the golden age for PPP in the road sector, wherein the road developers bid aggressively to bag more BOT-toll projects.

In the subsequent years, developers faced viability issues with the projects. Issues pertaining to subdued financing, lower traffic, high gearing ratio and delayed execution have stressed their balance sheets. Bidders for PPP toll projects are have become limited on account of the said issues. This led to rise in EPC contracts but the quality of the roads constructed has been usually poor as the EPC contractor has no stake in the roads once these are constructed and handed over to the government.

In the recent years, the private participation has revived with the introduction of HAM model in 2016 and the subsequent favourable changes to the concession agreements in 2020 for the HAM and BOT model.

- ***Delays in project execution and resultant cost overruns***

Delays in project execution have posed one of the major hurdles in the development of the road sector. Delays lead to significant cost overruns which lower returns for developers as well as adversely affect their debt-servicing ability. Reasons for the delays are numerous and include:

Issues in land acquisition
Environmental clearances
Forest clearances
Railway clearances
Shifting of utilities, religious structures and encroachments

It is observed that the duration of delay and project cost escalation is on the higher side for projects involving interstate road construction owing to the involvement of different state agencies. In view of these issues, NHAI is working towards fast track resolution and hence it has adopted Conciliation Committees which targets to settle arbitration disputes within a period of 18-20 months (Arbitration Act - amendment in 2019). As per the April 2022 press release, 251 cases have been referred to CCIE and claims worth Rs, 387.4 billion have been settled for an amount of Rs. 130.6 billion.

- ***Hurdles in bank funding for road projects***

Banks are reluctant to fund road sector projects as they are approaching the sector exposure limits. Moreover, to ensure delays on account of land acquisition do not hinder the progress of a project, they demand 80-100% of the land to be available with the developer at the time the project is awarded. Given the dependence of infrastructure projects on banks for funding, the projects are not able to take off owing to such funding constraints.

- ***Reluctance to pay toll***

The Indian population has not yet completely accepted the importance of toll for road construction and improvement of service delivery. Also, appeasement of people through provision of subsidies has been a major tool for reaping political gains in the country. There have been several instances of people, backed by various political groups, opposing toll plazas. Such instances have not only affected the sentiment of road developers, but have service delivery within the sector.

Policy framework for the roads sector

- ***Recent policy reforms provide a significant push to the sector***

- *Amendments to Engineering, Procurement and Construction (EPC) Model Concession Agreement (MCA)*

The key changes are:

Right of way: Deadline reduced from 240 days to 180 days for approval/ clearances for area under forest or sanctuary. If appointed date is not received within 90 days of signing the agreement, contract may be terminated. Authority will pay contractor damages = 1% of the contract price to contractor for each day of delay If project is not completed within 90 days of scheduled completion date, contractor would be ineligible to bid for future projects till it is completed Lower compensation and longer tenure for maintenance obligations of contractor. Defect liability period increased from 4 years to 10 years Higher interest on mobilisation advance paid to authority. Earlier recovery of mobilisation advance by the authority. Release of retention money against bank guarantees discontinued.

- **Impact**

Authority's obligations increased to enable quicker land acquisition Developer's working capital needs increased; also responsible for timely completion of project

- ***Introduction of the hybrid annuity model (HAM) in 2016***

The broad outline of the new model of operation is as follows:

Of the total project cost, 40% is to be funded by the government and the remaining by the developer. The project cost will be linked to inflation Construction support is to be disbursed in five equal instalments of 8% each and the timing of each such payment shall be linked to percentage of project cost spent by the concessionaire Traffic risk will be borne by the government with developers receiving fixed annuities Annuities will be linked to bank rate plus 3% 80% of land to be provided prior to appointed date

- **Impact of the model**

With land being acquired and other clearances already in place before appointed date, construction risk is expected to be lower Lenders will be assured a steady stream of inflows as traffic risk will entirely be borne by the government Low risk and lower capital requirements are expected to entice private players as well as bankers towards these projects and gradually help increase private participation in the sector

- **Amendments to HAM - Model Concession Agreement (MCA), 2020**

Key changes include:

- Back-ending of premium payment
- Redefinition of project milestones
- Interest on annuity payments linked to average one year MCLR of top 5 scheduled commercial banks +1.25%
- 10 milestone payments each equal to 4% of the bid project cost
- Lenders receive first charge on all receivables
- Deemed termination of projects
- Maintenance obligations
- Toll fee notifications

- **Impact**

The amendment to allow premium payment to begin only in the fourth year of completion will give developers and lenders a great level of comfort as interest payments are high in the first three years of operations. The deemed termination of projects will ensure that troubled projects are terminated without delay, thereby avoiding problems that previously existed with prolonged delay of projects. The amendments with regard to toll fees and maintenance of national highways will provide better protection to the users of highways.

- **Exit policy**

On August 26 2015, the Cabinet Committee on Economic Affairs (CCEA) amended its earlier approval dated May 13, 2015, to allow 100% equity divestment after two years of completion for all BOT projects, irrespective of year of award. The previous policy allowed such divestments only for projects awarded prior to September 30, 2009. While the previous policy allowed the funds obtained through such divestments to be used only for completion of the concessionaire/promoter's other pending BOT road projects, the new policy allows the proceeds to be used to complete any highway projects, any power sector projects or also to retire their debt in any other infrastructure projects. The exit policy has been changed to 6 month for HAM projects and it remains 2 years for BOT as per the latest MCA changes in 2020.

- **Impact**

- This move will help closing of stake sale transactions announced in the last one year and help free up capital of developers, which can be used to repay debt or invest in new projects.

- **NHAI fund infusion**

On May 13, 2015, the CCEA permitted NHAI to infuse funds in projects stuck in advanced stages of completion. Below are the broad contours of the policy announced:

Government to look at one-time fund infusion installed projects, where 50% work has already been done

NHAI to have the first charge on toll revenue

- **Impact**

This policy will improve developers' cash flows through toll collections and also improve their debt servicing ability. However, as NHAI will have the first charge on receivables, lenders are hesitant to allow such a fund infusion. Hence, this policy may not have a significant impact in the near future.

- **Premium rescheduling**

In March 2014, premium rescheduling was announced for projects with delays or lower-than-expected traffic. This helped players to manage cash flow mismatches, especially at a time when loan tenures were significantly lower than the project life, thus resulting in cash flow issues. It also helped specifically in the case of aggressively-bid projects where premium payments amounted to a very large portion of the total cost.

- ***Substitution***

In January 2014, the CCEA approved the proposal to facilitate substitution of concessioners in ongoing and completed national highway projects. As per the proposal, existing concessioners are permitted to divest their equity in totality in on-going or completed projects. However, subsequent to the substitution, the leading substituting entity will be required to maintain at least 51% equity holding in the project SPV. The decision to permit substitution will be taken by lenders in consent with NHAI.

- ***De-linking of forest and environmental clearances***

In March 2013, the Supreme Court approved the de-linking of forest and environmental clearances. This de-linking is valid only for road widening projects. In a notification in 2011, the Ministry of Environment and Forests had asked for forest clearances before seeking environmental approval. This led to a lot of road projects being stalled in the first stage itself. This judgment in 2013 allows companies to start road widening work with just environmental clearances without waiting for forest clearances. However, forest clearances will be necessary for stretches that fall in the forested areas.

- ***Relaxation on green nod norms for road widening projects up to 100 km***

In June 2013, the environment ministry cleared a proposal allowing expansion of highways up to 100 km without environmental clearances. Earlier, approval from the environment ministry was not required for road expansion up to 30 km. The relaxation shall also be applicable on existing highways, which require additional 40 metres of land for widening. This limit was earlier 20 metres.

- ***Payment of 75% of arbitration claims***

In August 2016, the ministry introduced a policy with regard to payment of 75% of arbitration claims to the concessionaires. According to it, if an arbitration claim has been awarded in favour of a private concessionaire in a lower court/tribunal and the government agency has appealed against it in a higher court/tribunal, then the private player can receive 75% of the claimed amount. It will have to provide to the authorities a bank guarantee of an equivalent amount to the government agency.

- **Impact**

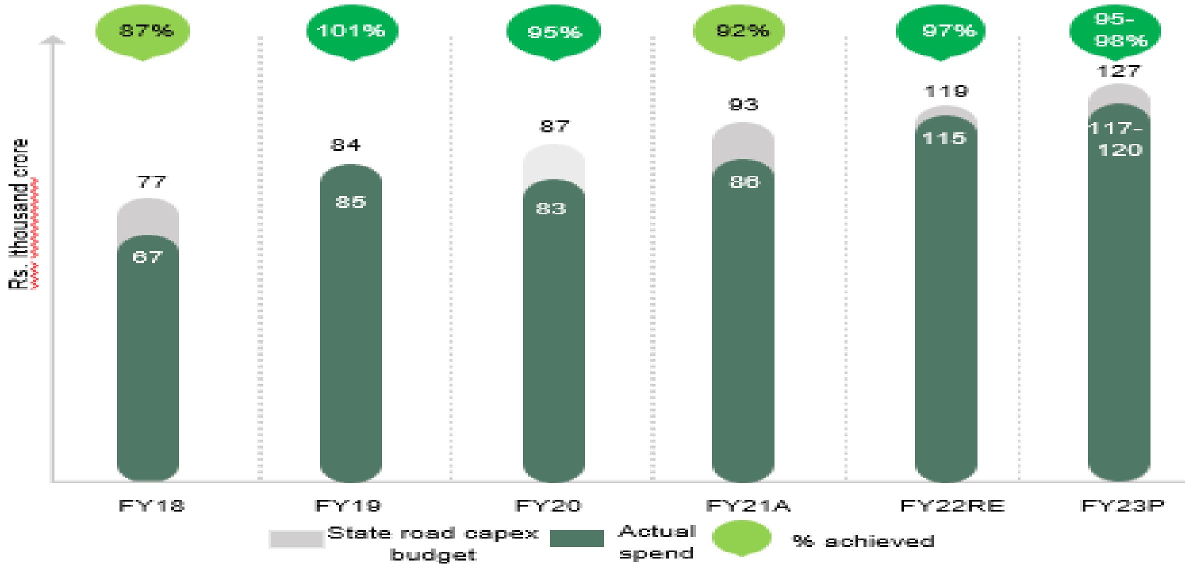
This policy will help private players facing financial problems and having substantial amount of claims pending with NHAI. This is expected to help kick-start stalled projects on account of fund infusion by developer and provide some relief to lenders because of loan repayment.

Overview of State Roads & Bridges

State roads, which include highways, major district roads and rural roads that do not come under the purview of the Pradhan Mantri Gram Sadak Yojana, constitute over 20% of the country's road network and handle ~40% of road traffic. These play an important role in the economic development of mid-sized towns and rural areas, and aid industrial development by enabling the movement of raw materials and products to and from the hinterland.

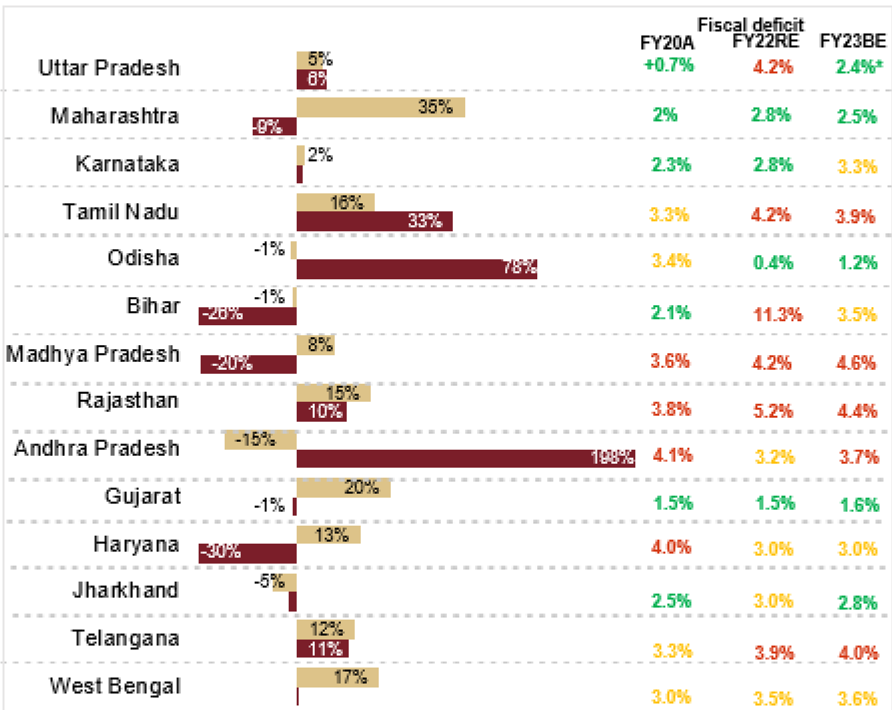
Fiscal 2022 budgets for these top states, were 38% higher, and revised estimates show a 97% achievement ratio. But historically actuals have been only 94% of RE, hence there is downside risk to these numbers given high state fiscal deficits. Further in fiscal 2023, they have budgeted for a 7% growth and we expect a 95-98% achievement ratio.

FY23 budgets for top 15 states at 7% on-year, even on the high base of last year



Source: State budget documents, CRISIL Research

Stark variation across states- laggard states have typically budgeted for higher road spends this fiscal



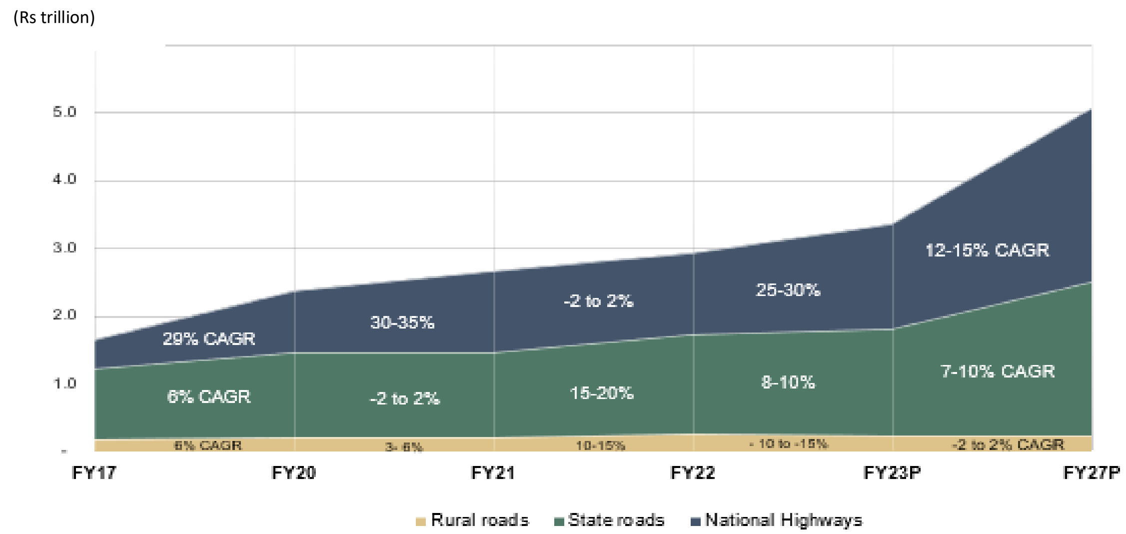
Source: State budget documents, CRISIL Research

Review and outlook of investments in state roads & brigdes

- ***After constrained spending due to COVID, state road capex on the revival track***

CRISIL Research's analysis of state road budgets indicates that state road capex forms 45-50% of the sector. After growing at a CAGR of 14%, it remained flattish in fiscal 2021 due to constrained state funds. On this low base, it is estimated to have grown by 20-25% in fiscal 2022, subsequently is expected to moderate at 8-12% over the next 2 years. Our interactions with market participants indicate that state road projects funded by external agencies such as World Bank or ADB or have private/bank funding such as Expressways under UPEIDA have not had much impact due to COVID-19, as compared to state-funded projects.

State road capex to witness moderate growth on the high base of last fiscal



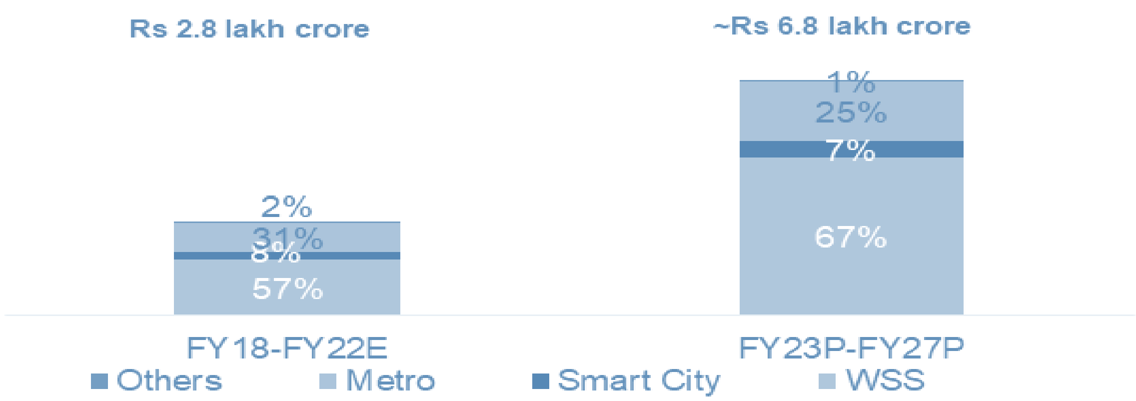
E: Estimated, P: Projected
Source: State budget documents, CRISIL Research

Overview of Water supply, sanitation, and irrigation in India

CRISIL Research expects ~Rs.6.8 lakh crore spends on urban infrastructure between fiscals 2023 and 2027, which is nearly 2.4x of the amount invested in the previous five years.

Urban infrastructure includes construction-intensive mass rapid transit system (MRTS), bus rapid transit system (BRTS), water supply and sanitation (WSS) projects, smart cities, and related infrastructure development.

Construction spends in urban infrastructure



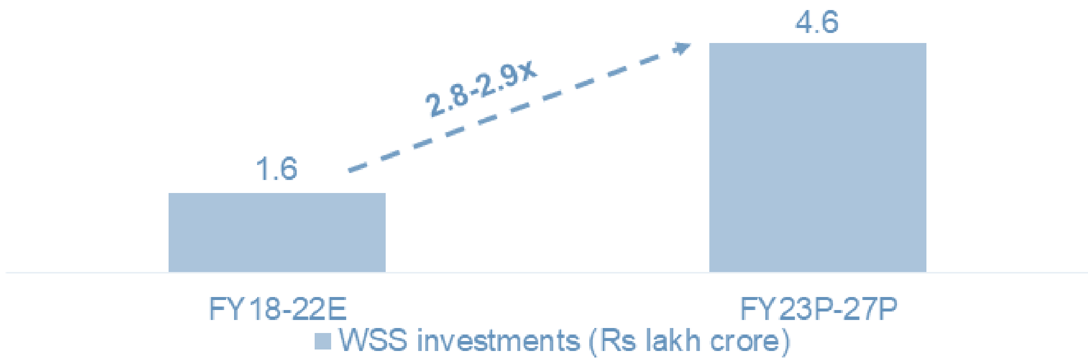
E: Estimated; P: Projected

Source: CRISIL Research

The central govt's push on WSS announced in the budget with allocations rising 33% on year in fiscal 2023 viz revised estimates of fiscal 2022, while state budgets for WSS for FY23BE are up 12% over FY22RE and bode well for the WSS sector in the short and medium term.

WSS projects are expected to account for half of the total urban infrastructure investments over the next five years, driven primarily by state governments and through centrally-sponsored programmes such as Jal Jeevan mission, AMRUT and Swach Bharat mission.

Govt's increased focus on water supply to drive investments



Source: Ministry of Rural Development, Ministry of Housing & Urban Affairs, CRISIL Research

Key government policies and schemes

- ***National Water Policy and Action Plan for India 2020***

Water is a scarce natural resource fundamental to life, livelihood, food security, and sustainable development. India has more than 18% of the world's population but has only 4% of the world's renewable water resources and 2.4% of the world's land area. There are further limits on utilisable quantities of water owing to uneven distribution over time and space. In addition, there are challenges of frequent floods and droughts in one or the other part of the country. Availability of utilisable water will be under further strain in future with the possibility of deepening water conflicts among different user groups. Low consciousness about the scarcity of water and its life sustaining and economic value results in its mismanagement, wastage, and inefficient use, as also pollution and reduction of flows below minimum ecological needs. In addition, there are inequities in distribution and lack of a unified perspective in planning, management and use of water resources.

The objective of the National Water Policy is to take cognizance of the existing situation, propose a framework for creation of a system of laws and institutions, and a plan of action with a unified national perspective.

The MoWR, RD & GR released the draft National Water Framework Bill, 2016 in June 2016. The Bill seeks to provide a national legal framework for protection, conservation, regulation, and management of water.

Key features of the Bill include

Right to water for life: The Bill states that every person has a right to sufficient quantity of safe water for life within easy reach of a household, regardless of one's community, economic status, land ownership, etc. The responsibility to ensure every person has access to safe water remains with the concerned state government even if water is being provided through a private agency.

Standards for water quality: National water quality standards shall be binding on all types of water use. In addition, efforts should be made for treatment of wastewater to make it appropriate for use.

Integrated River Basin Development and Management: A river basin, with its associated aquifers (underground layer that contains water) should be considered as the basic hydrological unit for planning, development and management of water. For every inter-state river basin, a river basin authority should be established, which will be responsible to prepare master plans for river basins under its jurisdiction.

Water security: The appropriate state government will prepare and oversee the implementation of a water security plan to ensure sufficient quantity of safe water for every person, even in times of emergency such as droughts and floods. These plans will include: (i) incentives for switching from water-intensive crops, (ii) incentives for the adoption of water-conserving methods, such as drip irrigation and sprinklers, and (iii) setting up groundwater recharge structures, etc.

Water pricing: Pricing of water shall be based on a differential pricing system in accordance with the fact that water is put to multiple uses. Water use for commercial agriculture and industry may be priced on the basis of full economic pricing. For domestic water supply, different categories of users may be subsidised.

National Mission for Clean Ganga (NMCG): Under the National Mission for Clean Ganga (NMCG) the aims and objective is to ensure effective abatement of pollution and rejuvenation of the river Ganga by adopting a river basin approach to promote inter-sectoral coordination for comprehensive planning and management. It also aims to maintain minimum ecological flows in the river Ganga with the aim of ensuring water quality and environmentally sustainable development. The government has released Rs.36.3bn between 2014-15 and 2016-17 for cleaning the Ganga and beautifying ghats along it

- ***Announced missions to power WSS projects***

Government schemes such as the Swachh Bharat Mission (SBM), Jal jeevan mission and the National Mission for Clean Ganga (NMCG) are likely to boost WSS investments. On October 2, 2014, Prime Minister Narendra Modi launched SBM in order to focus on sanitation and accelerate efforts to achieve universal sanitation coverage. It comprises two sub-missions - Gramin (for the rural areas) and Urban - aimed at achieving a clean India by 2019. The measures undertaken by the mission include construction of household, community and public toilets, and conversion of insanitary latrines into pour-flush latrines; solid waste management; and public awareness.
The overall capex for SBM (Rural and urban) for FY21 was 5,950 crores with revised estimates for FY22 at 8,000 crores and budgeted numbers for FY23 at 9,492 crores.

- ***AMRUT - Another driver of WSS spend***

In May 2015, the government replaced the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) with the Atal Mission for Rejuvenation and Urban Transformation (AMRUT), to focus on basic infrastructure services such as water supply, sewerage, storm water drains, transport, and development of green spaces and parks.

Under AMRUT, the Centre is assisting states based on project cost and population of the cities and towns. The financial aid is released in three installments in the 20:40:40 ratio, based on achievement of milestones indicated in the State Annual Action Plan.

The scheme also covers JNNURM projects sanctioned between 2005 and 2012 and those that have achieved 50% physical progress (102 projects) or have availed of 50% central government funding up to the initiation of project (296 projects).

The budgetary outlay for AMRUT in fiscal 2023 is Rs.7,300 crore while revised estimates for fiscal 2022 is Rs. 7,300 crores and spends in FY21 were 6,449 crores.

- ***Irrigation investments to get back to pre-Covid levels in FY23***

Construction spend on irrigation will rise over the next five years despite a blip in FY21. State funds will continue to play an outsized role in Irrigation investments with the eight major states accounting for 65-70% of the investments in the medium term

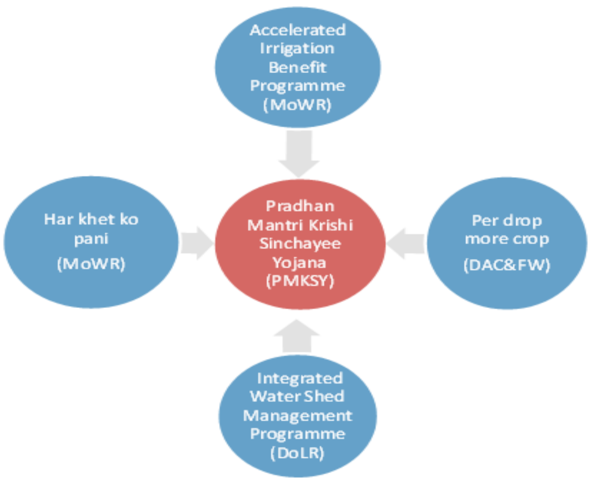
- ***State funded irrigation construction capex to rise 8-12% in FY23***

CRISIL Research expects construction capex in Irrigation to rise by 8-12% on year in fiscal 2023. State budget allocation for FY23 for 20 states, which accounted for more than 95% of irrigation spends in FY20, have witnessed a 20% rise over FY22RE numbers. However, in keeping with historical achievement ratios of 75-80% we expect a 8-12% rise in fiscal 2023 over fiscal 2022 numbers. Construction capex in FY22 is expected to have risen by 4-6% on a low pandemic impacted base as states refocused on infrastructure spends post diversion of state funds for meeting social and healthcare spends in fiscal 2021. The share of top 7 states is expected to decline marginally to 65-70% in irrigation spends over fiscals 2022 and 2023.

Construction spends in irrigation projected to rise to Rs.4.3-4.5 lakh crore over fiscals 2023 to fiscal 2027 from Rs.3.2 lakh crore over the past five years (fiscal 2018 to 2022) owing to the push from state governments to increase irrigation penetration in states.

In fiscal 2016, the central government converged irrigation schemes under the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) to expand the area under cultivation. The key schemes converged are Accelerated Irrigation Benefits Programme (AIBP), Integrated Watershed Management Programme, On Farm Water Management, and Per Drop More Crop.

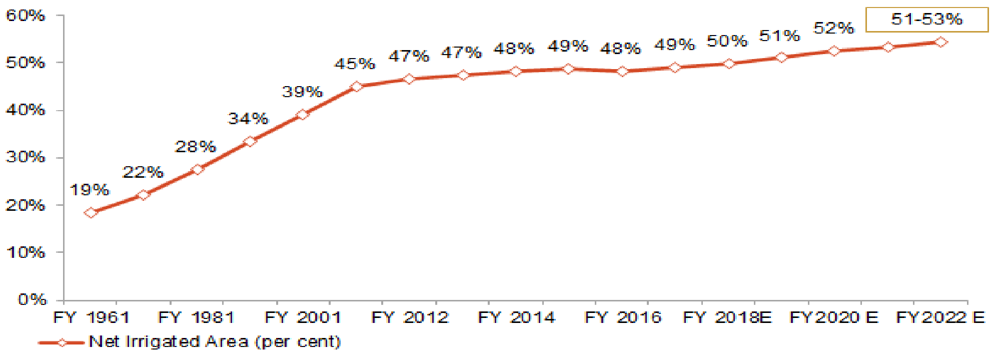
Convergence of various schemes under one umbrella



Source: CRISIL Research

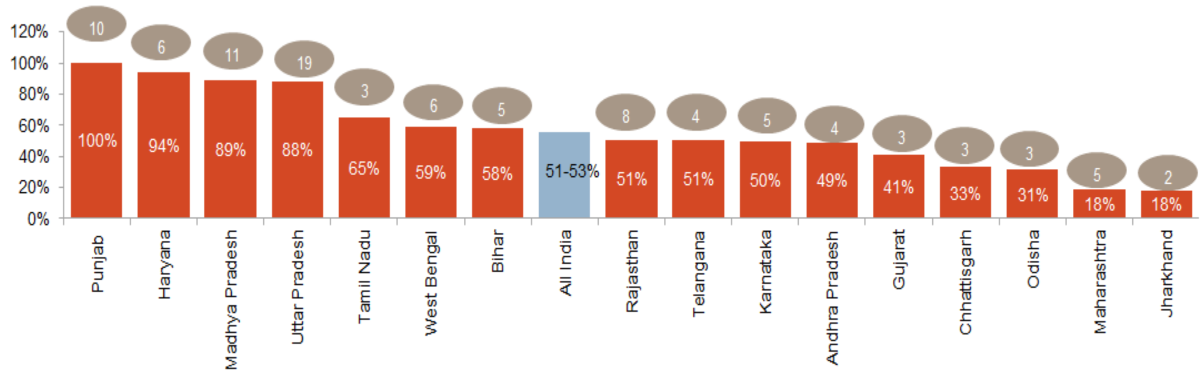
To achieve the target, PMKSY focuses on end-to-end solutions in the irrigation supply chain, and monitors implementation at the district, state and national levels. The acutely low irrigation levels in India can be gauged from the fact that of the ~140 million hectares of cultivated land, irrigated land stands at a mere ~50%.

Improvement in India's irrigation penetration levels over the years



Note: 1. Irrigation penetration is net irrigated area over net sown area
2. Irrigation penetration is estimated by taking Rs.0.8 million as capital expenditure for irrigating 1 hectare of land
Source: Ministry of agriculture, CRISIL Research

Proportion of irrigated land (as percentage of total cultivated land)

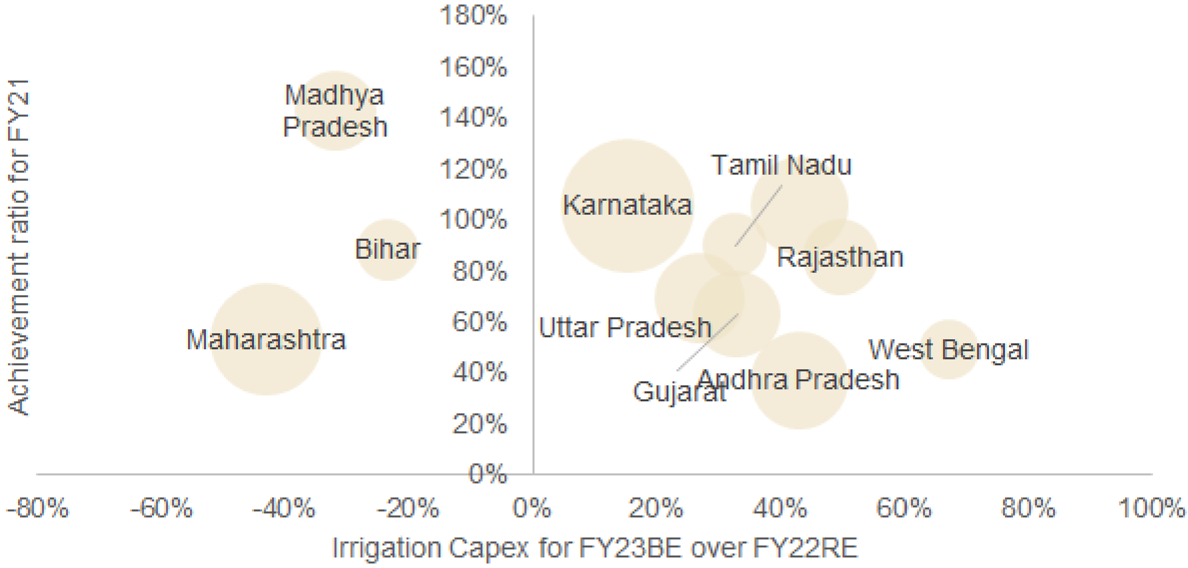


Note: 1. Figures in the bubble indicate state's share in agricultural production
2. Figures in the bar graph indicate the irrigation penetration for the respective states
Source: CRISIL Research

Spending in irrigation by states to increase, Centre to focus on monitoring

The government has increased the spending requirement by state governments from 32% to 42%, in line with greater transfer of taxes to states. The central government will play an active role in monitoring the progress of PMKSY projects and has taken several steps to crystallise investments for irrigation.

Achievement ratio across states



Note: Size of the bubble indicates irrigation investments for FY23BE in Rs.Crore
Source: CRISIL Research, State budget documents

Overview of announced smart city projects in India

- ***Smart cities progress slow***

To further push infrastructure spending, the government approved a budget of Rs.480 billion for the development of 100 smart cities over five years, beginning fiscal 2017. The focus is on adequate and clean water supply, sanitation, solid waste management, efficient transportation, affordable housing for the poor, power supply, robust IT connectivity, e-governance, safety and security of citizens, health, and education.

The selected cities will receive central assistance of Rs.2 billion in the first year, Rs.1 billion in each of the next four years, and a matching contribution from the respective state.
The state and central government funds will only meet part of the cost. The rest will be raised through user fees, municipal bonds, existing central/state schemes such as AMRUT, and PPPs.

- ***All 105 cities announced: Tendering activity on the uptick***

Out of the 60 smart cities declared in rounds one and two and the fast track round, only ~29 cities are seeing reasonable amount of activity. Of the first 20 cities announced, only 10 have progressed in terms of execution. About eight cities have no progress or only marginal progress in execution as against what was planned initially. Except Raipur, cities from the fast-track round that were to start execution from fiscal 2017 have seen almost no activity.

For the balance 40 cities selected in rounds three and four, tendering is at a very nascent stage for the newly formed special purpose vehicles (SPVs).

Key reasons for the slow activity include inability of some states to provide their share of funds, lack of manpower with suitable skills, experience at the SPV level, and failure of urban local bodies to decentralise responsibilities to the SPV.

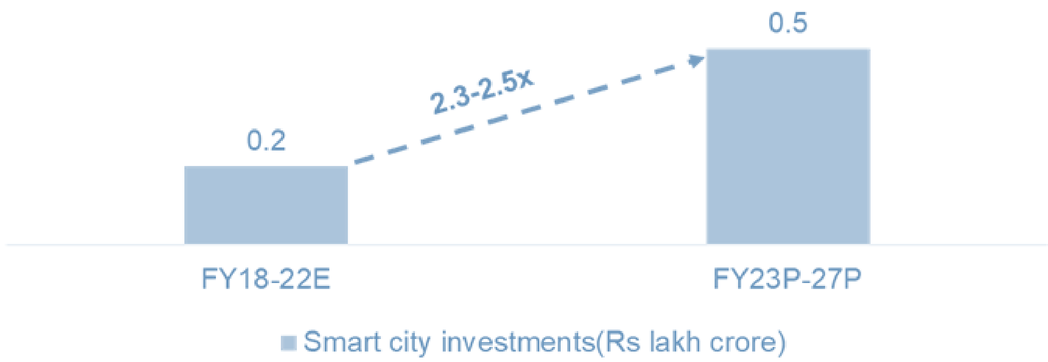
- ***Formation of SPV***

Each smart city is required to form an SPV that will plan, appraise, approve, and release funds as well as implement, manage, operate, monitor, and evaluate development of the project. Once formed, the SPV will receive the first tranche of funding from the Centre. All the 100 selected smart cities have formed their SPVs and appointed project management consultants.

- ***Investments in smart cities to be construction-intensive***

Based on the overall plans for the first 90 cities, investments are expected to be construction-intensive, as segments such as housing, roads, non-residential development, sewage systems, etc, will constitute a considerable portion of the total investments.

Smart city investments to almost quadruple on a low base over the next 5 years



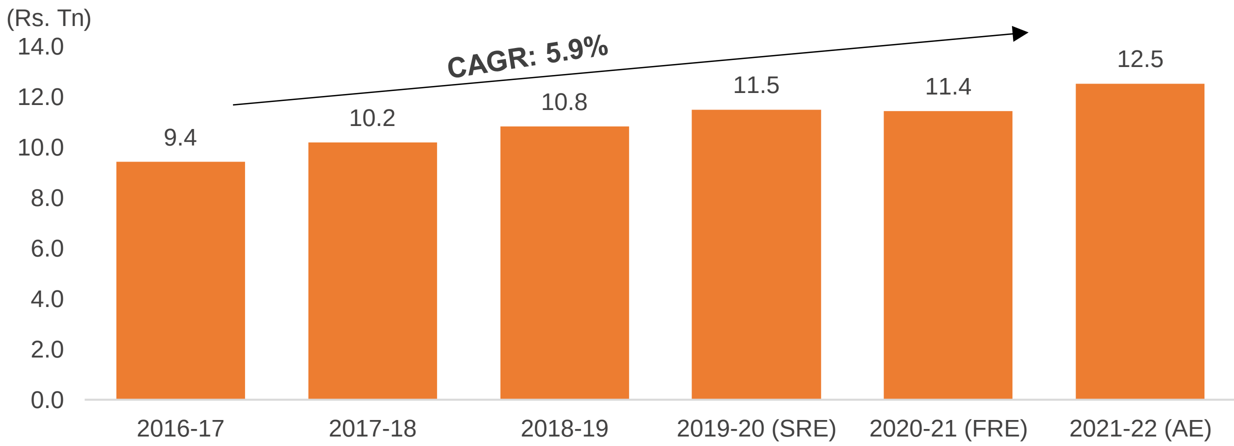
Source: CRISIL Research

Macro-economic overview of Karnataka

- ***Gross State Domestic Product (GSDP)***

Karnataka has demonstrated strong growth over the years. Per-capita Gross State Domestic Product (GSDP) of INR 305,000 (estimated for FY 22) has seen a 5 yr CAGR of 16.6% between FY17 to FY22 compared to 3.7% CAGR for pan India GDP in the same period.

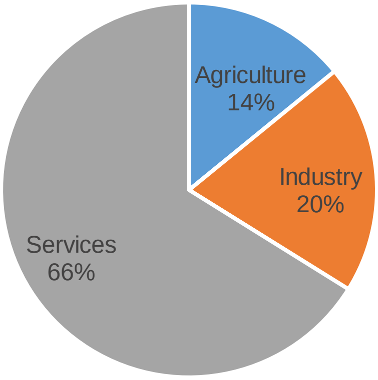
Karnataka GDSP



Source: Directorate of Economics and Statistics, Govt. of Karnataka

Economy of Karnataka has the highest share of services in the Gross State Value Added (GSVA) of 66% in FY 22(E) due to a large share of IT industry in the state which is major economic value adding sector in services and is also a major employment generator in the state. Industry is the second largest sector accounting for 20% of the GSDP of the state while agriculture accounts for the rest 14%. As in the case of pan-India sectoral growth rates, the growth rate of the agri sector has lagged other sectors due to which the share of agriculture sector in the economy has declined compared to industry and sevices sectors which have seen higher growth.

Sectoral share of Gross Value Addition



Source: Directorate of Economics and Statistics, Govt. of Karnataka

- ***Per capita income***

Per capita income is estimated by dividing NSDP at current prices with mid-financial year projected population (as on 1st October). Per Capita State Income (i.e. per capita NSDP) of Karnataka at current prices is estimated to be Rs.1,49,825 showing a fall of 3% during 2020-21, as against Rs.1,54,861 in 2019-20. Karnataka's per capita income is higher than All India per capita income. Figure below provides comparison of per capita income of Karnataka and All India from 2011-12 to 2020-21.

- ***Trend of per-capita income growth***

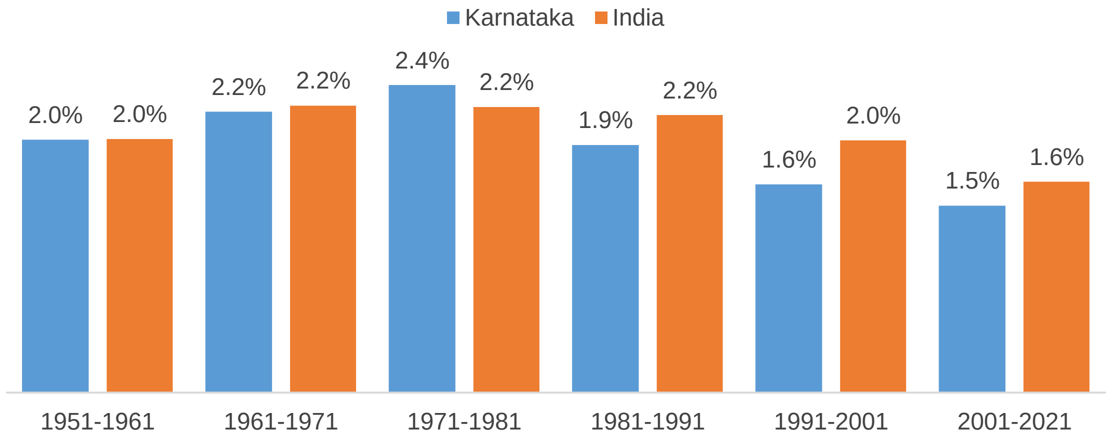
Gross State Domestic Product at current prices (Rs. Tn)							
Product Sector	2016-17	2017-18	2018-19	2019-20 (SRE)	2020-21 (FRE)	2021-22 (AE)	5-year CAGR FY17-22
GSDP	12.08	13.33	14.76	16.15	17.31	20.49	11.20%
YoY growth rate	15.50%	10.40%	10.70%	9.40%	7.20%	18.40%	-
Per-capita GSDP (Rs. thousand)	186	205	225	244	260	305	10.40%
YoY growth rate	14.30%	10.40%	9.50%	8.40%	6.50%	17.40%	-

Notes: SRE: Second Revised estimates; FRE: First Revised estimates; AE: Advanced estimate
Source: Directorate of Economics and Statistics, Govt. of Karnataka

- ***Population as per census 2011***

As per population census 2011, Karnataka population is registered to be 6,10,95,000 which has clocked CAGR of 1.5% since between 2001 and 2011. Karnataka State has widespread area of 1,91,791 Sq. Kms. Typically 75% of Karnataka is registered under category of literate citizens. The chart below compares the decadal population growth rate of Karnataka with India over last 6 decades. Over the last four decades, the population growth of Karnataka has lagged the pan-India growth rate marginally.

Decadal population growth for Karnataka



Source: India Census, CRISIL Research

Road network of key states

- ***Length of road network in the state***

As per Economic Survey of Karnataka, 331,099 kms of road infrastructure exists in year 2020-2021. This 331 thousand kms of road network comprise of all category of roads like, National Highways, State Highways, Major District Roads, Municipal Roads & Other Roads, Rural Roads.

- ***Road network split in terms of national vs state vs rural road***

As per Economic Survey of Karnataka, out of 3,31,099 kms of road infrastructure during year 2020-2021, National Highways contributes 2% share, State highway contributes 9% share, Major District Roads has 17% share, Municipal Roads & Other Roads have 12% share and Rural Roads have biggest share with 60% contribution to the split. Table below shows category wise km share for roads in Karnataka.

Road Lengths bifurcation

Road lengths in Karnataka. (In Km)		
Category of Road	2020-21	2021-22(Upton Nov 2021)
National Highways	7652	7589*
State Highways	28985	27811*
Major District Roads	55474	56131*
Municipal Roads & Other Roads	40487.59	43956.54**
Rural Roads	198500.8	194438.02***
All Roads	331099.4	329925.6

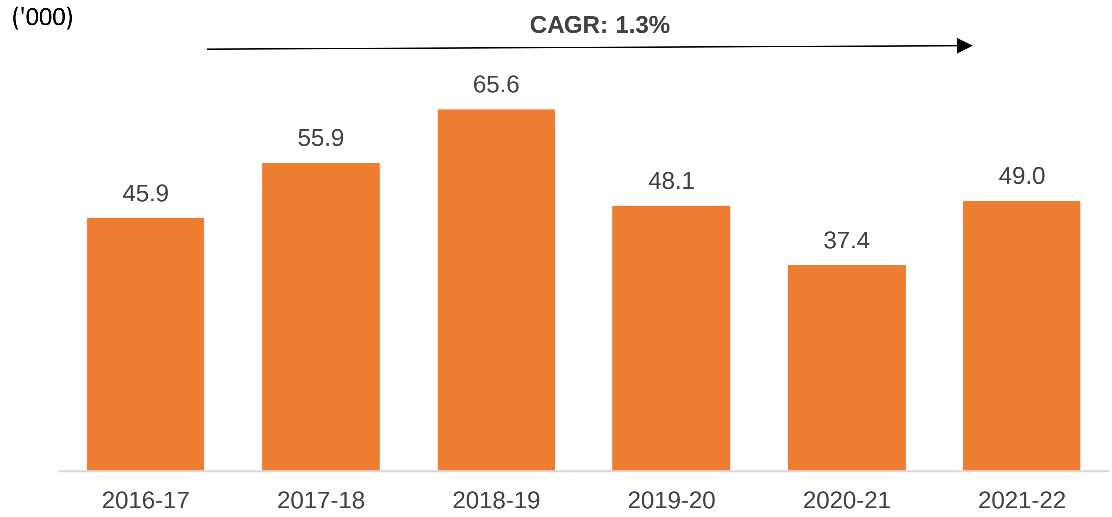
Source: EIC, PRAMC, CRISIL Research
** Information Provided from EIC, PRAMC office.*
*** Director, Directorate of Municipal Administration (as on Nov-2021)*
**** Rural Development and Panchayat Raj Department (as on Nov-2021)*

Vehicle sales trend in Karnataka

Sales of commercial vehicles (including goods and buses) in Karnataka has seen a CAGR of 1.3% between FY2017 and FY2022. The sales of commercial vehicles saw a sharp decline in FY2020 and FY2021 due to impact of BSVI transition and then due to COVID-19 as lockdowns and travel restrictions saw fleet operators postpone vehicle purchases.

However, in FY2022 there has been a 31% growth in commercial vehicle sales after a 43% decline in sales from the peak in FY2019 to FY2021 as COVID-19 restrictions have been lifted and demand for transportation services returned.

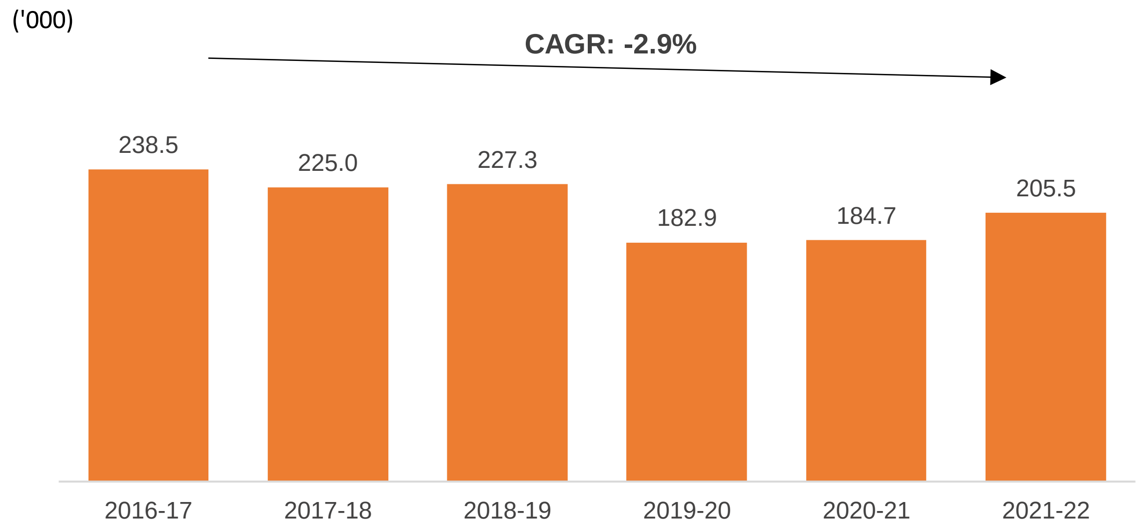
Sales of commercial vehicles in Karnataka ('000)



Source: SIAM, CRISIL Research

Similarly, with passenger vehicles for car's and utility vehicles, sales saw a decline at a CAGR of 2.9% between FY2017 and FY2022. The sales of passenger vehicles saw a decline of 19% between FY2019 and FY2021 due to BSVI transition and COVID-19 related travel restrictions, however, has since recovered with a growth of 11% in FY2022 which easing of COVID-19 related curbs.

Sales of passenger vehicles in Karnataka ('000)



Source: SIAM, CRISIL Research

Status of smart cities in Karnataka

- ***Smart City Mission***

The purpose of the Smart Cities Mission is to drive economic growth and improve the quality of life of people by enabling local area development and harnessing technology, especially technology that leads to Smart. Bengaluru, Mangaluru, Belagavi, Shivamogga, Hubbali-Dharwad, Tumakuru, and Davanagere are the 7 cities of Karnataka that are nominated by state government to be developed as Smart City under Smart City Mission and got approval in three phases.

- ***Smart cities of Karnataka are on track of development as planned***

Government of India has released a total of 1325 Crores of funds in three phases for 7 smart cities in Karnataka so far. Government of Karnataka released its share of Rs. 978 Crores. Karnataka is one of the higher Urbanised States in India. Jawaharlal Nehru National Urban Renewal Mission (JnNURM), a city modernization scheme in 2005 was launched by Government of India under Ministry of Housing and Urban Affairs following property mapping in 2002. Smart City Mission and Atal Mission for Rejuvenation and Urban Transformation (AMRUT) came in 2015 followed by Swachh Bharat Mission. Apart from all kinds of Urban Development, Karnataka has invested in Transit Oriented Development (TOD) projects for improvisation in Mobility by maximising amount of residential, commercial and leisure space within walking distance of public transport. SPVs like Belagavi Smart City Ltd, Bengaluru Smart City Ltd, Davanagere Smart City Ltd, Hubbali Dharwad Smart City Ltd, Mangaluru Smart City Ltd, Shivamogga Smart City Ltd. and Tumakuru Smart City Ltd. are working in competent manner to develop smart cities of Karnataka as per planned manner.

As per Principal Secretary, Transport Department at Government of Karnataka, Mr. Anjum Parwez, 423 projects have been planned at a cost of Rs.6,363 crore as of October 2019. Out of these, 67 projects were completed. 204 are ongoing. 77 were tendered. 63 are at detailed project report (DPR) stage while. 12 are at concept stage.

OUR BUSINESS

Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward-looking statements that involve risks and uncertainties. You should read the section entitled "Forward Looking Statements" on page 22 for a discussion of the risks and uncertainties related to those statements and the section entitled "Risk Factors" on page 29 for a discussion of certain risks 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. Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Statements included in this Draft Red Herring Prospectus on page 181.

Overview

Our Company was originally formed as a sole proprietorship under the name of 'M/s Udayshivakumar' at Davangere on August 22, 2002 and was converted into a partnership firm under the name of 'M/s. Udayshivakumar' pursuant to a deed of partnership dated March 31, 2014. The partnership firm was registered under the Indian Partnership Act, 1932 with the Registrar of Firms, Belgaum on April 4, 2014. Further, pursuant to the deed of partnership dated March 8, 2019, the deed of partnership dated March 31, 2014 was reconstituted by amending the existing clauses and inserting new clauses in the deed of partnership. Consequent to the aforesaid amendments a memorandum acknowledging receipt of documents for change in constitution of partnership was issued by Registrar of Firms, Belgaum, on April 3, 2019. Pursuant to deed of partnership dated March 8, 2019 executed between partners of M/s. Udayshivakumar i.e., Udayshivakumar and Amrutha (collectively, "Partners"), Partners contributed to share capital of the Company in the proportion of the capital contributed by them in M/s. Udayshivakumar. Following are the details of the capital contribution of Partners in M/s. Udayshivakumar:

S. No.	***Partner***	***Capital Contribution (in ₹ lakhs)***
1	*Udayshivakumar*	*3,613.50*
2	*Amrutha*	*36.50*
Total		***3,650.00***

Business

We are a ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 company engaged in the business of construction of roads including National Highways, State Highways, District Roads, Smart Roads under PM's Smart City Mission projects, Smart Roads under Municipal Corporations, Bruhat Bengaluru Mahanagara Palike (BBMP) and Local Area Roads in various Taluka Places etc., in the State of Karnataka, Constructions of Bridges across Major and Minor Rivers, Railway Over Bridges (ROB), construction of Major and Minor Irrigation and canal projects, Industrial Areas, based in the State of Karnataka. We bid for Roads, Bridges, Irrigation & Canals Industrial Area construction in the State of Karnataka including Government Departments such as Karnataka Public Works Ports & Inland Water Transport Department (KPWP & IWTD), National Highways (MORTH), Belgaum Smart City Ltd. and Davangere Smart City Ltd., Bruhat Bengaluru Mahanagara Palike (BBMP), Various Municipal City Corporations, State Highway Development Corporations Ltd., (SHDP), Karnataka Road Development Corporation Ltd., (KRDCL), Karnataka Industrial Area Development Board (KIADB), Davanagere Harihara Urban Development Authority (DHUDA), Krishna Bhagya Jala Nigam Limited (KBJNL), Visvesvaraya Jala Nigam Limited (VJNL), Carvery Niravari Nigam Limited (CNNL), Karnataka Niravari Limited (KNNL), Youth Empowerment & Sports Department, in the State of Karnataka.

As on August 31, 2022, our Company along with the erstwhile partnership firm, M/s. Udayshivakumar, have executed various projects in and around the State of Karnataka. Since Fiscal 2015, our Company along with the erstwhile partnership firm, M/s. Udayshivakumar, have completed 30 projects having an aggregate contract value of ₹68,468 lakhs, which includes sixteen (16) roads, five (5) bridges, six (6) irrigation and three (3) civil construction works. As on August 31, 2022, our Company is executing twenty five (25) ongoing projects which include seven (7) roads, seven (7) smart roads, one (1) bridge, seven (7) irrigation projects and three (3) civil construction works with an aggregate order book value of ₹ 72,030.00 lakhs. Further, as on August 31, 2022, we also have new work orders allotted *(but work not yet started)* comprising of seven (7) roads and two (2) irrigation works with an aggregate order book value of ₹ 47,659.00 lakhs. As on August 31, 2022 on an aggregate basis, we have 34 works orders in hand having aggregate order book value of ₹ 1,19,689.00 lakhs.

In addition to independently undertaking projects like the ones we have executed in the past, we intend to enter into joint ventures with other infrastructure companies in our industry to jointly bid and execute larger projects.

We have already entered into joint venture vide agreement dated April 22, 2022 by way of a partnership i.e. M/s Udayshivakumar Kotarki JV with 75% share in the partnership held by our Company and the balance 25% held by Kotarki Constructions Pvt. Ltd. The partnership has been awarded a project by NHAI *i.e* "*Widening to two lane with paved shoulders from km. 24.400 to 27.270, 40.500 to 41.900, 84.300 to 88.200, 105.250 to 112.710, 161.550 to 166.350, 174.120 to 176.120 and 186.550 to 191.900 of NH-766C in the state of Karnataka on EPC mode*". The contract value of the said project is approx. ₹17,100 lakhs. Such joint ventures or partnerships will enable us to achieve pre-qualification with our joint venture partner at the time of the bid, both technical and financial, and if the bid is successful, we will be able to successfully bid and execute the project with our joint venture partner.

We have over the years developed an established road under BOQ and EPC business and have gradually added facilities to support and supplement our road and irrigation construction business. As part of our in-house integrated model, we have developed in house resources with key competencies to deliver a project from conceptualization to completion that includes our design and engineering team.

Over the years, we have acquired a fleet of modern construction machinery and equipment to support the construction of our projects. As on August 31, 2022, our equipment base comprises of over ninety (90) construction equipments, forty six (46) dumpers, forty seven (47) other construction vehicles, five (5) Ready Mix Concrete (RMC) Plants *(out of which one is owned by Mr. Prabhakar, brother of the Promoter and taken on lease by us)*, one (1) stone quarry and one (1) crusher plant owned by M/s Udayshivakumar Stone Crusher a partnership firm of our Promoter. Our in-house integrated model reduces dependence on third party suppliers for key raw materials such as Metal Jelly, Ready Mix Concrete, construction equipment and other products and services required in the development and construction of our projects. We have also set up a central procurement team that procures major materials and engineering items required for our projects. Our integrated business model facilitates execution of projects within scheduled timelines. We depend on our employees, both skilled and unskilled, to execute our projects. As on August 31, 2022, we have twenty seven (27) engineers, twenty two (22) skilled and ninety nine (99) on-site workers such as drivers, JCB operators, helpers etc for executing various projects.

In addition to procurement and construction, in the past two (2) years we have focused our efforts on building a team of engineers for the designing and engineering aspects of Roads, Bridge, Irrigation Projects, Industrial Areas construction. We have a team of 27 (Twenty Seven) engineers who are dedicated to contracts wherein our Company is involved on a BOQ and EPC basis and are supported by third-party consultants and industry experts to ensure compliance of standards laid down by the industry and government agencies & departments. Similarly, we also have our own team and facility for fabrication works which reduces our dependence on third parties.

Further, our Promoter has rich experience of more than 25 years in the infrastructure sector and has been instrumental in driving the growth and business strategies of our Company. For further information, please refer to section titled "*Our Promoters and Promoter Group*" beginning on page 176 of this Draft Red Herring Prospectus.

In Fiscals 2022, 2021 & 2020 our total revenues, as restated, were ₹ 18,638.81 lakhs, ₹ 21,110.82 lakhs and ₹ 19,440.50 lakhs respectively. In Fiscal 2022, 2021 & 2020 our Profit after Tax, as restated, was ₹ 1,214.81 lakhs, ₹ 931.92 lakhs and ₹ 1,048.72 lakhs respectively. Our profit for the year grew at a CAGR of 7.63%, between financial years ended 2019-20 to financial year ended 2021-22.

Our Competitive Strengths

We believe that the following are our primary competitive strengths:

1. ***Focused on Roads, Flyovers and Bridge construction***

   As on August 31, 2022, our Company along with the erstwhile partnership firm, M/s. Udayshivakumar, have executed various projects in and around the State of Karnataka. Since Fiscal 2015, our Company along with the erstwhile partnership firm, M/s. Udayshivakumar, have completed 30 projects having an aggregate contract value of ₹68,468 lakhs, which includes sixteen (16) roads, five (5) bridges, six (6) irrigation and three (3) civil construction works. Most of our projects have been executed in and around the State of Karnataka. Our focused approach over the years on the construction of roads, bridges, irrigation projects has enabled our Company to bid for various projects involving construction of road, bridges, irrigation projects. In addition to the construction of roads, bridges and irrigation projects our Company has also established an in-house design and engineering team. The design and engineering team of our Company enables us to undertake turnkey contracts which include design, engineering, procurement and construction. Construction of flyovers and Bridges require specific skills and expertise and is considered a high-risk construction activity as these are built high over the ground and river beds. These robust constructions need to conform to various specific requirements such as strength, durability and resilience over a period of time.

2. ***Strong Order Book of roads, bridges, flyovers and irrigation projects from state government.***

   Our primary focus on roads, bridges, flyovers and irrigation projects has helped us in gaining technical expertise for undertaking such projects of different sizes involving varying degree of complexities establishing modern fleet of construction machinery, equipment and skilled manpower. As on August 31, 2022, our Company is executing twenty five (25) ongoing projects which include seven (7) roads, seven (7) smart roads, one (1) bridge, seven (7) irrigation projects and three (3) civil construction works with an aggregate order book value of ₹72,030.00 lakhs. Further, as on August 31, 2022, we also have new work orders allotted *(but work not yet started)* comprising of seven (7) roads and two (2) irrigation works with an aggregate order book value of ₹47,659.00 lakhs. As on August 31, 2022 on an aggregate basis, we have 34 works orders in hand having aggregate order book value of ₹1,19,689 lakhs. We believe that consistent growth in our Order Book has happened due to our continued focus on bridges, flyovers and irrigation projects and our ability to successfully bid and win new projects. We were awarded road projects worth ₹31,521 lakhs and irrigation projects worth ₹16,138 lakhs Fiscal 2022-23 till August 31, 2022. We believe that our experience in execution of roads, bridges, flyovers and irrigation projects, technical capabilities, timely performance, reputation for quality and timely delivery, financial strength as well as the price competitiveness has enabled us to successfully bid and win projects. We have developed long-standing relationships with clients like PWD, NH, (Morth), BBMP, KBJNL, VJNL, KIADB, DHUDA, KPWP & IWTD, various local bodies.

3. ***Strong execution capabilities with industry experience.***

   As on August 31, 2022, our Company along with the erstwhile partnership firm, M/s. Udayshivakumar, have executed various projects in and around the State of Karnataka. Since Fiscal 2015, our Company along with the erstwhile partnership firm, M/s. Udayshivakumar, have completed 30 projects having an aggregate contract value of ₹68,468 lakhs. Our focus is to leverage our strong project management and execution capabilities to complete projects in a timely manner while maintaining high quality of engineering and construction. Our Company has the three important ingredients required by any infrastructure company i.e. an in-house design and engineering team, a fleet of modern construction machinery and equipment to ensure high quality construction and skilled manpower to execute projects in a timely manner. Our in-house engineering and design team of 27 engineers have the necessary skills and expertise in preparing detailed architectural and /or structural designs based on the conceptual requirements of our clients. Our in-house engineering and design team reduces our dependence on outsourcing engineering and design work to third party consultant and are supported by the third party consultants in EPC contracts. Our quality control managers and quality surveyors are responsible for conducting regular inspection and tests at every project site and publishing reports on the status of compliance with contractual requirements and quality control monitoring such as Supervisory Control and Data Acquisition (SCADA).

4. ***Experienced management team***

   Our management team is well qualified and experienced in the Roads, Bridge and Irrigation projects construction and has been responsible for the growth of our business and operations. Our Promoter has more than 25 years of experience, individually in the infrastructure development sector and has been instrumental in driving our growth since inception of our business. We believe that our motivated team of management and key managerial personnel along with our internal systems and processes complement each other to enable us deliver high levels of client satisfaction. For details on the qualifications and experience of our senior management team, please refer to section titled "*Our Management*" beginning on page 156 of this Draft Red Herring Prospectus. We believe the strength and entrepreneurial vision of our Promoter and management has been instrumental in driving our growth and implementing our strategies.

Our Strategies

Our business objective is to grow our revenues and profit. Our business strategy focuses on the following elements:

1. ***Maintain focus on Roads, Bridge and Irrigation projects construction.***

Our primary focus is to strengthen our prospects in executing roads, bridge and irrigation projects. Over the next few years, we will continue to focus on the construction, operations and maintenance of our existing projects while seeking opportunities to further expand our business. We intend to capitalize on our experience and continue to selectively pursue larger roads, bridges and irrigation projects, both independently and in partnership with other players. We intend to continue our focus on efficient project execution by adopting industry best practices and advanced technologies to deliver quality projects to the satisfaction of our clients. We intend to continue to invest in modern construction equipment to ensure continuous and timely availability of equipment critical to our business, which will help us in exercising better control over the execution of our projects. We seek to attract, train and retain qualified personnel and skilled employees and labourers and further strengthen our workforce through comprehensive training programs. We will endeavour to offer our engineering and technical personnel a wide range of work experience, in-house training and learning opportunities by providing them a wide variety of large and complex roads, bridges and irrigation projects. We will continue to focus on improving our internal systems and processes to reduce manual intervention and improve reliability and efficiency in our business and operations. We also intend to utilize advanced technologies, designs, engineering and project management tools to increase productivity and maximize asset utilization in construction activities.

2. ***Expansion of our geographical footprint.***

Our Company along with the erstwhile partnership firm, M/s. Udayshivakumar has successfully completed 30 projects as on August 31, 2022. We gradually intend to expand our business operations to other regions of Karnataka. We plan to diversify and expand our presence in other Indian states for the growth of our business. We are selective in expanding to new locations and look at new geographies where we can deliver quality services without experiencing significant delays and interruptions because of local and ground considerations. We currently expect significant portion of our geographic expansion from various regions in the State of Karnataka. Through further diversification of our operations geographically, we hope to hedge against risks of operations in only specific areas and protection from fluctuations resulting from business concentration in limited geographical areas.

3. ***We intend to enter into joint venture arrangements with other infrastructure companies to bid and execute large value projects.***

As on August 31, 2022, our Company is executing twenty five (25) ongoing projects which include seven (7) roads, seven (7) smart roads, one (1) bridge, seven (7) irrigation projects and three (3) civil construction works with an aggregate order book value of ₹72,030.00 lakhs. Further, as on August 31, 2022, we also have new work orders allotted *(but work not yet started)* comprising of seven (7) roads and two (2) irrigation works with an aggregate order book value of ₹47,659.00 lakhs. As on August 31, 2022 on an aggregate basis, we have 34 works orders in hand having aggregate order book value of ₹1,19,689 lakhs. We intend to bid and execute projects larger than ₹50,000 lakhs of various authorities by entering into partnerships with various other players in the roads, bridges and irrigation projects segment of the infrastructure industry in the near future.

4. ***Leverage core competencies with enhanced in-house integration.***

In-house integration has been an integral part of our growth over the years and we seek to focus on further enhancing our in-house competencies by expanding into various functional aspects of our projects thereby eliminating dependence on third parties. We are further enhancing our design and engineering capabilities and fabrication facilities to reduce dependence on third parties to avoid risks and minimizing costs associated with these functions. In furtherance to our objective of enhancing in-house capabilities, we have invested in machinery and equipment and as on August 31, 2022 our equipment base comprises of over ninety (90) construction equipments, forty six (46) dumpers, forty seven (47) other construction vehicles, five (5) Ready Mix Concrete (RMC) Plants *(out of which one is owned by Mr. Prabhakar, brother of the Promoter and taken on lease by us)*, one (1) stone quarry and one (1) crusher plant owned by M/s Udayshivakumar Stone Crusher a partnership firm of our Promoter which help us in reducing our dependence on outside machinery and equipment and supply of concrete from third parties.

5. ***Diversification of business activities***

We have been actively involved in diversifying business activities since the financial year 2022. We were successful in winning the bid and have been granted a Letter of Intent from Department of Mines and Geology, Karnataka for taking on lease land located in Venkatagiri Village, Bellary District which is spread over 24.04 hectares for mining activities involving extraction of iron ore. The said lease land is 20 years. The other formalities pertaining to obtaining necessary licenses and approvals for mining activities are pending. We are expecting extraction of about five lakh metric tonnes of iron ore every year.

Further, we have entered into an agreement with the NHAI to run and maintain toll plaza on the national highway number 63 situated at Halligudi, Karnataka. Our Company is acting as a facilitating agent for collection of toll for and on behalf of NHAI.

Order Book

Our Order Book as on a particular date consists of contract value of unexecuted or uncompleted portions of our ongoing projects, i.e., the total contract value of ongoing projects as reduced by the value of construction work billed till August 31, 2022. Our Order Book is ₹1,19,689 lakhs as on August 31, 2022. The following table sets forth the break-up of our Order Book as per the Client:

(₹ in lakhs)

S. No.	Authority	Description of the Project	Contract Value	Balance work to be executed	Percentage (%) of Order book to be executed
1	City Corporation Kalabugari	Improvements of Roads and Drains, construction of Bridge and Commercial Complex in Shahabad CMC limits under Nagarothana (Municipality) phase 3 Project.	1,778.00	1,056.00	40.61
2	Belagavi Smart City Ltd	Construction of three smart road at Dharamnath junction road, Dharam Bhavan road and Dharam Marg road in Belagavi city	4,364.00	3,385.00	22.43
3	Belagavi Smart City Ltd	Construction of two smart road at Srinagar and Anjaneya Nagar in Belagavi city	4,359.00	3,957.00	9.22
4	Belagavi Smart City Ltd	Construction of seven smart roads at Sangollirayanna Circle to Jijamata Chowk, Kapileshwar colony road, SPM road, Mahatma Phule road, Shukravarpeth road, Vegetable market road and market police station to Circuit house road in Belagavi city	3,403.00	2,548.00	25.12
5	Karnataka Neeravari Nigama Ltd.	Construction of Bridge across Krishna River on Jamkhandi-Athani Road near Hipparagi village in Jamkhandi Taluka in Bagalkot District.	6,065.00	615.00	89.86
6	Davangere Smart City Ltd	Improvement of secondary drains at Basavarajpete, Basha nagar, Mmandipete & Managahalli road in ADB area	1,208.00	1,153.00	4.55
7	Bruhath Bengalaru Mahanagara Palike	White Topping on Selected Roads in Bengaluru City, under Phase 2, Package 8 _Call-2	2,296.00	1,851.00	19.38
8	Bruhath Bengalaru Mahanagara Palike	White Topping on Selected Roads in Bengaluru City, under Phase 2, Package 7 _Call-2	2,238.00	1,426.00	36.28
9	Krishna Bhagya Jala Nigama Ltd.	MODERNIZATION OF DISTRIBUTARY NETWORK OF ALBC FROM DY-6 TO 15 and Add dy 4.80 Including Laterals and Structures	1,285.00	890.00	30.74
10	Krishna Bhagya Jala Nigama Ltd.	MODERNIZATION OF DISTRIBUTARY NETWORK OF ALBC FROM DY-1,2,3,4,4A,5 and Add dy 10.71 ,12.60 Including Laterals and Structures	1,234.00	587.00	52.43
11	Krishna Bhagya Jala Nigama Ltd.	MODERNIZATION OF DISTRIBUTARY NETWORK OF ALBC FROM DY-16 TO 29 Including Laterals and Structures	1,281.00	918.00	28.34
12	Davangere Smart City Ltd	BASIC INFRASTRUCTURES TO 7 ROADS	1,882.00	1,453.00	22.79
13	Belagavi Smart City Ltd	Construction of white topping roads in pan area of Belagavi city at BOI circle – Nathpai circle- Vadagaon circle- Navhind Society- RPD cross – Tilakwadi 1st Railway gate and Nathpai circle –	2,811.00	2,044.00	27.29

S. No.	Authority	Description of the Project	Contract Value	Balance work to be executed	Percentage (%) of Order book to be executed
		Kasturba Balikashram – Goaves circle – Package-3			
14	Karnataka Neeravari Nigama Ltd.	Construction of Distributory No 10 including Minors of Kajibilgi West Canal under DC-1A of Tubachi-Babaleshwar LIS including Excavation, Embankment,lining and Structures.(PACKAGE-3)	5,077.00	4,696.00	7.50
15	Davangere Smart City Ltd	Development Of Ring Road and Its Approach Roads	4,631.00	3,820.00	17.51
16	Davangere Smart City Ltd	Development Of Pedestrian Footpath In Davanagere City Phase-II	1,483.00	806.00	45.65
17	Karnataka Industrial Areas Development Board	Formation of 30m wide road (road no 2), 24m wide roads (road no 24), 18m wide roads (road no.13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 25 & 26) including asphalting, construction of RCC side drains, RCC cross drainage works, RCC storm water drain, GLSR, chain link fencing, RWH, rising main, Bore well & HDPE dual water supply pipe line for Formation of Kangala Industrial Area Layout in Hukkeri Taluk, Belagavi District-Package-2.	4,557.00	3,742.00	17.88
18	Karnataka Public Works Department	PACKAGE 357(A) Improvements to Birur-Samsagi Road SH-76 from Km 114.80 to Km 120.50 (in selected reaches) in Davanagere Taluk of Davanagere District (B) Improvements to Kurki Mukthenahalli road MDR from Km. 9.00 to Km 16.40 (in selected reaches) in Davanagere taluk of Davanagere District	1,631.00	1,183.00	27.47
19	Krishna Bhagya Jala Nigama Ltd.	Construction of Distributary No. 7 from Km 0.00 to 7.215 of Sonthi Main Canal of Sonthi LIS	953.00	486.00	49.00
20	National Highways	PR from Km 49.90 to 54.43 and 54.50 to 69.90 of NH – 766 C Baindur to Ranebennur Section	780.00	780.00	-
21	Krishna Bhagya Jala Nigama Ltd.	Filling Up Of Palakamdoddi, Sankunr, Shakavadi, Kudolur (Basavanakunta), Nagalayakunta, Korivihal (Oorakere), Kurbanakunta, Nagayyakunta (Osaker), Yaragunta Tank & Mamadadoddi Tank From Canal Network Of NRBC Extension Under UKP Stage III Raichur Taluka	1,741.00	595.00	65.82
22	City Corporation Davangere	PACKAGE NO. 5: 1) Ward number 17 construction of storm water drain both sides and footpath at 5th main road 6th main road 7th main road, 2nd main 2nd cross Vanita samaja road, 4th main from Shiva medicals to police quarters at P J Badavane, construction of footpath at both sides Daivagnyakalyanamantapa road and asphalting of road behind 2) improvement of Daivagnyakalyanamantapa parallel roads wno 17 p j badavane (Complete Name of work as per notification) under MGNVY in Davanagere CC limits.	955.00	572.00	40.10
23	Krishna Bhagya Jala Nigama Ltd.	CONSTRUCTION OF DISTRIBUTARY-30 to 60, INCLUDING MINORS AND SUB MINORS INCLUDING STRUCTURES COMING UNDER CLIS EAST MAIN CANAL	12,306.00	3,324.00	72.99
24	National Highways	“Widening to Two Lane with Paved Shoulder from Km 105.00 to 110.838of NH 544DD Anantpur-Molkalmuru section in the State of Karnataka on Engineering, Procurement and Construction (EPC) Basis Contract”	2,280.00	1,015.00	55.48

S. No.	Authority	Description of the Project	Contract Value	Balance work to be executed	Percentage (%) of Order book to be executed
25	City Corporation Davangere	Construction of process shed, concrete road, drain, 6building, electrical, firefighting and other civil works at SWM site Avaragolla in City Corporation Davanagere	1,432.00	83.00	94.20
26	State Highways Department Projects	Package-513A) Improvements to Road From Mandya – Hadagali SH-47 From Ch:261.25 Km to 293.83 Km (In Selected Reaches) in Davanagere Taluk of Davanagere District B) Improvements to Road From Aluruhatti – Anagodu MDR From Ch:0.00 Km to 13.245Km (In Selected Reaches) in Davanagere Taluk of Davanagere District.	2,932.00	-	100.00
27	State Highways Department Projects	Pkg 512 A)Impts to Road From Malpe to Molakalmuru SH-65 From Ch:233.00Km to 242.50Km (In Selected Reaches) in DVG Tq of DVG Dist B) Impts to Road From Davanagere Budihala Arasapura MDR From Ch:4.80Km to 12.75Km (In Selected Reaches) in DVG Tq of DVG Dist C) Impts to Road From Bethur to Dhoddabathi MDR From Ch:0.00Km to 12.00Km (In Selected Reaches) in DVG Tq of DVG Disct D) Impts to Road From Malpe Molakalmuru SH-65 to Rampura MDR From Ch:0.00Km to 11.50Km (In Selected Reaches) in Dvg Tq of DVG	2,162.00	-	100.00
28	Karnataka Neeravari Nigama Ltd.	Providing Protection Wall Works For Malaprabha River Near Hampiholi Village To Gonnagar Village, Ramdrug Taluka	11,313.00	-	100.00
29	Krishna Bhagya Jala Nigama Ltd.	Improvements to Chowdeshwarihal- Peerapur road via Peth Ammapur, Kannalli, Agarthirth, Agni, Amlihal from Km 0.00 to 38.380 in Shorapur taluk Yadgir Dist	4,825.00	-	100.00
30	National Highways	Widening to two lane with paved shoulders from km. 0.00 (Siddapur) to km. 11.627 (Vijayapura) of NH-561A in the state of Karnataka.	4,850.00	-	100.00
31	National Highways	Widening to two lane with paved shoulders from km. 24.400 to 27.270, 40.500 to 41.900, 84.300 to 88.200, 105.250 to 112.710, 161.550 to 166.350, 174.120 to 176.120 and 186.550 to 191.900 of NH-766C in the state of Karnataka on EPC mode	17,140.00	-	100.00
32	Karnataka Public Works Department	Improvements and Widening of road in (Mandya -Hadagali SH -47) Arasikere Village Limit KM 312.00 to 314.00 in Jagalur Constituency, Bellary District (Vijayanagara Dist).	464.00	-	100.00
33	Karnataka Public Works Department	PWD Davangere (9 Works)	1,760.00	-	100.00
34	Karnataka Public Works Department	PWD Belagavi (5 Works)	2,213.00	-	100.00
		Total	**1,19689**	**42,985**	

Completed Projects:

Some of the major projects completed by our Company along with the erstwhile partnership firm, M/s. Udayshivakumar having an individual value of more than ₹68,468 lakhs are set out below:

(₹ in lakhs)

S. No.	Client	Description of the Project	Nature	Agreement Amount in (₹ in lakhs)	Percentage (%) of Total Order Value
1	Karnataka Neeravari Nigam Ltd.	Balance Earth work excavation, formation of embankment C.C. lining with mechanical paver including construction of C.D. works from Km. 238th to 242th Km. (i.e., 238th, 239th, 240th, 241st & 242nd) (Balance work) of UTP main canal	Irrigation	2,382.00	100%
2	National Highways	Construction of new parallel bridge (adjacent to existing bridge) across Arkavathi river near Kanakapura at ch.424.10 km including approaches (widening from two lane to four lane from km 423.380 to km 428.00) on NH 209 on Dindigal-Bengaluru section	Bridge	3,052.00	100%
3	National Highways	CRF Pkg- 05 Chitradurga Division	Road	1,830.00	100%
4	National Highways	Improvements and Widening to Channapatna Town Limits from Km 297.500 to Km 301.570 of NH-275 Bantwala-Bengaluru section in the state of Karnataka	Road	4,214.00	100%
5	Public Works Department	Improvements of 100ft Ring road from Railway Compound to Join Hospete - Shivamogga road in Shivamogga city	Road	904.00	100%
6	National Highways	Improvements to Road from Ring Road to Khaja katnoor from km 21.00 to 31.00 in Gulbarga Rural taluk Kalaburgi District	Road	648.00	100%
7	EE PWD Division Bellary	Construction Of Road Over Bridge (ROB) And Approach Road In Lieu Of LC No.114.00 At Bellary City Satyanarana Pet) Under State And Ministry Of Railways On Cost Sharing 50:50 Basis.	Bridge	2,832.00	100%
8	Public Works Department	Impartments to Benakanahalli to Bhutpur Cross via Chintapalli in Chincholi Taluk Length 5.00 Km	Road	650.00	100%
9	Karnataka Industrial Areas Development Board	Formation of 30M, 24M & 18M Wide Cement Concrete Roads including Construction of RCC Bridge, Side Drains, Culverts & Providing & Laying of HDPE Water Supply Pipe Lines at Immavu Industrial Area, Nanjangud Taluk, Mysuru District.Package-2	Industrial Area	4,242.00	100%
10	Vishweshwar aya Neeravari Niam Ltd.	Construction of Chitradurga Branch canal including earth work excavation, embankment, Cement Concrete lining using mechanical paver and construction of cross drainage works / Road Bridges/ Cart Track Crossings at 8th ,9th, 17th ,18th and 19th KM.	Irrigation	3,606.00	100%
11	National Highways	Improvements to road for old NH-4, 70.16Km to 74.06 passing the city limits of tumkur in the Karnataka state	Road	1,342.00	100%
12	Project Division, Davangere	Improvements to Road-Kukkuwada to Honnamaradi,Halebisaleri to mudahadadi,Belavanuru to HosaBelvanuru ,Yeragunte to Old P.B. Road via Karur,Hadadi-Kanagondanahalli Road to Halekolenahalli Road and on to SH-65, in Davanagere South constituency of Davanagere District (Package No :KS-12-31	Road	1,514.00	100%
13	National Highways	Periodical Renewal from km 20.000 to 75.340 of NH-206 Tumkur-Honnavara section	Road	1,534.00	100%
14	National Highways	Improvements to road for old NH-206 75.34 Km to 81.00 passing the city limits of Tiptur in the Karnataka state	Road	1,296.00	100%

S. No.	Client	Description of the Project	Nature	Agreement Amount in (₹ in lakhs)	Percentage (%) of Total Order Value
15	Belagavi Smart City Ltd	Construction of 8 Smart Roads at Auto Nagar Road, Reliance Office Road, Stadium Front Road, Stadium Back Road, Udaya School Road, KPTCL Substation Road, Kanbargi Lake Road and Kanbargi Lake Cross Road in Belagavi City.	Smart Road	2,603.00	100%
16	National Highways	Periodical Renewal from km 06.000 to 20.00 Km of NH-206 Tumkur-Honnavara section	Road	495.00	100%
17	Davangere Smart City Ltd	Remodelling of Storm Water Drains in ABD area - In front of Fish Market (drain D13 to D15) under Davanagaere Smart City Limited Project	Infrastruc ture	945.00	100%
18	City Corporation Kalburgi	Improvement of Road from Sardar Vallabai Patel Circle To Jagat Circle In Kalaburagi City. (50 Cr Special Grant)	Road	1,023.00	100%
19	Cavery Neeravari Nigam Ltd.	Providing Cement Concrete Lining using Mechanical Paver from ch. 100.00 Km to 115.00 Km of Kabini Right Bank canal	Irrigation	2,027.00	100%
20	Cavery Neeravari Nigam Ltd.	Providing Cement Concrete Lining using Mechanical Paver from ch. 115.00 Km to 130.00 Km of Kabini Right Bank canal	Irrigation	2,469.00	100%
21	City Corporation Davangere	Proposed construction of Embankment with RE wall for approaches to ROB on Ring Road at Sri.D.Devraj Urs Layout, Davangere.	Bridge	3,650.00	100%
22	State Highways Department Projects	Package205) Improvements to Birur-Samasagi road (SH-76) from Ch. 116.03 Km to 127.50 km (Selected Reaches) in Davanagere & Harihara taluk of Davanagere District	Road	3,035.00	100%
23	Public Works Department	1) Construction of C.C. road and Improvements to road in Village limits for the road Duggavathi to mallajjanakatte Via Kadathi, Haluvagalu, Garbhagudi from k.m. 0.00 to 21.60 (Working Reach 7.50 to 8.01 Km & 11.00 to 19.00 Km) 2) Construction of C.C. raod and Improvements to Duggavathi to mallajjanakatte road to join nandyala approach road from k.m. 0.00 to 0.55 in Harapanahalli taluk,Davanagere Dist.	Road	732.00	100%
24	National Highways	PR from Km 49.90 to 54.43 and 54.50 to 69.90 of NH - 766 C Baindur to Ranebennur Section	Road	780.00	100%
25	National Highways	Construction Of New Parallel Bridge (Adjacent To Existing Bridge) Across Arkavathi River Near Kanakapura At Ch.424.10 km Including Approaches (Widening From Two Lane To Four Lane From Km 423.380 To Km 428.00) On NH 209 On Dindigal-Bengaluru Section	Bridge	2,630.00	100%
26	Davangere Smart City Ltd	Remodelling of Storm Water Drains in ABD area - Basha nagar main Road (drain No D7 & D8) under Davanagere Smart City Limited Project	Infrastruc ture	489.00	100%
27	Krishna Bhagya Jala Nigama Ltd.	Remodelling of distributaries from dy No.1 to 26 and their laterals including structures of MBC under ERM of NLBC works During the Year 2015-16 In KBJNL CHIGAHALLI Jewargi Taluk. Division	Irrigation	7,707.00	100%
28	Krishna Bhagya Jala Nigama Ltd.	Remodelling of Distributaries No, Dy-1, 2A, 2B, 3A, 3B, 4, 5,6,7 including laterals/ sub laterals and structures of JBC under ERM of NLBC works.	Irrigation	4,933.00	100%
29	Public Works Department	Construction of cement Pavement to Nagodi Ghat of (Halageri-Halkal Road SH 26) from 175.60 - 181.60 in Kundapura Taluk Udupi District Inn during the year 2014-15 In MUDA Mysore Division	Road	2,197.00	100%
30	Public Works Department	Construction of ROB in lieu of LC No. 237 on Ekkumbi-Molakalmur SH-2 in Haveri town limits.	Bridge	2,707.30	100%

S. No.	Client	Description of the Project	Nature	Agreement Amount in (₹ in lakhs)	Percentage (%) of Total Order Value
		In during the year 2012-13 In PW, p & IWTD Haveri Division			
		Total		**68,468.00**	

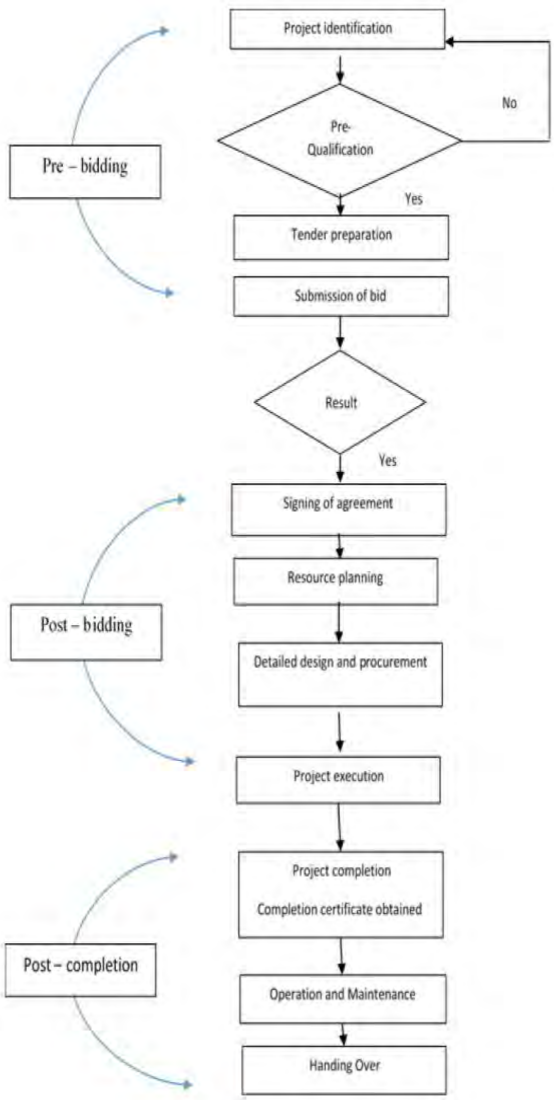
Joint Ventures

We have already entered into joint venture vide agreement dated April 22, 2022 by way of a partnership i.e. M/s Udayshivakumar Kotarki JV with 75% share in the partnership held by our Company and the balance 25% held by Kotarki Constructions Pvt. Ltd. The partnership has been awarded a project by National Highway i.e "*Widening to two lane with paved shoulders from km. 24.400 to 27.270, 40.500 to 41.900, 84.300 to 88.200, 105.250 to 112.710, 161.550 to 166.350, 174.120 to 176.120 and 186.550 to 191.900 of NH-766C in the state of Karnataka on EPC mode*". The contract value of the said project is approx. Rs.17,100 lakhs.

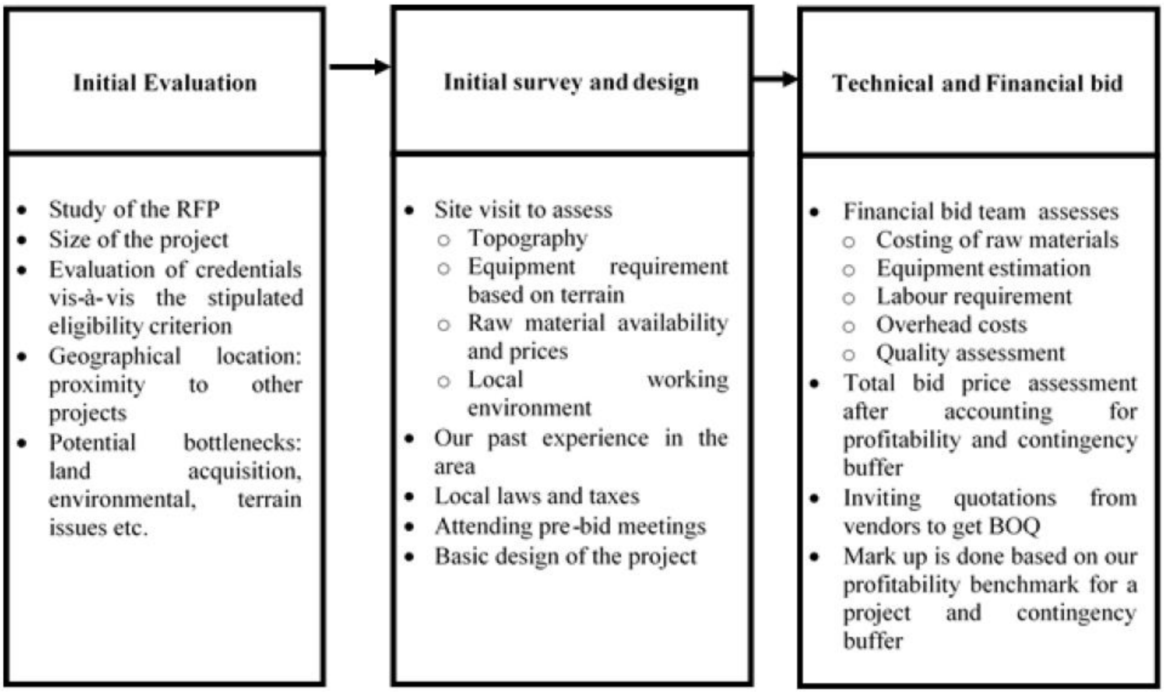
Our Operations:

Project Cycle

We have set out below the flow chart explaining various steps involved in the life cycle of a project:



Pre-Bidding Stage:



We enter into contracts primarily through a competitive bidding process. Our clients typically advertise potential projects on their websites and in leading national newspapers. Accordingly, our tender department does a regular review of the leading national newspapers and relevant websites 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 and are taking responsibility for bidding the projects. The tender department evaluates our Company's credentials in light of the stipulated Technical & Financial eligibility criteria. While we endeavour to meet eligibility criteria for projects on our own, in the event we are unable to meet the required eligibility criteria, we look to form project specific joint ventures with other like mind contractors who meets the required Technical eligibility criteria to strengthen our chances of qualifying Technically and winning the bid for the project. Notices inviting bids may either involve pre-qualification, for short listing of contractors, or a post qualification process. Pre-qualification applications generally requires to submit details about our organizational set-up, financial parameters (such as turnover, net worth and profit &loss history), employee information, machinery and equipment, details of available Technical Staff, 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's, including experience, technical ability and performance, reputation for quality, safety record, financial strength, size of previous contracts in similar projects. However, price competitiveness still is a significant selection criterion. After we pre-qualify for a bid, we are required to submit a financial bid.

In order to submit a financial bid, our Company conducts an in-depth study of the proposed project, which inter alia includes, (i) study of the technical and commercial conditions and requirements of the project; (ii) a site visit to determine the site conditions by studying the terrain and access to the site; (iii) local market survey to determine availability and prices of key construction material, labour, and specialist sub-contractors, as the need may arise; and (iv) analysis of the incidence or levies (if any) at or around the project site. Further, the tender department invites quotations from vendors, sub-contractors and specialist agencies for various items or activities in respect of the tender. After the information gathered from the local market survey, the tender department arrives at the cost of items in the Bill of Quantities ("BOQ"). This estimate is then marked-up to arrive at the bid price to the client. The basis of determination of the mark-up is based on overheads, expenditure and profitability benchmarks as per our policies. Alternatively, the client may choose to invite bids through a post-qualification process. In Post Qualification Tenders, Bidders Eligibility Criteria for Technical & Financial as per the work requirements will be specified by the Authority in the Bid Documents and the same will be submitted by the bidder to the Authority along with Financial Bid. The Authority will open initially only Technical Bid and evaluate the submitted Technical Bids of all the contractors as per the requirements specified in the Tender Documents and will announce the list of Technically qualified Bidders who meets the stipulated criteria and will open the Financial Bids of the declared Technically qualified Bidders and will declare the L1 Bidder for award of work.

Types of Tenders:

Our clients issue various types of tenders depending on the kind of work that needs to be executed by the contractor. Our tendering department has to consider each tender by its type before preparing our Company's bid for a particular project. We set out below in brief the various types of tenders floated by our clients.

B1 Tender
This type of tender is also known as percentage rate tender. As per this system of tendering, the bidding contractors are required to quote a single percentage rate either higher or lower against the estimated cost put to tender by the client, at which he would like to execute the work. In this type of tender the client provides the quantities of all items with the estimated rates.

B2 Tender
This type of tender is also known as item rate tender. As per this system of tendering, the contractor receives the payment depending on the rate at which he has quoted for every item of the work. In this type of tender, the client provides estimated quantities of all required items for execution of the contract duly indicating the estimated cost of the project.

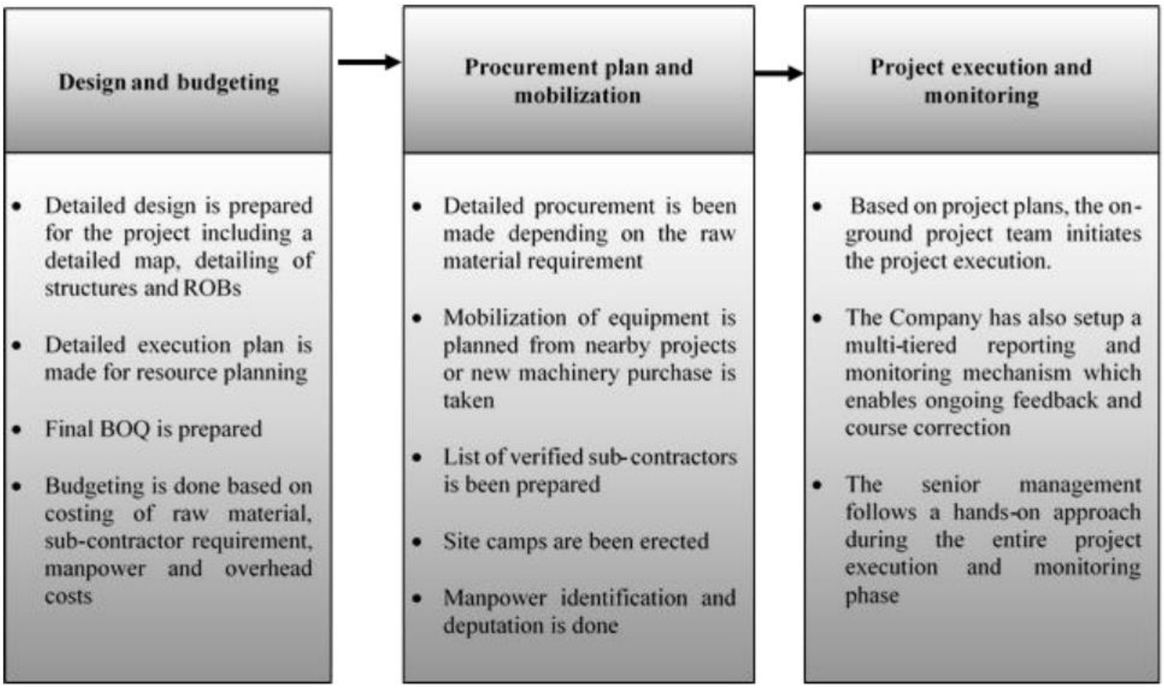
EPC Tender
EPC stands for Engineering, Procurement and Construction and is a prominent form of contracting agreement in the construction industry. The engineering and construction contractor carries out the detailed engineering design as per the requirements of the clients, for the projects to be undertaken. In such projects, the client typically provides scope of the project and specifications, based on which, the contractor is required to provide detailed project plans, structural/architectural designs for the conceptual requirements of the client, and will procure all the equipment and materials necessary and then construct to deliver a functioning facility or asset to their clients. Companies that deliver EPC Projects are commonly referred to as EPC Contractors. The price of an EPC contract cannot change, except for a change in scope.

As on August 31, 2022, our Order Book consists of 9 B1 type projects, 21 B2 type projects and 4 EPC projects.

II. Post-Award Stage:

The issuance of a letter of acceptance or letter of intent by the client signifies that we have been awarded the contract. For EPC based projects, our engineering and design department and consultants submit the working drawings and design calculations for approval with the concerned client and its consultants. Construction activity typically commences once the client approves working designs and issues drawings. The project team immediately identifies and works with the procurement department to procure the key construction materials and services required to commence construction. Based on the contract documents, a detailed schedule of construction activities is prepared. For projects that are mainly construction contracts, the tender department forwards all documents and other necessary details to the technical and execution team. The technical and execution team prepares the works plans and estimates of materials, budgeted rates for material, services, equipment and manpower to be deployed at the project site and forward them further to the procurement department. The procurement department proceeds to procure the material, manpower and equipment for the project from both internal and external sources as per the schedule of the project. We begin the project by mobilizing manpower and equipment resources and the setting up of site offices, stores and other ancillary facilities.

A detailed schedule of construction activities is prepared to ensure optimum project management at every stage of the project. Additionally, the senior management of our Company follow a hands-on approach with respect to project execution. Joint measurements with the client's representative are taken on a periodic basis and interim and final invoices are prepared and issued to the clients on the basis of such measurements. These invoices are sent to the client 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. Post Completion:

Upon completion of construction of a project, typically an independent engineer appointed for the project certifies the work completed and a completion certificate is issued by the client. Our completed projects also include those projects for which we have been issued provisional completion certificates by the relevant authority. Provisional completion certificates include projects where symbolic possession has been taken by the client and final bills are pending approval. Depending on the scope of work for a project, maintenance may be 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 client upon completion of the defect liability period.

Design, Engineering and Fabrication of EPC Projects:

We provide design and engineering services, as per the requirements of the clients for most of the projects we undertake. In such projects, the client typically provides scope of the project and specifications, based on which, we are required to provide detailed project plans, structural/architectural designs for the conceptual requirements of the client. We have an in-house team of structural engineers, designers and consultants who assist us in preparing detailed project plans and structural designs for both pre-bid and post wining of the award. 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 client for approval. Post approval of the designs by the client, the design and engineering team educates the execution team on the drawings and various calculations. In addition to the project design, fabrication designing for centering is also prepared by the design and engineering team for permanent structures like pier, pier cap, girder, deck slab and such other portions of the project. Our fabrication department coordinates with the design team for the approved centering drawings to prepare the detailed fabrication drawing. Material requirement is then analyzed and the purchase department is intimated about the requirements. Once the material is delivered, quality of raw materials is checked by our quality engineer and a prototype is prepared for final approval. After approval by the project engineer the prototype is put into production as planned. Post fabrication and final approval from the project manager, the fabricated materials are transported to the respective site.

Construction activity typically commences once the client approves working designs and issues drawings. Our planning and monitoring team immediately identifies and works with the procurement department to procure the key construction materials and services required to commence construction. 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 only certain ancillary functions, such as laying of asphalt roads, reinforce earth works and certain utility shifting works like electrical and Pipeline works.

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 raw material consumption rate, requirement and procurement of raw materials. Our mechanical department is responsible for handling of machinery breakdowns and preparing idle status reports and captive production reports about machinery and equipment such as crushers, batching plants and hot mix and wet mix plants. Our planning and monitoring team prepare 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. 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 billing department is responsible for preparing and dispatching periodic invoices to the clients. Joint measurements with the client's representatives 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.

Procurement

Our central procurement team handles the procurement of major raw materials and engineering requirements like cement, steel, construction chemicals, bridge bearings and such other materials. We procure materials in bulk which result in economies of scale and develop relationship with our vendors. Our procurement is centrally handled from our office at Davangere and we have procurement managers who understand and oversee the local material requirement and report the same to the central office, thereby ensuring a personalized understanding of material requirement on a project to project basis. We have not entered into any long-term supply contracts with suppliers for major materials like steel, metal and cement, but we do undertake bulk buying of these materials as it maintain vendor relationship and ensure timely availability and delivery of these raw materials.

Equipment

We own a large fleet of sophisticated and modern construction equipment. As on August 31, 2022, we had a fleet hold 90 construction equipments, 46 Dumpers, 47 other Construction Vehicles, 5 Ready Mix Concrete (RMC) Plants and 1 No. Stone Quarry and 1 No. Crusher Plant with our Related Party Udayshivakumar Stone Crusher (Firm). A designated department is responsible for identifying the need to procure or hire, deploy, maintain and monitor the plant, machinery and equipment. Machinery deployed to a specific site is monitored by an activity log to track the capacity utilization, fuel consumption, idleness, cost effectiveness and other operational details. As the owner of a modern fleet of construction equipment, we are able to dispatch our construction equipment to worksites where they can be utilized at an efficient level without any delay. With high control and availability of construction machinery and equipment, we can take measures to use and maintain our machinery and equipment to improve our efficiency optimum use of our machinery and equipment pursuant to the needs of our projects. In order to do so, a qualified and experienced team works around the clock, to execute our projects in an efficient manner while avoiding high rental costs, risks of renting wrong equipment, delays and use restrictions by third-party equipment owners. To ensure high quality, low cost and timely completion of projects, we have an in-house repair and maintenance team, which carries out scheduled preventive maintenance, breakdown maintenance, proactive maintenance and other activities. Fast running items are stored at project sites in order to minimize the time spent in repair. The following table provides a list of the major machineries and equipment owned by us as on the date of this Draft Red Herring Prospectus:

Name of Equipment / Vehicle	**Nos.**
Bitumen Sprayer	1
Bricks Plant	8
Broom Tractor	1
Cement Bulker	15
Centring Materials	6
Concrete Mixture	1
Crane	1
Crusher Plant	1
Cutting Machine	2
Dumper	46
Excavator	14
Generator	10
Grader	1
Hot Mix Plant	5
JCB	5
Light Tower	1
Loader	1
Others	2
RMC Mixture	1
RMC Plant	5
RMC Pump	5
Road Pavers	8
Roller	10
Soil Compactor	6
Transit Mixture	23
Truck	6
Water Pump	1
Water Tanker	2
Weigh Bridge	1
Welding Machine	1
Total	**190**









01/11/2020
PK-03
MURROM LEVELLING AT
RELIANCE ROAD

04/12/2020
PK-03
GSB COMPACTION WORK AT
STADIUM BACK ROAD







Ready Mix Concrete (RMC) Plant

Our Company has 5 RMC Plants in the state of Karnataka. These RMC Plants are located at Davangere, Shimogga, Chitradurga, Haveri and Belgaum in the state of Karnataka. These RMC Plants produce concrete of various grades and as per unique requirement of the project.

Utilities & Infrastructure Facilities

Water

Water requirement for each of our project is fulfilled from the nearby local area. When we work on river bridge project, we meet our requirements of water from the river itself. If such water is not available, we arrange to get the same from borewells or we hire water tankers to meet the water requirements of our project.

Power

Power requirement for our business is sourced from their respective state grids to meet their power requirements. Additionally, to ensure uninterrupted power supply, we also use diesel generators as back-up.

Quality Management

We endeavour to ensure that we maintain stringent quality standards at all stages of our project. Our aim is to reduce cost and cycle times through effective and efficient use of resources. We have a team of engineers and professionals responsible for ensuring quality standards. In executing the projects, we monitor and test all materials for conformity, track non-conformities and make rectifications to ensure client satisfaction.

Health, Safety and Environment

We are committed to globally accepted best practices and compliance with applicable health, safety and environmental legislation and other requirements in our operations. In order to ensure effective implementation of our practices, we have implemented a safety, health and environment policy wherein we have committed to, inter alia, the maintenance of a safe workplace and providing the necessary training to employees at our workplace. We undertake induction training, firefighting training, snake bite prevention training, emergency preparedness and job specific training of employees & contractors, in addition to the provision of protective equipment to ensure safety our manpower. We believe that we comply in all material respects with applicable occupational health and safety laws, regulations and other contractual requirements relevant to health and safety of employees and subcontractors at our project sites.

Information Technology

Our resources, personnel, equipment and finances are efficiently and optimally utilized through the use of sophisticated management information systems and tools. We use Tally ERP.9 Prime for, inter-alia, project management, document management, database, payroll, procurement, payment, finance, engineering, production.

We are planning to implement SAP-ERP platform with various integrated modules. For ease of operation we have created various WhatsApp groups on Project basis for immediate decision making for day to day transactions and updating of MIS report and other quality and quantity reports of the projects.

Competition

The infrastructure industry in India is very competitive. 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.

Corporate Social Responsibility

We demonstrate our commitment towards our community by committing our resources and energies to social development and have aligned our CSR programs with Indian legal requirements. We have undertaken CSR activities like contribution towards Planation and Green Belt Development during the Fiscal 2021-22.

Insurance

We believe that we maintain all material insurance policies that are customary for companies operating in similar businesses. We have taken group Mediclaim policy that cover most of our employees and their parents. We have also obtained separate insurance coverage for workmen's compensation. Further, we have taken Vehicle insurance policies to insure our vehicles. We also maintain insurance coverage against our Machinery and Equipment and Contractor All Risk policies.

Employees

As of August 31, 2022, we have 49 full-time employees and 99 on-site workers such as Drivers, JCB Operators, helpers etc. We adhere to a policy of nurturing dedicated talent by conducting regular training programmes. We provide training to our employees both as a commitment to their career development and also to ensure quality service to our customers. These trainings are conducted on joining as part of employee initiation and include additional on-the-job trainings.

Following is a department wise employee break-up:

Department	Number of Employees
Top management	03
Finance and Accounts	06
HR and Admin	01
Engineering & Supervision (On-Site)	27
Secretarial & Legal Team	01
Tender & Bidding Team	02
Insurance & Equipment Management	05
RMC Operations	02
Office Staff	03
Total	**49**

Following is project based technical staff break-up:

Department	Number of Employees
Operations and Maintenance Staff (Drivers, JCB Operators etc.)	99
Total	**99**

Intellectual Property Rights

Our Company has made the following applications for registering our name and logo under the Trade Mark Act, 1999, which are pending as of date of this Draft Red Herring Prospectus:

Sr. No.	Particulars of the mark	Application No.	Class	Date of Application	Current status of the Application
1.		5621562	33	September 23, 2022	Send to Vienna Codification
2.	UDAYSHIVAKUMAR INFRA LIMITED	5621561	33	September 23, 2022	Formalities Chk Pass

Property

The following are the details of owned and lease hold properties:

a) *Owned property:*

S. No.	Particulars of the property, description and area	Usage
1.	Survey No. 228, Kunduvada Village, Davangere – 577 004, Karnataka, India	Investment
2.	N.A. Land, Bearing Survey No. 413/02, 413/04, 413/05, Yadgiri Village – 585 201, Karnataka, India	Investment
3.	1924A/196, Banashankari Badavane, Near NH-4 Bypass, Davangere – 577 005, Karnataka, India	Registered Office

b) *Leasehold property:*

S. No.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
1.	Lease Deed dated May 5, 2022 between sole proprietor of M/s Sh. Vishwanath C. Vijapur, Vijapur Automobiles ("**Lessor**") and our Company ("**Lessee**")	Four Shops and open space of the plot no 1115, 1114 CTS No: 6978 in RS No. 619 situated at KIADB, Kanbargi Industrial Area, Kanbargi Belagavi, Taluka and District, Belagavi	For the 1st, 2nd and 3rd years: ₹ 8.98 lakhs per year For the 4th,5th and 6th year: ₹ 10.33 lakhs per year For 7th, 8th and 9th year: ₹ 11.88 lakhs per year For the 10th year: ₹ 13.66 lakhs per year	For a period of ten years from April 10, 2022 until April 9, 2032	RMC manufacturing unit
2.	Lease Deed dated October 25, 2021 between Rudrappa dated ("**Lessor**") and our Company ("**Lessee**")	Survey No. 269/5, Devagiri Village, Haveri – 581 110, Karnataka, India.	₹ 2.25 lakhs/- per year, with an increment of 5% every year, post 3 years.	For a period of 10 years commencing from October 25, 2021	RMC manufacturing unit
3.	Lease Deed dated July 6, 2019 between A Rangaswamy dated ("**Lessor**") and our Company ("**Lessee**")	Survey No. 201 & 198, Village Siruyur, Bhadravati, Shimoga - 577 201, Karnataka, India	For 1 to 3 years : ₹ 0.30 lakhs- per month and ₹ 3.60 lakhs/- per year For 3-6 years: ₹ 0.37 lakhs/- per month and ₹ 4.50 lakhs/- per year	For a period of 10 years commencing from July 6, 2019	RMC manufacturing unit
4.	Lease Deed dated March 15, 2018 between Siraj Ahmed dated ("**Lessor**") and our Company ("**Lessee**")	Near H K Poha Industries, Harapanahalli Road, Mustafa Nagar, Davangere – 577 001, Karnataka, India	₹ 3.50 lakhs/- per year, with an increase of 10% every year	For a period of 10 years commencing from March 15, 2018	RMC manufacturing unit

S. No.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
5.	Lease Deed dated April 1, 2021 between R. Prabhakar dated ("**Lessor**") and our Company ("**Lessee**")	Survey no. 79/1, Janakonda Village, Kasaba Hobali, Chitradurga- 577 501, Karnataka, India Two Ashok Leyland UE2820EX4, RMC, 3900, transit mixtures.	RMC Plant: ₹ 2.50 lakhs per month Transit mixtures: ₹ 1.25 lakhs, per month for each vehicle.	For a period of 5 years commencing from April 1, 2021	RMC manufacturing unit
6.	Office Rental Agreement dated January 14, 2022 between C Krishnappa ("**Landlord**") and our Company ("**Tenant**")	Serial No. 178, Machohalli Gate, Near Pooja Hospital, Magadi Main Road, Bengaluru – 560 091, Karnataka, India.	₹ 0.10 lakhs per month along with an interest free security deposit of ₹ 1 lakh.	For a period of 11 months commencing from January 14, 2022	Liaison office
7.	Office Rental Agreement dated January 20, 2022 between Ramesh Kumar ("**Landlord**") and our Company ("**Tenant**")	GF-1, No. 26/1, Yamuna Bai Road, Madhavanagar, Bengaluru - 560 001, Karnataka, India.	₹ 0.63 lakhs per month along with an interest free security deposit of ₹ 6 lakhs.	For a period of 11 months commencing from January 20, 2022	Liaison office

KEY REGULATIONS AND POLICIES

The following is an overview of certain sector specific laws and regulations in India which are applicable to the business and operations of our Company. The information of laws and regulations available in this section has been obtained from publications available in public domain and is based on the current provisions of Indian law, which are subject to change or modification by subsequent legislative actions, regulatory, administrative or judicial decisions. The description of laws and regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions.

Under the provisions of various Central Government and State Government statutes and legislations, our Company is required to obtain and regularly renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For details, see *"Government and Other Approvals"* on page 268.

The following is an overview of some of the important laws and regulations, which are relevant to the business of our Company.

Highways-related laws

National Highways Act, 1956

The Central Government is responsible for the development and maintenance of 'National Highways' and may delegate any function relating to development of 'National Highways' to the relevant state government in whose jurisdiction the 'National Highway' falls, or to any officer or authority subordinate to the central or the concerned state government.

The Central Government may also enter into an agreement with any person (being, either an individual, a partnership firm, a company, a joint venture, a consortium or any other form of legal entity, Indian or foreign, capable of financing from own resources or funds raised from financial institutions, banks or open market) in relation to the development and maintenance of the whole or any part of a 'National Highway'. Such agreement may provide for designing and building a project and operating and maintaining it, collecting fees from users during an agreed period, which period together with construction period is usually referred to as the 'concession period'. Upon expiry of the 'concession period', the right of the person to collect fees and his obligation to operate and maintain the project ceases and the facility stands transferred to the central government.

Under the National Highways Act, 1956 (the "**NH Act**"), the Central Government is vested with the power to declare a highway as a national highway and also to acquire land for this purpose. The Central Government may, by notification, declare its intention to acquire any land when it is satisfied that for a public purpose such land is required to be acquired for the building, maintenance, management or operation of a national highway or part thereof. The NH Act prescribes the procedure for such land acquisition which inter alia includes entering and inspecting such land, hearing of objections, declaration of acquisition and the mode of taking possession. The NH Act also provides for payment of compensation to owners and any other person whose right of enjoyment in that land has been affected.

National Highways Fee (Determination of Rates and Collection) Rules, 2008

The National Highways Fee (Determination of Rates and Collection) Rules, 2008 (the "**NH Fee Rules**") regulate the collection of fee for the use of a national highway. Pursuant to the NH Fee Rules, Central Government may, by a notification, levy fee for use of any section of a national highway, permanent bridge, bypass or tunnel forming part of a national highway, as the case may be. However, the Central Government may, by notification, exempt any section of a national highway, permanent bridge, bypass or tunnel constructed through a public funded project from levy of fees. The NH Fee Rules do not apply to the concession agreements executed or bids invited prior to the publication of such rules i.e. December 5, 2008.

The collection of fee in case of a public funded project shall commence within 45 days from the date of completion of the project. In case of a private investment project, the collection of such fee shall be made in accordance with the terms of the agreement entered into by the concessionaire. The NH Fee Rules further provide for the base rate of fees applicable for the use of a section of the national highway, permanent bridge, bypass or tunnel, as the case may be, for different categories of vehicles.

National Highways Authority of India Act, 1988

The National Highways Authority of India Act, 1988 (the "**NHAI Act**") provides for the constitution of an authority for the development, maintenance and management of National Highways. Pursuant to the same, the National Highways Authority of India ("**NHAI**"), was constituted as an autonomous body in 1989 and operationalised in 1995. Under the NHAI Act, Central Government carries out development and maintenance of the national highways system, through NHAI. The NHAI has the power to enter into and perform any contract necessary for the discharge of its functions under the NHAI Act.

The NHAI Act prescribes a limit in relation to the value of the contracts that may be entered into by NHAI. However, the NHAI may enter into contracts exceeding the value so specified, on obtaining prior approval of the Central Government. NHAI Act provides that the contracts for acquisition, sale or lease of immovable property on behalf of the NHAI cannot exceed a term of 30 years unless previously approved by the Central Government.

National Highways Development Project

The Government of India, under the Central Road Fund Act, 2000 created a dedicated fund for NHDP (the "**Fund**"). Certain sources for financing of NHDP are through securitization of cess as well as involving the private sector and encouraging Public Private Partnership (PPP). The NHDP is also being financed through long-term external loans from the World Bank, the ADB and the JBIC as well as through tolling of roads.

Private Participation in NHDP

In an effort to attract private sector participation in the NHDP, the NHAI has formulated model concession agreements where a private entity (the "**Concessionaire**") is awarded a concession to build, operate and collect toll on a road for a specified period of time, which is usually up to 30 years.

The bidding for the projects takes place in two stages as per the process provided below:

- in the pre-qualification stage, NHAI selects certain bidders on the basis of technical and financial expertise, prior experience in implementing similar projects and previous track record; and
- in the second stage, NHAI invites commercial bids from the pre-qualified bidders on the basis of which the right to develop the project is awarded.

In a BOT project, the Concessionaire meets the up-front cost and expenditure on annual maintenance and recovers the entire cost along with the interest from toll collections during the concession period. To increase the viability of the projects, a capital grant is provided by the NHAI / GoI on a case to case basis. The Concessionaire at the end of the concession period transfers the road back to the Government. The Concessionaire's investment in the road is recovered directly through user fees by way of tolls.

In annuity projects, the private entity is required to meet the entire upfront cost (no grant is paid by NHAI / GoI) and the expenditure on annual maintenance. The Concessionaire recovers the entire investment and pre-determined return on investments through annuity payments by NHAI / GoI.

In hybrid annuity projects, 40% of the total project cost is to be funded by the government and the remaining by the Concessionaire.

The NHAI also forms SPVs for funding road projects. This method of private participation involves very less cash support from the NHAI in the form of equity / debt. Most of the funds come from ports/financial institutions/beneficiary organisations in the form of equity / debt. The amount spent on developments of roads/highways is to be recovered in the prescribed concession period by way of collection of toll fee by the SPV. Tax incentives which are being provided to the private entity are eligible for 100% exemption for any consecutive 10 years out of the first 20 years after completion of a project. The Government has also allowed duty free import of specified modern high capacity equipment for highway construction.

Control of National Highways (Land and Traffic) Act, 2002

The Control of National Highways (Land and Traffic) Act, 2002 (the "**Control of NH Act**") provides for control of land within national highways, right of way and traffic moving on national highways and also for removal of unauthorised occupation thereon. In accordance with the provisions of the Control of NH Act, the Central Government has established Highway Administrations. Under the Control of NH Act, all land that forms part of a highway which vests in the Central Government, or that which does not already vest in the Central Government but has been acquired for the purpose of highways shall be deemed to be the property of the Central Government. The Control of NH Act prohibits any person from occupying any highway land or discharging any material through on such land without the permission of the Highway Administration. The Control of NH Act permits the grant of lease and license for use of highway land for temporary use.

Indian Tolls Act, 1851

Pursuant to the Indian Tolls Act, 1851, (the "**Tolls Act**") the State Governments have been vested with the power to levy tolls at such rates as they deem fit, to be levied upon any road or bridge, made or repaired at the expense of the Central or any state government. The tolls levied under the Tolls Act, are deemed to be 'public revenue'. The collection of tolls can be placed under any person as the state governments deem fit under the Tolls Act, and they are enjoined with the same responsibilities as if they were employed in the collection of land revenue. Further, all police officers are bound to assist the toll collectors in the implementation of the Tolls Act. The Tolls Act further gives power for recovery of toll and exempts certain category of people from payment of toll.

Provisions under the Constitution of India and other legislations on collection of toll

Entry 59, List II of Schedule VII read with Article 246 of the Constitution of India vests the States with the power to levy tolls. Pursuant to the Indian Tolls Act, 1851, the State Governments have been vested with the power to levy tolls at such rates as they deem fit.

Other legislations relevant to the road sector

In addition to the above, there are also certain other legislations that are relevant to the road sector which include the Road Transport Corporation Act, 1950, National Highways Rules, 1957, National Highways (Temporary Bridges) Rules, 1964, National Highways (Fees for the Use of National Highways Section and Permanent Bridge Public Funded Project) Rules, 1997, National Highways (Rate of Fee) Rules, 1997, National Highways Tribunal (Procedure) Rules, 2003, Central Road and Infrastructure Act, 2000, Central Road Fund (State Roads) Rules 2007 and Green Highways (Plantation, Transplantation, Beautification & Maintenance) Policy, 2015.

Environmental laws

The major statutes in India which seek to regulate and protect the environment against pollution related activities in India are the Water (Prevention and Control of Pollution) Act 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Environment Protection Act, 1986 and the rules and regulations thereunder and The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008. Pollution Control Boards ("**PCBs**"), which are vested with diverse powers to deal with water and air pollution, have been set up in each state to control and prevent pollution. The PCBs are responsible for setting the standards for the maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking investigations to ensure that industries are functioning in compliance with the standards prescribed. All industries and factories are required to obtain consent orders from the PCBs, and these orders are required to be renewed annually.

Intellectual Property Laws

The Trade Marks Act, 1999 ("Trademarks Act")

The Trademarks Act provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement. The Trademarks Act also governs the statutory protection of trademarks and prohibits any registration of deceptively similar trademarks or chemical compounds, among others. Indian law permits the registration of trademarks for both goods and services It also provides for infringement, falsifying and falsely applying for trademarks. Under the provisions of the Trademarks Act, an application for trademark registration may be made before the Trademark Registry by any person claiming to be the proprietor of a trade mark, whether individual or 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. 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. The Trade Marks (Amendment) Act, 2010 also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law to international practice.

The Copyright Act, 1957

The Copyright Act, 1957, along with the Copyright Rules, 1958, (collectively, "**Copyright Laws**") serve to create property rights for certain kinds of intellectual property, generally called works of authorship. The Copyright Laws protect the legal rights of the creator of an 'original work' by preventing others from reproducing the work in any other way. The intellectual property protected under the Copyright Laws includes literary works, dramatic works, musical works, artistic works, cinematography, and sound recordings. The Copyright Laws prescribe fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration constitutes prima facie evidence of the particulars entered therein and may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Upon registration, the copyright protection for a work exists for a period of 60 years following the demise of the author. Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance or exhibition in public, making a translation of the work, making an adaptation of the work and making a cinematograph film of the work without consent of the owner of the copyright are all acts which expressly amount to an infringement of copyright.

Design Act, 2000

It is an act to consolidate and amend the law relating to the protection of designs which came into force on May 11, 2001. Design Act ("**Act**") is a complete code in itself and is statutory in nature and protects new or original designs from getting copied which cause loss to the proprietor. The proprietor upon registration gets 'copyrights in design' for the period of 10 years from the date of registration which can be renewed for a second period of five years, before the expiration of original period of 10 years. The controller registers a design under this Act after verifying that the design of any person, claiming to be the proprietor, is the new or original design not previously published anywhere in any country and is not against any public policy or morality. Any obvious or fraudulent imitation of a design, which is already registered, without the consent of its proprietor, is unlawful. It also prohibits the import of any material which closely resembles a registered design.

Tax laws

In addition to the aforementioned material legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

Income-tax Act 1961, the Income Tax Rules, 1962, as amended by the Finance Act in respective years;

The Income-tax Act, 1961 (the "**Income Tax Act**") is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of the Income Tax Act or rules made there under depending upon its "Residential Status" and "Type of Income" involved. The Income Tax Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc. In 2019, the Government has also passed an amendment act pursuant to which concessional rates of tax are offered to a few domestic companies and new manufacturing companies.

Goods and Service Tax Act, 2017

The Goods and Services Tax ("**GST**") is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST is enforced through various acts viz. Central Goods and Services Act, 2017 ("**CGST**"), relevant state's Goods and Services Act, 2017 ("**SGST**"), Union Territory Goods and Services Act, 2017 ("**UTGST**"), Integrated Goods and Services Act, 2017 ("**IGST**"), Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder.

Indian Stamp Act, 1899 and various state-wise legislations made thereunder.

The Stamp Act requires stamp duty to be paid on all instruments specified in Schedule 1 of the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped, cannot be admitted in court as evidence of the transaction contained therein. The Stamp Act further provides for impounding of instruments that are not sufficiently stamped or not stamped at all by the collector and he may impose a penalty of the amount of the proper stamp duty, or the amount of deficient portion of the stamp duty payable.

Labour laws

The following is an indicative list of labour laws which may be applicable to our Company due to the nature of the business activities:

- Shops and Establishments legislations in various states;
- Contract Labour (Regulation and Abolition) Act, 1970;
- The Industrial Employment (Standing Orders) Act, 1946;
- Child Labour (Prohibition and Regulation) Act, 1986;
- Inter State Migrant Workers Act, 1979;
- The Trade Unions Act, 1926;
- 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;
- The Maternity Benefit Act, 1961;
- Employee's Compensation Act, 1923; and
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act and Rules, 2013.

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.

(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. The Central Government has notified certain provisions of the Code on Wages, mainly in relation to the constitution of the advisory board.

(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.

(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 legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other

Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government.

Other Indian laws

In addition to the above, our Company is also required to comply with the provisions of the Companies Act and rules framed thereunder, relevant central and state tax laws, including the Competition Act, 2002, the Information Technology Act, 2000, foreign exchange and investment laws, foreign trade laws, and other applicable statutes promulgated by the relevant Central and State Governments.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally formed as a sole proprietorship under the name of '*M/s Udayshivakumar*' at Davangere on August 22, 2002 and was converted into a partnership firm under the name of '*M/s. Udayshivakumar*' pursuant to a deed of partnership dated March 31, 2014. The partnership firm was registered under the Indian Partnership Act, 1932 with the Registrar of Firms, Belgaum on April 4, 2014. Further, pursuant to the deed of partnership dated March 8, 2019, the deed of partnership dated March 31, 2014 was reconstituted by amending the existing clauses and inserting new clauses in the deed of partnership. Consequent to the aforesaid amendments a memorandum acknowledging receipt of documents for change in constitution of partnership was issued by Registrar of Firms, Belgaum, on April 3, 2019. Further, pursuant to a resolution dated September 23, 2019 passed at the meeting of partners of M/s Udayshivakumar, the partnership firm was converted into a private limited company under the Companies Act, 2013 with the name '*Udayshivakumar Infra Private Limited*' and a certificate of incorporation dated December 23, 2019 was issued by the Central Registration Centre, Registrar of Companies. Subsequently, pursuant to resolutions passed by our Board of Directors in their meeting held on August 27, 2022 and by our Shareholders in the extra-ordinary general meeting held on August 30, 2022, our Company was converted into a public limited company, consequent to which its name was changed to '*Udayshivakumar Infra Limited*', and a fresh certificate of incorporation dated September 16, 2022, consequent to such conversion was issued by the RoC.

Details of change in registered office

Effective date of change	Details of Change	Reason(s) for change
January 6, 2022	The Registered Office of our Company was changed from RS No 189/2 & 3/2, Plot No 12, Basava Nagar, Gokak, Belgaum – 591 307, Karnataka, India to House No. 229 Samhit, 8th 'A' CROSS, 7th Main, M.E.I. Layout, Nagasandra Post, Bangalore – 560 073, Karnataka, India.	Administrative convenience
August 20, 2022	The Registered Office of our Company was changed from House No. 229 Samhit, 8th 'A' CROSS, 7th Main, M.E.I. Layout, Nagasandra Post, Bangalore – 560 073, Karnataka, India to 1924A/196, Banashankari Badavane, Near NH-4 Bypass, Davangere – 577 005, Karnataka, India	Administrative convenience

Main objects of our Company

The main objects contained in the Memorandum of Association of our Company are as mentioned below:

1) *To carry on and continue the line of activities of Undertaking Civil Contracts and to undertake infrastructural projects of the State Governments, Central Government and Corporate Bodies Civil or other works like major irrigation works, NH Constructions, Canal Constructions, undertaking housing projects to build apartments, group houses, row houses, building individual residential houses and selling them, development of satellite cities, to under construction of projects belong to private parties, to enter into joint ventures for construction projects whether in India or Overseas, take on lease or under a licence, concession, grant or otherwise acquire mines, quarry, mining rights in any land, make arrangement for labor supply directly or through agents, to supply machinery, equipment and vehicles on hire necessitated for the business whether taken on hire basis also for execution of contract works of the business of M/S. UDAYSHIVAKUMAR.*

2) *To take over the existing business of the firm as it is where it is as going concern, including all its credentials, past work experience of the firm, Validity of licenses earned for over the years, work done experience, turnover credentials and on-going works under progress in entirety including all its moveable assets (including actionable claims) and all other assets, rights, benefits, titles, interests, approvals, registrations, perm its, facilities, concessions, sanctions, privileges, licenses, debts belonging to or held by the parties hereto in connection with the business carried on by them in partnership under the name and style of M/ S UDA YSHIV AKUMAR as aforesaid and to undertake and discharge all the liabilities in respect of any debt or obligation incurred or any contract entered into by or on behalf of the aforesaid partnership and the goodwill if any of such business and further the validity of contract licenses, credentials, permissions, privileges, registrations will continue with regard to on-going contracts , new tender notifications, new tender apply, tender acceptance and agreements entered into in the name of the firm till the date of conversion of such licenses , certificates and credentials in the name of the company.*

3) *To do all such acts which are incidental and conductive to carry out the foregoing objects of the Firm.*

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 in the last 10 years

Sr. No.	Date of Shareholders' resolution	Particulars
1	August 18, 2022	Sub-clause 1 of Clause 3 of our Memorandum of Association was amended and replaced with the following sub-clause: "*To carry on and continue the line of activities of Undertaking Civil Contracts and to undertake infrastructural projects of the State Governments, Central Government and Corporate Bodies Civil or other works like major irrigation works, NH Constructions, Canal Constructions, undertaking housing projects to build apartments, group houses, row houses, building individual residential houses and selling them, development of satellite cities, to under construction of projects belong to private parties, to enter into joint ventures for construction projects whether in India or Overseas, take on lease or under a licence, concession, grant or otherwise acquire mines, quarry, mining rights in any land, make arrangement for labor supply directly or through agents, to supply machinery, equipment and vehicles on hire necessitated for the business whether taken on hire basis also for execution of contract works of the business of M/S. UDAYSHIVAKUMAR.*"
2	August 30, 2022	Clause 1 of our Memorandum of Association was amended to reflect the change of name of our Company from 'Udayshivakumar Infra Private Limited' to 'Udayshivakumar Infra Limited', pursuant to conversion of our Company from private limited to public limited.
3		Clause 5 of our Memorandum of Association was amended to reflect the increase in authorised share capital of our Company. The authorised share capital was increased from ₹ 36,50,00,000 divided into 3,65,00,000 Equity Shares of ₹ 10/- each to ₹ 56,50,00,000 divided into 5,65,00,000 Equity Shares of face value of ₹ 10 each.

Major events and milestones

The table below sets forth some of the major events and milestones in the history of our Company:

Calendar Year	Event /milestone
2019	Conversion of the *erstwhile* partnership firm 'M/s Udayshivakumar' into a private limited company under the Companies Act, 2013 and incorporation of our Company
	Our Company was awarded a contract of ₹ 14,937 lakhs by Belgaum Smart City Limited for construction of smart roads.
2020	Our Company was awarded a contract of ₹ 9,204 lakhs by Davangere Smart City Limited for construction of smart roads.
2022	Our Company was awarded the tender and was appointed as the fee collection agent by National Highway Authority of India for the Halligudi (Hallikeri) Fee Plaza, in the state of Karnataka.
	Constitution of our joint venture, namely, Udayshivakumar Kotarki Joint Venture pursuant to the joint bidding agreement for joint venture dated April 22, 2022 executed between our Company and Kotarki Constructions Private Limited
	Our Joint Venture, Udayshivakumar Kotarki Joint Venture, was awarded with the contract amounting to approx. ₹ 17,100 lakhs by the National Highway Authority of India for widening of a two lane highway in the State of Karnataka.
	Our Company received a letter of intent from the Department of Mines & Geology, Government of Karnataka for granting a mining lease in Venkatagiri Village, Bellary District, over an extent of 24.04 hectare.
	Conversion of our Company from a private limited company to a public limited company and change of name of our Company from "*Udayshivakumar Infra Private Limited*" to "*Udayshivakumar Infra Limited*"

Key awards, accreditations or recognitions

Our Company has received the following awards, accreditations and recognitions:

Year	Awards, Recognitions and Accreditations
2011*	Certificate of merit received from Indian Concrete Institute certifying outstanding concrete structure of North Karnataka in the project for improvement to Hangal – Sauraleshwar Road

Year	Awards, Recognitions and Accreditations
2022	Certificate of registration received from Aambitious Assessment Private Limited certifying that the quality management system of our Company is compliant with the requirements of ISO 9001:2015.
	Certificate of registration received from Aambitious Assessment Private Limited certifying that the environmental management system of our Company is compliant with the requirements of ISO 14001:2015.
	Certificate of registration received from Aambitious Assessment Private Limited certifying that the occupational health and safety management system of our Company is compliant with the requirements of ISO 45001:2018.

[*]This award was received by the erstwhile partnership, M/s. Udayshivakumar', which was subsequently converted into our Company pursuant to a certificate of incorporation dated December 23, 2019, issued by the Central Registration Centre, Registrar of Companies.

Launch of key products or services, entry or exit in new geographies

For details of launch of key products or services, entry in new geographies or exit from existing markets, capacity or facility creation and the location of plants see "*Our Business*" on page 126.

Financial or strategic partners

Our Company does not have any financial or strategic partners as on the date of this Draft Red Herring Prospectus.

Time or cost overruns

Except as disclosed in "*Risk Factors – Our projects are exposed to various implementation and other risks, including risks of time and cost overruns, and uncertainties, which may adversely affect our business, financial condition, results of operations, and prospects.*" on page 32, our Company has not experienced any time or cost overruns in relation to any projects since incorporation.

Defaults or rescheduling/restructuring of borrowings with financial institutions/banks

Other than as disclosed below, there have been no defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks in the Company:

Our Company had availed moratorium benefits in the form of moratorium benefits and rescheduling the terms of repayment, for its vehicle loans availed from John Deere Financial India Private Limited, SREI Equipment Finance Limited and Hinduja Leyland Finance Limited. The details of moratorium benefits availed have been provided below:

Banks	Type of facility	Benefit availed
John Deere Financial India Private Limited	Term Loan	Moratorium availed for the loan falling due between March 1, 2020 and August 31, 2020
SREI Infrastructure Finance Limited	Term Loan	Moratorium availed for the loan falling due between March 1, 2020 and August 31, 2020
Hinduja Leyland Finance Limited	Term Loan	Moratorium availed for the loan falling due between March 1, 2020 and August 31, 2020

For risks relating to the same, please refer to "*Risk Factors – We have availed moratorium benefits and have rescheduled our borrowings in the past"* on page 33.

Revaluation of assets

Our Company has not revalued its assets in the 10 years preceding the date of this Draft Red Herring Prospectus.

Our holding company

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Our subsidiary, associate or joint venture

As on the date of this Draft Red Herring Prospectus, our Company has one joint venture, details of which have been provided below. As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary or associate.

Set out below are the details of our Joint Venture, as on the date of this Draft Red Herring Prospectus:

Udayshivakumar-Kotarki Joint Venture

Udayshivakumar-Kotarki Joint Venture is an unincorporated joint venture arrangement between our Company and Kotarki Constructions Private Limited, agreed upon pursuant to the joint bidding agreement for joint venture dated April 22, 2022 ("**JV Agreement**").

Key terms of the JV Agreement

Udayshivakumar-Kotarki Joint Venture has been formed to execute a contract awarded by the National Highways Authority of India ("**EPC Contract**"). In accordance with the JV Agreement, Udayshivakumar-Kotarki Joint Venture shall remain in full force and effect until the completion of the EPC Contract, and consequently shall stand terminated upon completion of the EPC Contract.

The proportion of construction in the EPC Contract is as follows:

S. No.	Name of the member	Percentage of work allocation (in %)
1.	Our Company	75
2.	Kotarki Constructions Private Limited	25

Common pursuits

Our Joint Venture has been formed to undertake business which is similar to the business conducted by our Company. As on date of this Draft Red Herring Prospectus, our Joint Venture is yet to initiate its business and operations and therefore it currently is not undertaking any business activities. Our Company and our Joint Venture will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they arise. For risks relating to the same, please refer to "*Risk Factors – Our Joint Venture has been formed to engage in a similar line of business as our Company and may compete with us*" at page 52.

Details regarding material acquisitions or divestments of business/undertakings, mergers or amalgamation

Except as stated under "*-Our subsidiary, associate or joint venture*", our Company has not undertaken any merger, demerger, amalgamation, material acquisitions or divestments of any business or undertaking.

Details of shareholders' and other agreements

As of the date of this Draft Red Herring Prospectus, there is no shareholders' agreement entered into with respect to our Company.

Guarantees given by our Promoter

Our Promoter has not given any guarantees for the Equity Shares of our Company.

Key terms of other subsisting material agreements

As on the date of this Draft Red Herring Prospectus, our Company has not entered into any subsisting material agreements other than in the ordinary course of business of our Company.

Other confirmations

Neither our Promoter nor any of the Key Managerial Personnel, nor Directors nor any other employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

OUR MANAGEMENT

Board of Directors

The Articles of Association require that our Board shall comprise of not less than three Directors and not more than fifteen Directors. As on the date of filing this Draft Red Herring Prospectus, we have six Directors on our Board, of whom one is a Managing Director, one is an Executive Director, three are Independent Directors and one is a Non-Executive Director. Our Executive Director and Non-Executive Director, are the woman directors on our Board. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

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

Name, designation, date of birth, address, occupation, current term, date of appointment and DIN	Age (years)	Other directorships
Udayshivakumar *Designation*: Chairman and Managing Director *Date of birth*: March 7, 1969 *Address*: #1924/A 196, Behind Swami Vivekananda School, Near NH4, Bypass Banashankari Badavane, Davanagere- 577 005, Karnataka, India *Occupation*: Business *Current term*: Five years with effect from January 1, 2020 till December 31, 2024 and is not liable to retire by rotation. Our Managing Director was appointed as a chairman pursuant to a resolution passed by the Board of Directors in their meeting dated September 19, 2022. *Period of directorship*: Director since incorporation *DIN*: 05326601	53	EPrayag Software Private Limited.
Manjushree Shivakumar *Designation*: Executive Director *Date of birth*: June 19, 1998 *Address*: #1924/A 196, Banashankari Layout, Near NH4, Vidyanagara, S K S Nagar, Davanagere- 577 005, Karnataka, India *Occupation*: Business *Current term*: Liable to retire by rotation. *Period of directorship*: Director since August 30, 2022 *DIN*: 09597357	24	EPrayag Software Private Limited
Amrutha *Designation*: Non-Executive Director *Date of birth*: June 1, 1980	42	Nil

Name, designation, date of birth, address, occupation, current term, date of appointment and DIN	Age (years)	Other directorships
Address: #1924/A 196, Behind Swami Vivekananda School, Near NH4, Bypass Banashankari Badavane, Davanagere- 577 005, Karnataka, India *Occupation*: Business *Current term*: Liable to retire by rotation *Period of directorship*: Director since incorporation *DIN*: 07774973		
Kencha Hanumantha Reddy *Designation*: Independent Director *Date of birth*: July 1, 1957 *Address*: #3683/ 1-A- 45, Anjaneya Badavane, Near Nethravathi Hostel, Southern Extension, Davanagere- 577 004, Karnataka, India *Occupation*: Business *Current term*: Five years with effect from August 30, 2022 to July 31, 2027 and is not liable to retire by rotation *Period of directorship*: Director since August 30, 2022 *DIN*: 09690994	65	Nil
Chandra Mohan Rajasekar *Designation*: Independent Director *Date of birth*: April 26, 1968 *Address*: Shiva Krupa Nilaya, Back side of Vijaya Hospital, 1st Cross Kunigal Road, Banashankari, Someswarapuram, Tumkur - 572 102, Karnataka, India. *Occupation*: Service *Current term*: Five years with effect from September 17, 2022 to September 16, 2027 and is not liable to retire by rotation *Period of directorship*: Director since September 17, 2022 *DIN*: 09737065	54	Nil
Sreenivas Devaggi Janardhanappa *Designation*: Independent Director *Date of birth*: October 17, 1974	47	Nil

Name, designation, date of birth, address, occupation, current term, date of appointment and DIN	Age (years)	Other directorships
Address: H D Pura, Holalkere Taluk, Horakeredevarapura, Chitradurga – 577 557, Karnataka India. *Occupation*: Service *Current term*: Five years with effect from September 17, 2022 to September 16, 2027 and is not liable to retire by rotation *Period of directorship*: Director since September 17, 2022 *DIN*: 09736952		

Brief profiles of our Directors

Udayshivakumar is the Promoter, Chairman and Managing Director on the Board of our Company. He holds a doctorate in social works empowerment and contractor development from International Global Peace University. He founded the *erstwhile* sole proprietorship '*M/s Udayshivakumar'* in 2002 and has over 20 years of experience in the civil construction sector.

Manjushree Shivakumar is an Executive Director on the Board of our Company. She holds a bachelor's degree in engineering from Visvesvaraya Technological University. She has been associated with our Company since 2020 in the capacity of a manager in the bidding and tender procurement department and the accounts and finance department and was appointed as an Executive Director with effect from August 30, 2022.

Amrutha is a Non-Executive Director on the Board of our Company. She has basic education and was a partner in the *erstwhile* partnership '*M/s Udayshivakumar'*. She has been associated with our Company since incorporation and has over six years of experience in human resource management and the civil construction sector.

Kencha Hanumantha Reddy is an Independent Director on the Board of our Company. He holds a diploma in civil engineering (general) from the Department of Technical Education, Government of Mysore. He has retired from the position of an assistant executive engineer from Public Works Department and has over three decades of experience in the infrastructure sector.

Chandra Mohan Rajasekar is an Independent Director on the Board of our Company. He holds a bachelor's degree in technology (civil engineering) from Indira Gandhi National Open University and has attended Karnataka State Open University to pursue a bachelor's degree in technology (civil engineering). He has over five years of experience in the infrastructure industry and was previously associated with Tahal Consulting Engineers India Private Limited in the capacity of an executive vice president – projects.

Sreenivas Devaggi Janardhanappa is an Independent Director on the Board of our Company. He holds a bachelor's degree in computer application from Janardan Rai Nagar Rajasthan Vidyapeeth University. He has over six years of experience in the information technology industry.

Details of directorship in companies suspended or delisted

None of our Directors is or was a director of any listed company, whose shares have been or were suspended from being traded on any stock exchanges, in the last five years prior to the date of this Draft Red Herring Prospectus, during the term of their directorship in such company.

Further, none of our Directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange during the term of their directorship in such company.

Relationships amongst our Directors and our Directors and Key Managerial Personnel

Except for Udayshivakumar who is the father of Manjushree Shivakumar, and husband of Amrutha, none of our

Directors are related to each other.

Arrangement or understanding with major Shareholders, customers, suppliers or others

None of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

Service contracts with Directors

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

Borrowing Powers

In accordance with our Articles of Association and the applicable provisions of the Companies Act, and pursuant to a special resolution of our Shareholders at an EGM held on August 30, 2022, our Board is authorised to borrow monies from time to time in excess of aggregate of paid up share capital and free reserves (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed ₹ 30,000 lakhs.

Terms of employment of our Managing Director

Udayshivakumar, Managing Director

Pursuant to a resolution passed by the Board of Directors at the meeting held on January 1, 2020, Udayshivakumar was appointed as the Managing Director of our Company for a period of five (05) years with effect from January 1, 2020. Pursuant to a resolution passed by the Board of Directors at the meeting held on September 17, 2022 and approved by the Shareholders of our Company at the AGM held on September 19, 2022, the terms of remuneration, including his salary, allowances and perquisites were approved in accordance with the provisions of Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. The terms of remuneration of our Managing Director have been summarized below:

Basic Salary	Upto ₹ 50 lakhs per month with an annual increment of ₹ 10 lakhs
Performance incentive or commission	Such remuneration by way of commission in addition to the salary, perquisites payable, as may be decided by the Board of Directors for each financial year calculated with reference to the net profits of our Company, payable at such intervals, as may be decided by the Board of Directors, subject to a maximum of 2% for each financial year commencing from September 19, 2022
Perquisites	In addition to the salary received, the Managing Director of our Company is entitled to the following perquisites and allowances: • *Medical Reimbursement:* Reimbursement of the expenses incurred for self and family or medical insurance for self and family subject to a ceiling of one month's salary in a year or three months' salary over a period of three years. • *Leave Travel Concession:* Leave travel concession for self and family once in a year incurred in accordance with rule of the Company. ***Explanation:*** Family means, the Spouse, the dependent children and dependent parents • *Club Fees:* Fees of Club subject to maximum of two clubs. No admission and life membership fee shall be paid. • *Personal Accident Insurance:* Personal accident insurance of an amount, the annual premium of which does not exceed ₹ 0.25 lakhs per annum. • *Gratuity as per the rules of the Company:* a) Company's contribution towards superannuation fund as per the rules of the Company; and b) The aforesaid perquisites stated for the payment of gratuity shall not be included in the computation of aforesaid ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. • *Earned Leave:* On full pay and allowance and perquisites as per the rules of the company, but no exceeding one-month salary for eleven months service. Encashment of leave at the end of the tenure shall not be included in the computation of the aforesaid ceiling on perquisites and/or salary. • Provision for car for use on Company's business and telephone at residence shall not be considered as perquisites, personal long-distance call and use of car for private use shall be billed by the Company.
Minimum Remuneration	In the event of loss or inadequacy of profits in any financial year, Udayshivakumar shall be entitled to receive a total remuneration including perquisites, *etc*., not exceeding the ceiling limits as approved by the Board of Directors and the members, as minimum remuneration.

Terms of employment of our Executive Director

Manjushree Shivakumar, **Executive Director**

Pursuant to a resolution passed by the Board of Directors at the meeting held on August 27, 2022 and approved by the Shareholders of our Company at the EGM held on August 30, 2022, Manjushree Shivakumar was appointed as the Executive Director of our Company. Pursuant to a resolution passed by the Board of Directors at the meeting held on September 17, 2022 and approved by the Shareholders of our Company at the AGM held on September 19, 2022, the terms of remuneration, including her salary, allowances and perquisites were approved in accordance with the provisions of Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. The terms of remuneration of our Executive Director have been summarized below:

Basic Salary	Upto ₹ 50 lakhs per month with an annual increment of ₹ 10 lakhs
Performance incentive or commission	Such remuneration by way of commission in addition to the salary, perquisites payable, as may be decided by the Board of Directors for each financial year calculated with reference to the net profits of our Company, payable at such intervals, as may be decided by the Board of Directors, subject to a maximum of 2% for each financial year commencing from September 19, 2022
Perquisites	In addition to the salary received, the Executive Director of our Company is entitled to the following perquisites and allowances: • *Medical Reimbursement:* Reimbursement of the expenses incurred for self and family or medical insurance for self and family subject to a ceiling of one month's salary in a year or three months' salary over a period of three years. • *Leave Travel Concession:* Leave travel concession for self and family once in a year incurred in accordance with rule of the Company. ***Explanation:*** Family means, the Spouse, the dependent children and dependent parents • *Club Fees:* Fees of Club subject to maximum of two clubs. No admission and life membership fee shall be paid. • *Personal Accident Insurance:* Personal accident insurance of an amount, the annual premium of which does not exceed ₹ 0.25 lakhs per annum. • *Gratuity as per the rules of the Company:* a) Company's contribution towards superannuation fund as per the rules of the Company; and b) The aforesaid perquisites stated for the payment of gratuity shall not be included in the computation of aforesaid ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. • *Earned Leave:* On full pay and allowance and perquisites as per the rules of the company, but no exceeding one-month salary for eleven months service. Encashment of leave at the end of the tenure shall not be included in the computation of the aforesaid ceiling on perquisites and/or salary. • Provision for *car* for use on Company's business and telephone at residence shall not be considered as perquisites, personal long-distance call and use of car for private use shall be billed by the Company.
Minimum Remuneration	In the event of loss or inadequacy of profits in any financial year, Manjushree Shivakumar shall be entitled to receive a total remuneration including perquisites, *etc*., not exceeding the ceiling limits as approved by the Board of Directors and the members, as minimum remuneration.

Sitting fees and commission to Non-Executive Directors and Independent Directors

Pursuant to a resolution of our Board dated September 17, 2022 our Non-Executive Directors are entitled to receive sitting fees of ₹ 3,000 for attending each meeting of our Board and the committees constituted of the Board respectively. Further, our Non-Executive Directors may be paid commission and reimbursement of expenses as permitted under the Companies Act and the SEBI Listing Regulations.

Pursuant to a resolution of the Board dated September 17, 2022, our Independent Directors are entitled to receive sitting fees of ₹ 3,000 for attending each meeting of our Board and the committees constituted of the Board respectively. Further, our Independent Directors may be paid commission and reimbursement of expenses as permitted under the Companies Act and the SEBI Listing Regulations.

Our Company has not entered into any contract appointing or fixing the remuneration of a Director in the two years preceding the date of this Draft Red Herring Prospectus.

Payments or benefits to our Directors

a) **Executive Directors**

The table below sets forth the details of the remuneration (including sitting fees, salaries, commission and perquisites, professional fee, consultancy fee, if any) paid to our Executive Director for Fiscal 2022:

Sr. No.	Name of the Executive Director	Remuneration for Fiscal 2022 (in ₹ lakhs)
1.	Udayshivakumar	Nil
2.	Manjushree Shivakumar*	N.A.

** Manjushree Shivakumar was appointed as an Executive Director pursuant to a resolution passed by our Board on August 27, 2022 and a resolution passed by our Shareholders in the EGM held on August 30, 2022. Accordingly, she was not paid any remuneration as Executive Directors for Fiscal 2022.*

b) **Non-Executive Directors and Independent Directors**

The table below sets forth the details of the remuneration (including sitting fees and commission) paid to our Non-Executive Directors and our Independent Directors for the Fiscal 2022:

Sr. No.	Name of the Director	Designation of Director	Remuneration for Fiscal 2022 (in ₹ lakhs)
1.	Kencha Hanumantha Reddy*	Independent Director	N.A.
2.	Pandith Hanumanthappa Nagappa^	Independent Director	N.A.
3.	Chandra Mohan Rajasekar#	Independent Director	N.A.
4.	Sreenivas Devaggi Janardhanappa#	Independent Director	N.A.

**Appointed as an Independent Director pursuant to a resolution passed by our Shareholders in the EGM held on August 30, 2022. Accordingly, sitting fee was not paid to the Director for Fiscal 2022.*
^ Pandith Hanumanthappa Nagappa, the erstwhile Independent Director of our Company resigned from his post with effect from September 12, 2022 and accordingly no sitting fee was paid to the Director for Fiscal 2022.
 # Appointed as an Independent Director pursuant to a resolution passed by our Shareholders in the AGM held on September 19, 2022. Accordingly, sitting fee was not paid to the Director for Fiscal 2022.

Contingent and deferred compensation payable to the Directors

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

Bonus or profit-sharing plan for our Directors

Our Company does not have any performance linked bonus or a profit-sharing plan in which our Directors have participated.

Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold qualification shares.

The table below sets forth details of Equity Shares held by the Directors as on date of this Draft Red Herring Prospectus:

Name	No. of Equity Shares	Percentage of the pre-Offer paid up share capital (%)	Percentage of the post-Offer paid up share capital (%)*
Udayshivakumar	3,61,27,000	98.97	[•]
Amrutha	3,65,000	1.00	[•]
Manjushree Shivakumar	2,000	0.01	[•]
Total	**3,64,94,000**	**99.98**	**[•]**

** Subject to finalisation of Basis of Allotment.*

Interest of Directors

All our Directors may be deemed to be interested to the extent of sitting fees and commission, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other remuneration, commission and reimbursement of expenses, if any, payable to them by our Company.

Our Directors may also be regarded as interested to the extent of the Equity Shares, if any, held by them and to the extent of any dividend payable to them and other distributions in respect of these Equity Shares. For further details regarding the shareholding of our Directors, see "*– Shareholding of Directors in our Company*" on page 161.

Except Udayshivakumar, who is interested in the promotion or the formation of our Company by virtue of being our Promoter, none of our other Directors are interested in the promotion of our Company.

Further, our Directors are also directors on the boards, or are shareholders, kartas, trustees, proprietors, members or partners, of entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities. For further details, see "*Related Party Transactions*" on page 231.

Except as disclosed in "*Financial Statements*" and "*Financial Indebtedness*" on page 181 and 260, respectively in this Draft Red Herring Prospectus, our Directors have not extended any personal guarantees for securing the repayment of the bank loans obtained by our Company. Further, our Promoter, Chairman and Managing Director, Udayshivakumar and our Non-Executive Director are co-borrowers in certain vehicle loans availed by our Company and Udayshivakumar has provided his personal properties as collateral securities for the cash credit facility and bank guarantee facility availed by our Company from State Bank of India. Our Chairman and Managing Director has also advanced certain unsecured loans to our Company, for further details, please refer to the chapter titled "*Financial Indebtedness*" on page 260 of this Draft Red Herring Prospectus.

There is no material existing or anticipated transaction whereby Directors will receive any portion of the proceeds from the Issue.

Our Promoter, Chairman and Managing Director, Udayshivakumar holds interest in the property of our Company, for further details, please refer to the chapter titled "*Our Business- Property*" on page 144 of this Draft Red Herring Prospectus. Except as mentioned above, as on date of this Draft Red Herring Prospectus, our Directors do not have any interest in any property acquired or proposed to be acquired by our Company or of our Company.

Further, our Company has entered into an equipment lease agreement cum work order dated April 1, 2021 with one of the entities forming part of our Promoter Group, namely, M/s. Udayshivakumar Stone Crusher, whereby our Company has provided ten equipment, including JCB, dumpers, tractors and dozers on lease to M/s. Udayshivakumar Stone Crusher for a period of five years for a fixed rent amounting to ₹ 10.00 lakhs, payable on a yearly basis. Our Promoter, Chairman and Managing Director, Udayshivakumar is a partner in M/s. Udayshivakumar Stone Crusher and shall be deemed to be interested in the equipment lease agreement cum work order, in the said capacity.

Our Directors do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery during the three years preceding the date of this Draft Red Herring Prospectus.

Other confirmations

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.

None of our Directors has been declared a Fugitive Economic Offenders.

Changes to our Board in the last three years

Except as mentioned below, there have been no changes in our Directors in the last three years:

Name	Designation (at the time of appointment / change in designation / cessation)	Date of appointment / change in designation / cessation	Reason
Chandra Mohan Rajasekhar	Independent Director	September 17, 2022	Appointment as an Independent Director
Sreenivas Devaggi Janardhanappa	Independent Director	September 17, 2022	Appointment as an Independent Director
Pandith Hanumanthappa Nagappa	Independent Director	September 12, 2022	Resignation as an Independent Director
Pandith Hanumanthappa Nagappa	Independent Director	August 30, 2022	Appointment as an Independent Director
K Hanumanthar Reddy	Independent Director	August 30, 2022	Appointment as an Independent Director
Manjushree Shivakumar	Executive Director	August 30, 2022	Appointment as an Executive Director
Udayshivakumar	Executive Director	January 1, 2020	Change in designation from Executive Director to Managing Director

Corporate Governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable requirements for corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, including those pertaining to the constitution of the Board and committees thereof.

As on the date of filing this Draft Red Herring Prospectus, we have six Directors on our Board, of whom three are Independent Directors and two are a woman Director.

Committees of our Board

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board committees:

(a) Audit Committee
(b) Nomination, Remuneration and Compensation Committee
(c) Stakeholders' Relationship Committee
(d) Corporate Social Responsibility Committee
(e) Risk Management Committee

For purposes of the Offer, our Board has also constituted an IPO Committee.

(a) Audit Committee

The Audit Committee was constituted by a resolution of our Board dated September 17, 2022. It is in compliance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations. The current constitution of the Audit committee is as follows:

Name of Director	Position in the Committee	Designation
Chandra Mohan Rajasekhar	Chairman	Independent Director
Kencha Hanumantha Reddy	Member	Independent Director
Sreenivas Devaggi Janardhanappa	Member	Independent Director
Manjushree Shivakumar	Member	Executive Director

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. 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 Udayshivakumar Infra Limited (the "Company") to ensure that the financial statements are correct, sufficient and credible;

(2) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;

(3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) formulation of a policy on related party transactions, which shall include materiality of related party transactions;

(5) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(6) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
   b. Changes, if any, in accounting policies and practices and reasons for the same;
   c. Major accounting entries involving estimates based on the exercise of judgment by management;
   d. Significant adjustments made in the financial statements arising out of audit findings;
   e. Compliance with listing and other legal requirements relating to financial statements;
   f. Disclosure of any related party transactions; and
   g. Modified opinion(s) in the draft audit report.

(7) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(8) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised 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 of directors of the Company 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 Clause2(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) monitoring the end use of funds raised through public offers and related matters;

(21) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(22) reviewing the functioning of the whistle blower mechanism;

(23) monitoring the end use of funds raised through public offers and related matters;

(24) 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;

(25) 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;

(26) reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 1,00,00,00,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;

(27) To formulate, review and make recommendations to the Board to amend the Terms of Reference of Audit Committee from time to time;

(28) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and

(29) carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations, Companies Act, 2013, uniform listing agreements and/or any other applicable law, as and when amended from time to time.

The Audit Committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. management letters / letters of internal control weaknesses issued by the statutory auditors;
3. internal audit reports relating to internal control weaknesses;
4. the appointment, removal and terms of remuneration of the chief internal auditor;
5. statement of deviations in terms of the SEBI Listing Regulations:
   a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s)where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations; and
   b. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.
6. review the financial statements, in particular, the investments made by any unlisted subsidiary;
7. such information as may be prescribed under the Companies Act and SEBI Listing Regulations.

The Company Secretary of our Company shall serve as the secretary of the Audit Committee.

The Audit Committee is required to meet at least four times in a year under Regulation 18(2)(a) of the SEBI Listing Regulations. The quorum for a meeting of the Audit Committee shall be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

(b) Nomination, Remuneration and Compensation Committee

The Nomination, Remuneration and Compensation committee was constituted by a resolution of our Board dated September 17, 2022. The Nomination, Remuneration and Compensation Committee is in compliance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations. The current constitution of the Nomination, Remuneration and Compensation committee is as follows:

Name of Director	Position in the Committee	Designation
Kencha Hanumantha Reddy	Chairman	Independent Director
Chandra Mohan Rajasekhar	Member	Independent Director
Sreenivas Devaggi Janardhanappa	Member	Independent Director

The scope and function of the Nomination, Remuneration and Compensation Committee is in accordance with Section 178 of the Companies Act, 2013, read with Regulation 19 of the SEBI Listing Regulations. Its terms of reference are as follows:

(1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company a policy relating to the remuneration of the directors, key managerial personnel and other employees ("**Remuneration Policy**").

    the Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

    (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
    (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
    (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

(2) for every appointment of an independent director, evaluating the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, preparing a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may: (a) use the services of an external agencies, if required; (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and (c) consider the time commitments of the candidates.

(3) formulation of criteria for evaluation of independent directors and the Board;

(4) devising a policy on Board diversity;

(5) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director);

(6) analysing, monitoring and reviewing various human resource and compensation matters;

(7) 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;

(8) 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;

(9) recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;

(10) 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;

(11) 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;

(12) 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;

(a) to administer the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("**ESOP Scheme**") including the following:

i. determining the eligibility of employees to participate under the ESOP Scheme;
ii. determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;
iii. date of grant;
iv. determining the exercise price of the option under the ESOP Scheme;
v. the conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;
vi. the exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
vii. the specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;
viii. the right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
ix. re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;
x. the grant, vest and exercise of option in case of employees who are on long leave;
xi. allow exercise of unvested options on such terms and conditions as it may deem fit;
xii. the procedure for cashless exercise of options;
xiii. forfeiture/ cancellation of options granted;
xiv. formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:
    - the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
    - for this purpose, follow global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and
    - the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

(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) 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 Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

(15) 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.

(16) to consider any other matters as may be requested by the Board; and

(17) to make available its terms of reference and review annually those terms of reference and its own effectiveness and recommend any necessary changes to the Board.

(18) the committee is authorised by the Board to:

(a) investigate any activity within its terms of reference;
(b) seek any information from any employee of the Company or any associate or subsidiary, joint venture Company in order to perform its duties and all employees are directed by the Board to co-operate with any request made by the Committee; and
(c) call any director or other employee to be present at a meeting of the Committee as and when required.

(19) if the Committee considers it necessary so to do it is authorised to obtain appropriate external advice including but not limited to legal and professional advice to assist it in the performance of its duties and to secure the services of outsiders with relevant experience and expertise and to invite those persons to attend at meetings of the Committee. The cost of obtaining any advice or services shall be paid by the Company within the limits as authorised by the Board.

The Nomination, Remuneration and Compensation Committee is required to meet at least once in a year under Regulation 19(3A) of the SEBI Listing Regulations.

The quorum for a meeting of the Nomination, Remuneration and Compensation shall be two members or one third of the members of the committee, whichever is greater, including at least one independent director.

(c) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated September 17, 2022. The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations. The current constitution of the Stakeholders' Relationship Committee is as follows:

Name of Director	Position in the Committee	Designation
Kencha Hanumantha Reddy	Chairman	Independent Director
Sreenivas Devaggi Janardhanappa	Member	Independent Director
Manjushree Shivakumar	Member	Executive Director

The scope and function of the Stakeholders' Relationship Committee is in accordance with Regulation 20 of the SEBI Listing Regulations. Its terms of reference are as follows:

(1) resolving the grievances of the security holders of the listed entity including complaints related to transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of annual report or balance sheet, non-

receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;

(2) review of measures taken for effective exercise of voting rights by shareholders;

(3) investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities

(4) 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

(5) 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;

(6) review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;

(7) to approve allotment of shares, debentures or any other securities as per the authority conferred / to be conferred to the Committee by the Board of Directors from time to time;

(8) to approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialization, rematerialisation etc. of shares, debentures and other securities;

(9) to monitor and expedite the status and process of dematerialization and rematerialisation of shares, debentures and other securities of the Company;

(10) 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; and

(11) such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

The Stakeholders' Relationship Committee is required to meet at least once in a year under Regulation 20(3A) of the SEBI Listing Regulations.

(d) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was reconstituted by a resolution of our Board dated September 17, 2022. The current constitution of the Corporate Social Responsibility Committee is as follows:

Name of Director	Position in the Committee	Designation
Sreenivas Devaggi Janardhanappa	Chairman	Independent Director
Chandra Mohan Rajasekhar	Member	Independent Director
Udayshivakumar	Member	Managing Director

The scope and function of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013. Its terms of reference are as follows:

(a) 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;

(b) identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

(c) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programs undertaken by the

Company;

(d) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

(e) 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;

(f) 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;

(g) The Corporate Social Responsibility Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its corporate social responsibility policy, which shall include the following:

(i) the list of corporate social responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act;
(ii) the manner of execution of such projects or programmes as specified in the rules notified under the Companies Act;
(iii) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
(iv) monitoring and reporting mechanism for the projects or programmes; and
(v) details of need and impact assessment, if any, for the projects undertaken by the Company;

(h) 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.

(e) Risk Management Committee

The Risk Management Committee was constituted by a resolution of our Board dated September 17, 2022. The Risk Management Committee is in compliance with Regulation 21 of the SEBI Listing Regulations. The current constitution of the Risk Management Committee is as follows:

Name of Director	Position in the Committee	Designation
Manjushree Shivakumar	Chairman	Executive Director
Udayshivakumar	Member	Managing Director
Chandra Mohan Rajasekhar	Member	Independent Director

The scope and function of the Risk Management Committee is in accordance with Regulation 21 of the SEBI Listing Regulations. The Risk Management Committee shall be responsible for, among other things, the following:

(i) To formulate a detailed risk management policy which shall include:
- framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, Environmental, Social and Governance (ESG) related risks), information, cyber security risks or any other risk as may be determined;
- Measures for risk mitigation including systems and processes for internal control of identified risks; and
- Business continuity plan.

(ii) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
(iii) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
(iv) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity
(v) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
(vi) The appointment, removal and terms of remuneration of the Chief Risk Officer shall be subject to review by the Risk Management Committee;
(vii) To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;

(viii) Laying down risk assessment and minimization procedures and the procedures to inform Board of the same;
(ix) Framing, implementing, reviewing and monitoring the risk management plan for the Company and such other functions, including cyber security, as may be delegated by the Board; and
(x) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Risk Management Committee.

The Risk Management Committee is required to meet at least twice in a year under Regulation 21(3A) of the SEBI Listing Regulations.

The quorum for a meeting of the Risk Management Committee shall be two members or one third of the members of the committee, whichever is higher, including at least one member of the Board in attendance.

(f) IPO Committee

The IPO committee was constituted by a resolution of our Board dated September 17, 2022. The current constitution of the IPO committee is as follows:

Name of Director	Position in the Committee	Designation
Udayshivakumar	Chairman	Managing Director
Manjushree Shivakumar	Member	Executive Director
Amrutha	Member	Non-Executive Director
K Hanumanthar Reddy	Member	Independent Director

The terms of reference of the IPO Committee are as follows:

(1) 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;

(2) 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 bankers, auditors, independent chartered accountants, refund bankers, registrar, grading agency, monitoring agency, industry expert, legal counsels, depositories, custodians, credit rating agencies, printers, advertising agency(ies), and any other agencies or persons (including any successors or replacements thereof) whose appointment is required in relation to the Issue and to negotiate and finalise 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;

(3) 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 and the exact component of issue of Equity Shares;

(4) to finalise, settle, approve, adopt and arrange for submission of the draft red herring prospectus, the red herring prospectus, the Prospectus, 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, the Registrar of Companies, Bangalore at Karnataka, institutions or bodies;

(5) To accept and appropriate the proceeds of the Issue in accordance with applicable laws;

(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, 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 shareholders to sell any Equity Shares held by them;

(8) to open separate escrow accounts as the escrow account to receive application monies from anchor investors/underwriters in respect of the bid amounts and a bank account as the refund account for handling refunds in relation to the 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 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 authorise 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, the Reserve Bank of India, Registrar of Companies and such other statutory and governmental authorities in connection with the Issue, as required by applicable law, and to accept, on behalf of the Board, such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, exemptions, permissions and sanctions as may be required, and wherever necessary, incorporate such modifications / amendments as may be required in the DRHP, RHP and the Prospectus;

(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 finalise, 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 finalise 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, in accordance with the SEBI ICDR Regulations;

(15) to issue receipts/allotment advice/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of the Company to sign all or any of the aforementioned documents;

(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 law;

(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, issued, 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 and deeds, and execute all documents, agreements, forms, certificates, undertakings, letters and instruments as may be necessary for the purpose of or in connection with the Issue;

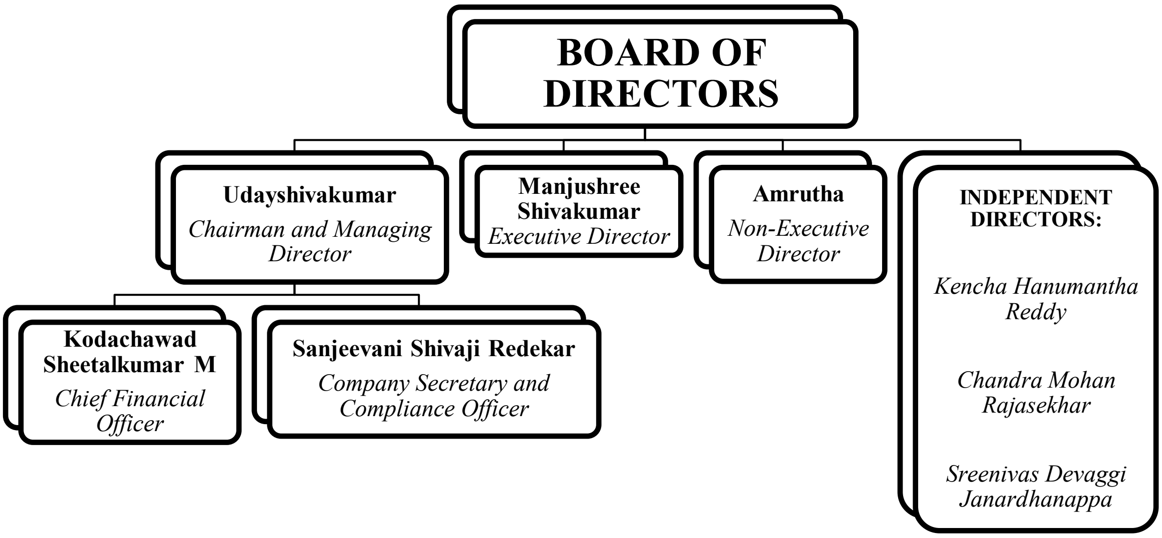
(21) to authorise and approve the incurring of expenditure and payment of fees, commissions, brokerage and remuneration in connection with the Issue;

(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 applicable laws;

(23) 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

(24) to authorise and empower officers of the Company (each, an "**Authorised 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 Authorised 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),syndicate members, brokers, escrow collection bankers, auditors, grading agency, monitoring agency and all such persons or agencies as may be involved in or concerned with the 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 Authorised 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 Authorised Officer(s) shall be conclusive evidence of the authority of the Authorised Officer and the Company in so doing.

Management organization chart



Key Managerial Personnel

In addition to Udayshivakumar, the Chairman and Managing Director of our Company and Manjushree Shivakumar, Executive Director, whose details are provided in "– *Brief profiles of our Directors*" on page 158, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are as set forth below:

Kodachawad Sheetalkumar M, aged 44 years, is the Chief Financial Officer of our Company. He holds a bachelor's degree in commerce from Karnatak University. He is responsible for handling finance and accounting matters of our Company. He was previously associated with Doddanavar Brothers Group of Companies and Firms, in the capacity of a manager accounts and with Doddanavar Global Energy Private Limited in the capacity of a senior manager. He has been appointed as a Chief Financial Officer with effect from August 20, 2022 and therefore has not received any remuneration, as Chief Financial Officer of our Company during the Fiscal 2022.

Sanjeevani Shivaji Redekar, aged 31 years, is the Company Secretary and Compliance Officer of our Company. She holds a bachelor's and master's degree in commerce from Karnatak University. She is an associate member of the Institute of Company Secretaries of India and has in the past served in Quality Council of India in the capacity of a professional (analyst) and in AKP Ferrocast Private Limited and Groupo Antolin India Private Limited, in the capacity of a company secretary, respectively. She is responsible for handling secretarial matters of our Company. She was appointed with effect from August 25, 2022 and therefore has not received any remuneration during the Fiscal 2022.

Relationships among our Key Managerial Personnel

Except as stated in "-*Relationships amongst our Directors and our Directors and Key Managerial Personnel*", none of our Key Managerial Personnel are related.

Arrangements or understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Changes in the Key Managerial Personnel in last three years

Except as mentioned below and under "-*Changes to our Board in the last three years*", there have been no changes in the Key Managerial Personnel in the last three years:

Name	Date of change	Reason
Sanjeevani Redekar	August 25, 2022	Appointment as Company Secretary
Sheetal Kumar Kodachawad	August 20, 2022	Appointment as Chief Financial

Name	Date of change	Reason
		Officer
Bharati Ramchandani	June 1, 2022	Resignation as Company Secretary
Bharati Ramchandani	April 19, 2022	Appointment as Company Secretary
Bharati Ramchandani	March 18, 2022	Resignation as Company Secretary
Bharati Ramchandani	May 20, 2020	Appointment as Company Secretary

The rate of attrition of our Key Managerial Personnel is not high in comparison to the industry in which we operate.

Status of Key Managerial Personnel

As on the date of this Draft Red Herring Prospectus, all our Key Managerial Personnel are permanent employees of our Company.

Retirement and termination benefits

Our Key Managerial Personnel have not entered into any service contracts with our Company which include termination or retirement benefits. Except statutory benefits upon termination of their employment in our Company or superannuation, none of the Key Managerial Personnel is entitled to any benefit upon termination of employment or superannuation.

Shareholding of the Key Managerial Personnel

Except as disclosed under "– *Shareholding of Directors in our Company*" on page 161, none of our other Key Managerial Personnel hold any Equity Shares in our Company.

Contingent and deferred compensation payable to Key Managerial Personnel

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation which accrued to our Key Managerial Personnel for Fiscal 2022, which does not form part of their remuneration for such period.

Bonus or profit-sharing plan of the Key Managerial Personnel

Our Company does not have a profit-sharing plan for our Key Managerial Personnel.

Interest of Key Managerial Personnel

Our Key Managerial Personnel are interested in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service.

Our Key Managerial Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held by them in our Company.

Payment or Benefit to officers of our Company (non-salary related)

No non-salary related amount or benefit has been paid or given within the two years preceding the date of the Draft Red Herring Prospectus or is intended to be paid or given to any officer of the Company, including our Directors and Key Managerial Personnel.

OUR PROMOTER AND PROMOTER GROUP

Promoter

Udayshivakumar is the Promoter of our Company. As on the date of this Draft Red Herring Prospectus, our Promoter holds 3,61,27,000 Equity Shares, representing 98.97% of the pre-Issue issued, subscribed and paid-up capital, on a fully diluted basis, of our Company. For details, please see "*Capital Structure – Build-up of Promoter's shareholding, Minimum Promoter's Contribution and lock-in – Build-up of the Equity Shareholding of our Promoter in our Company*" on page 83.

Details of our Promoter are as follows:

Udayshivakumar

Udayshivakumar, aged 53 years, is the Chairman and Managing Director of our Company.

Permanent Account Number: ACNPU8509R

For further details in respect of his date of birth, address, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, see "*Our Management*" on page 156.

Our Company confirms that the permanent account number, bank account number(s), passport number, aadhaar card number and driving license number of our Promoter, shall be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Change in control of our Company

There has been no change in the management or control of our Company during the last five years preceding the date of this Draft Red Herring Prospectus.

Other ventures of our Promoter

Other than as disclosed in "*– Promoter Group*" below and in "*Our Management*" on pages 178 and 156, our Promoter is not involved in any other ventures.

Interests of Promoter

Our Promoter is interested in our Company to the extent (i) that he has promoted our Company; (ii) his shareholding in our Company; (iii) the dividends payable thereon; and (iv) any other distributions in respect of his shareholding in our Company. For further details, see "*Summary of Issue Documents – Aggregate pre-Issue shareholding of our Promoter, Promoter Group, as a percentage of the pre-Issue Equity Share capital of our Company*" beginning on page 24.

Additionally, our Promoter may be interested in transactions entered into by our Company with other entities (i) in which our Promoter holds shares, or (ii) controlled by our Promoter. For further details of interest of our Promoter in our Company, see *"Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements – Annexure 33 – Related Party Transactions"* on page 217.

Further, the Promoter of our Company, is also interested in our Company as the Chairman and Managing Director of our Company and may be deemed to be interested in the remuneration payable to him and the reimbursement of expenses incurred by them in the said capacity. For further details, see "*Our Management*" on page 156.

Except as disclosed in "*Financial Statements*" and "*Financial Indebtedness*" on page 181 and 260, respectively in this Draft Red Herring Prospectus, our Promoter and members of our Promoter Group have not extended any personal guarantees for securing the repayment of the bank loans obtained by our Company. Further, our Promoter and his wife, Amrutha, who is also our Non-Executive Director, are co-borrowers in certain vehicle loans availed by our Company and has provided his personal properties as collateral securities for the cash credit facility and bank guarantee facility availed by our Company from State Bank of India. Our Promoter has also advanced certain unsecured loans to our Company, for further details, please refer to the chapter titled "*Financial Indebtedness*" on page 260 of this Draft Red Herring Prospectus.

Our Promoter does not have any interest in any venture that is involved in activities similar to those conducted by our Company.

No sum has been paid or agreed to be paid to our Promoter or to any firm or company in which our Promoter is interested, in cash or shares or otherwise by any person, either to induce him to become or to qualify him, as a director or Promoter or otherwise for services rendered by the Promoter, or by such firm or company, in connection with the promotion or formation of our Company.

Interest in property, land, construction of building and supply of machinery

Our Promoter does not have any interest in any property acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery.

Payment or benefits to Promoter or Promoter Group

Our Company has entered into an equipment lease agreement cum work order dated April 1, 2021 with one of the entities forming part of our Promoter Group, namely, M/s. Udayshivakumar Stone Crusher, whereby our Company has provided ten equipment, including JCB, dumpers, tractors and dozers on lease to M/s. Udayshivakumar Stone Crusher for a period of five years for a fixed rent amounting to ₹ 10.00 lakhs, payable on a yearly basis. Our Promoter is a partner in M/s. Udayshivakumar Stone Crusher, and shall be deemed to be interested in the equipment lease agreement cum work order, in the said capacity. Further, our Company has executed a hire purchase agreement dated April 1, 2021 with R Prabhakar, one of the members of our promoter group for taking on lease the (i) land situated at Survey no. 79/1, Janakonda Village, Kasaba Hobali, Chitradurga-577 501, Karnataka, India and (ii) two Ashok Leyland UE2820EX4, RMC, 3900, transit mixtures, for operating one of our RMC manufacturing units. The rent payable om the for land is ₹ 2.50 lakhs per month and for the transit mixtures is ₹ 1.25 lakhs, per month, for each vehicle.

Except as disclosed above and as stated in "*Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements – Annexure 33 – Related Party Transactions*" on page 217, there has been no payment or benefits by our Company to our Promoter or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoter Group as on the date of this Draft Red Herring Prospectus.

Companies or firms with which our Promoter have disassociated in the last three years

Our Promoter has not dissociated himself from any companies or firms in the three years preceding the date of this Draft Red Herring Prospectus.

Material guarantees

As on the date of this Draft Red Herring Prospectus, our Promoter has not given any material guarantee to any third party with respect to the Equity Shares.

Other confirmations

Our Promoter is not a Wilful Defaulter or a Fraudulent Borrower.

Our Promoter is not a Fugitive Economic Offender.

Our Promoter and members of the Promoter Group have not been prohibited from accessing the capital markets under any order or direction passed by SEBI.

Our Promoter is not, and has not been in the past, a promoter or a director of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI.

PROMOTER GROUP

In addition to our Promoter, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

Natural persons who are part of the Promoter Group

S. No.	Name of member of our Promoter Group	Relationship with our Promoter
1.	Amrutha	Spouse
2.	Rajanna	Father
3.	Late Jayamma	Mother
4.	R Prabhakar	Brother
5.	Abhaysurya	Son
6.	Manjushree Shivakumar	Daughter
7.	Poojashree S	Daughter
8.	Aishwaryashree S	Daughter
9.	Late Ramaiah H T	Spouse's father
10.	Laxmamma	Spouse's mother
11.	HR Ravi	Spouse's brother
12.	Revanna H R	Spouse's brother
13.	Srinivasa	Spouse's brother
14.	Shobha H R	Spouse's sister

Bodies corporates, partnership firms forming part of the Promoter Group

1. E Prayag Software Private Limited (private limited company);
2. M/s. Udayshivakumar Stone Crusher (partnership firm);
3. M/s. Aishwarya USK Stone Crusher (partnership firm);
4. M/s. Abott 5 (partnership firm);
5. M/s. Uday Super Bazar (partnership firm);
6. M/s. Shrees Infotek (partnership firm);
7. M/s. Atom Venture USK (partnership firm);
8. M/s. ARJUN Infra Developers and Builders (partnership firm); and
9. M/s. Davangere Cements (sole proprietorship).

OUR GROUP COMPANIES

In accordance with the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of 'group companies', our Company has considered (i) such companies (other than a subsidiary) with which there were related party transactions during the period for which Restated Financial Statements has been disclosed in this Red Herring Prospectus, as covered under the applicable accounting standards; and (ii) any other companies which are considered material by our Board.

Accordingly, for (i) above, all such companies (other than a subsidiary) with which there were related party transactions during the periods covered in the Restated Financial Statements, as covered under the applicable accounting standards, shall be considered as Group Companies in terms of the SEBI ICDR Regulations.

Further, in respect of point (ii) above, our Board has in its meeting held on September 17, 2022 passed a resolution to consider such companies as "material" with which there were transactions in the most recent financial year, which, exceed 5% of the total restated revenue of our Company, as per the Restated Financial Statements.

Based on the parameters outlined above, our Company does not have any group companies as on the date of this Draft Red Herring Prospectus.

DIVIDEND POLICY

As on the date of this Draft Red Herring Prospectus, the Company has adopted a formal dividend policy in the Board meeting held on September 19, 2022. 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 (together with applicable rules issued thereunder). Any future determination as to the declaration and payment of dividends, if any, will be at the discretion of the Board and will depend on a number of factors, including but not limited, 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. For details in relation to the risks involved in this regard, see "*Risk Factors – Our Company has not paid any dividends in the past and we may not be able to pay dividends in the future*" on page 53. 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 details, see the section entitled "*Financial Indebtedness*" on page 260. The Company has not declared and paid any dividends on the Equity Shares in any of the three Financial Years preceding the filing of this Draft Red Herring Prospectus and until the filing of this Draft Red Herring Prospectus.

SECTION V – FINANCIAL STATEMENTS

RESTATED FINANCIAL STATEMENTS

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Independent Auditor's Report for the Restated Financial Statements of Udayshivakumar Infra Limited (formerly known as Udayshivakumar Infra Private Limited)

To,
The Board of Directors
Udayshivakumar Infra Limited
924A/196, Banashankari Badavane,
Near NH-4 Bypass,
Davangere – 577 005,
Karnataka, India

Dear Sirs,

We, N B T and Co, have examined the attached Restated Financial Statements of Udayshivakumar Infra Limited (formerly known as Udayshivakumar Infra Private Limited) (the "**Company**" or the "**Issuer**") comprising the Restated Statement of Assets and liabilities as on March 31, 2022, March 31, 2021 and March 31, 2020, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the year ended March 31, 2022, March 31, 2021 and March 31, 2020, the Statement of Significant Accounting Policies and other explanatory information annexed to this report for the purpose of inclusion in the Draft Red Herring Prospectus proposed to be filed with the Securities and Exchange Board of India ("**SEBI**"), BSE Limited and National Stock Exchange of India Limited (collectively, the "**Stock Exchanges**") and the relevant Registrar of Companies (the "**DRHP**"). These Restated Financial Statements have been prepared by the Company and approved by the Board of Directors at their meeting held on September 19, 2022.

1. These Restated Financial Statements have been prepared in accordance with the requirements of:

    (i) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "**Act**")

    (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**")

    (iii) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended from time to time (the "**Guidance Note**").

Management's Responsibility for the Restated Financial Statements

2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Statements for the purpose of inclusion in the DRHP. The Restated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Note 1 & 2 of the Annexure V to the Restated Financial Statements. The responsibility of the Board of Directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

Auditors' Responsibilities

3. We have examined such Restated Financial Statements taking into consideration:

    a. The terms of reference and terms of our engagement agreed with you in accordance with our engagement letter dated June 20, 2022; requesting us to carry out the assignment, in connection with the proposed IPO of equity shares of the Company

    b. The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

    c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; and

    d. The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed initial public offer of its equity shares of the Company.

4. The Company proposes to make an initial public offer of its equity shares of face value of Rs. 10 each of the Company at such premium arrived at by the book building process (referred to as the "**IPO**"), as may be decided by the Company's Board of Directors.

5. The Restated Financial Statements have been compiled by the management from:

a) The audited Ind AS financial statements of the Company as at and for the financial year ended March 31, 2022 which were prepared in accordance with Indian Accounting Standard ("**Ind AS**") as prescribed under Section 133 of the and other accounting principles generally accepted in India ("**Audited Ind AS Financial Statements**"), which have been approved by the Board of Directors at their meeting held on September 3, 2022.

b) The Special Purpose Ind AS Financial Statements of the Company as at and for the financial year ended March 31, 2021 prepared in accordance with Ind AS as prescribed under Section 133 of the and other accounting principles generally accepted in India ("**Special Purpose Audited Ind AS Financial Statements 2021**").

c) The Special Purpose Ind AS Financial Statements of the Company as at and for the financial year ended March 31, 2020 prepared in accordance with Ind AS as prescribed under Section 133 of the and other accounting principles generally accepted in India ("**Special Purpose Audited Ind AS Financial Statements 2020**", and together with Special Purpose Audited Ind AS Financial Statements 2021 referred as "**Special Purpose Audited Ind AS Financial Statements**").

The information as at and for the financial year ended March 31, 2021 and March 31, 2020 included in Restated Financial Statements have been compiled from Special Purpose Audited Ind AS Financial Statements as at and for the financial year ended March 31, 2021 and March 31, 2020 being prepared by the management by making all the adjustments required under the Ind AS to the audited financial statements of the Company as at and for the financial year ended March 31, 2021 and March 31, 2020 which were prepared in accordance with the accounting standards notified under the section 133 of the Act ("**Indian GAAP**") and other accounting principles generally accepted in India, at the relevant time and audited/prepared by P. Onkarappa & Associates, Chartered Accountants ("**Previous Auditor**"). We have audited the Special Purpose Audited Ind AS Financial Statements of the Company as at and for the financial year ended March 31, 2021 and March 31, 2020, prepared by the Company in accordance with the Ind AS for the limited purpose of consideration in preparation of Restated Financial Statements, in relation to proposed IPO. We have issued our reports on Special Purpose Audited Ind AS Financial Statements 2021 and Special Purpose Audited Ind AS Financial Statements 2020 each dated September 19, 2022 to the Board of Directors who have approved the same in their meeting held on September 19, 2022.

Special Purpose Audited Ind AS Financial Statements 2020 includes financial information for the erstwhile partnership firm named M/s. Udayshivakumar ("**Partnership Firm**") for the period from April 1, 2019 to December 22, 2019 and for the Company from for the period from December 23, 2019 to March 31, 2020. The Financial information of the Partnership Firm for the period from April 1, 2019 to December 22, 2019 was revised in the format prescribed for companies under the Companies Act, 2013 and comply with the requirements as prescribed in explanation II provided for Regulation 6 and 7 of ICDR Regulations.

Our opinion on the Special Purpose Audited Ind AS Financial Statements is not modified.

6. For the purpose of our examination, we have relied on:

a. the Auditors' reports issued by Previous Auditor dated September 3, 2022 on Audited Ind AS Financial Statements as at and for the year ended March 31, 2022 as referred in Paragraph 5 above;

b. the Special Purpose Audit report issued by us dated September 19, 2022 on the Special Purpose Audited Ind AS Financial Statements 2021 as at and for the financial year ended March 31, 2021 as referred in Paragraph 5 above;

c. the Special Purpose Audit report issued by us dated September 19, 2022 on the Special Purpose Audited Ind AS Financial Statements 2020 as at and for the financial year ended March 31, 2020 as referred in Paragraph 5 above;

d. the Auditors' report issued by Previous Auditor dated November 5, 2021 on audited financial statements as at and for the year ended March 31, 2021;

e. the Auditors' report issued by Previous Auditor dated December 16, 2020 on audited financial statements as at March 31, 2020 and for the period from December 23, 2019 to March 31, 2020; and

f. the financial statements of Partnership Firm for the period from April 1, 2019 to December 22, 2019

7. Based on our examination and according to the information and explanations given to us and as per the reliance placed on the audit reports of Previous Auditor, we report that the Restated Financial Statements:

a) have been prepared after incorporating adjustments for changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2022, March 31, 2021 and March 31, 2020 to reflect the same accounting treatment as per the accounting policies and groupings/classifications as at and for the year ended March 31, 2022;

b) does not contain any qualifications requiring adjustments; and

c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

8. The Restated Financial Statements do not reflect the effects of events that occurred subsequent to the respective dates of the reports on audited financial statements mentioned in paragraph 6 above.

9. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by the Previous Auditor nor should this report be construed as a new opinion on any of the financial statements referred to therein.

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 of Directors for inclusion in the DRHP to be filed SEBI, Stock Exchanges and the relevant Registrar of Companies in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come.

For N B T and Co
Chartered Accountants
FRN: 140489W

Sd/-
Arpit Tapadiya
Partner
Membership No.: 182428
Place: Mumbai
Date: September 19, 2022
UDIN: 22182428ATKKHV1695

ANNEXURE 1

(Amount in Lakhs, Unless Otherwise Stated)

RESTATED STATEMENT OF ASSETS AND LIABILITIES

Particulars	**Annexure No**	**As at March 31**		
		2022	**2021**	**2020**
I. ASSETS				
Non-current assets				
Property, Plant and Equipment and Intangible Assets				
(a) Property, Plant and Equipment	6	2,556.16	2,555.41	3,121.12
(b) Investment Property	7	1,198.53	-	-
(c) Financial assets				
(i) Trade receivables	8(a)	4,595.13	4,263.05	3,431.14
(ii) Other financial assets	8(d)	1,162.89	1,001.01	1,352.07
(d) Deferred tax assets (net)	9	67.62	51.15	-
Current Assets				
Inventories	10	877.43	947.17	983.22
(a) Financial assets				
(i) Trade receivables	8(b)	3,201.31	4,213.11	5,877.05
(ii) Cash and cash equivalents	8(c)	1,524.15	525.02	24.51
(b) Other current assets	11	1,078.04	1,125.81	1,036.97
TOTAL ASSETS		**16,261.25**	**14,681.73**	**15,826.08**
II. EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	12(a)	3,650.00	3,650.00	3,650.00
(b) Other equity	12(b)	3,182.14	1,968.04	1,036.51
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	13(a)	557.12	738.92	1,588.92
(ii) Trade Payables	13(b)	1,440.57	611.77	611.77
(iii) Other Financial Liabilities	13(c)	1,209.02	1,172.00	1,715.38
(b) Provisions	14	11.19	6.94	4.46
(c) Deferred tax liabilities (net)	9	-	-	20.22
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	13(a)	2,091.17	2,321.31	1,806.42
(ii) Trade Payables	13(b)			
(a) Total outstanding dues of micro enterprises and small enterprises		-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,912.82	3,662.93	5,076.74
(iii) Other financial liabilities	13(c)	33.96	42.56	33.89
(b) Other current liabilities	15	769.24	135.60	132.00
(c) Current Tax Liabilities	16	403.26	371.19	149.59
(d) Short Term Provisions	17	0.77	0.48	0.19
TOTAL EQUITY AND LIABILITIES		**16,261.25**	**14,681.73**	**15,826.08**

The accompanying notes are an integral part of the Restated Financial Statements.

As per our report of even date

For N B T and Co
Chartered Accountants
FRN: 140489W

Sd/-
Arpit Tapadiya
Partner
M. No.: 182428
Place: Mumbai
Date: September 19, 2022

For and on behalf of the Board of Director's
Udayshivakumar Infra Limited

Sd/-
Udayshivakumar
Managing Director
DIN: 05326601

Sd/-
Manjushree Shivakumar
Director
DIN: 07774973

Sd/-
Kodachawad Sheetalkumar M
Chief Financial Officer

Sd/-
Sanjeevani Shivaji Redekar
Company Secretary and Compliance Officer

ANNEXURE 2

(Amount in Lakhs, Unless Otherwise Stated)

RESTATED STATEMENT OF PROFIT AND LOSS

PARTICULARS	Annexure No.	For the year ended March 31,		
		2022	2021	2020
I. Revenue from operations	18	18,562.92	21,039.67	19,360.78
II. Other income	19	75.89	71.15	79.72
III. Total revenue		**18,638.81**	**21,110.82**	**19,440.50**
IV. Expenses				
Cost of materials consumed	20	3,530.87	3,611.85	2,810.85
Changes in inventory	21	37.14	110.60	(387.56)
Employee benefits expense	22	366.26	348.45	306.48
Depreciation and amortisation expenses	23	539.63	487.63	569.95
Construction expense	24	11,825.18	14,562.95	14,094.05
Finance costs	25	347.90	517.80	518.33
Other expenses	26	390.45	113.95	109.90
V. Total expenses		**17,037.44**	**19,753.23**	**18,021.98**
VI. Profit before tax and exceptional items (III - V)		**1,601.37**	**1,357.59**	**1,418.52**
VII. Exceptional Item				
Loss on Sale of Fixed Assets		-	125.93	-
VIII. Profit Before Tax (V-VI)		**1,601.37**	**1,231.67**	**1,418.52**
IX. Tax expense:				
(1) Current tax	27(a)	403.03	371.11	349.58
(2) Deferred tax Asset/Liability	9	(16.47)	(71.37)	20.22
(3) Earlier years tax		-	-	-
X. Profit for the year (VI-VII)		**1,214.81**	**931.92**	**1,048.72**
XI. Other comprehensive income				
Re-measurement of defined benefit liability/(asset)	27(b)	(0.57)	(0.31)	-
Tax Impact of Above		0.14	0.08	-
XII. Total comprehensive income for the year		**1,214.38**	**931.69**	**1,048.72**
XIII. Earning per equity share				
Basic and Diluted (Rs.)(Face Value of Rs 10 Each)	28	3.33	2.55	2.87

The accompanying notes are an integral part of the Restated Financial Statements.

As per our report of even date

For N B T and Co
Chartered Accountants
FRN: 140489W

Sd/-
Arpit Tapadiya
Partner
M. No.: 182428
Place: Mumbai
Date: September 19, 2022

For and on behalf of the Board of Director's
Udayshivakumar Infra Limited

Sd/-
Udayshivakumar
Managing Director
DIN: 05326601

Sd/-
Manjushree Shivakumar
Director
DIN: 07774973

Sd/-
Kodachawad Sheetalkumar M
Chief Financial Officer

Sd/-
Sanjeevani Shivaji Redekar
Company Secretary and Compliance Officer

ANNEXURE 3

(Amount in Lakhs, Unless Otherwise Stated)

RESTATED CASH FLOW STATEMENT

PARTICULARS	For the year ended March 31,		
	2022	**2022**	**2022**
Cash flow from operating activities			
Profit before Tax	**1,601.37**	**1,231.67**	**1,418.52**
Depreciation	539.63	487.63	569.95
Finance costs	347.90	517.80	518.33
Interest income	(68.79)	(69.76)	(29.87)
Profit of Partnership Firm	-	-	(371.32)
Accrual of WIP			359.10
Provision for Gratuity	3.97	2.46	4.65
Change in operating assets and liabilities			
(Increase)/Decrease in trade receivables	679.72	832.03	(2,923.12)
(Increase)/decrease in other current assets	47.77	(88.84)	(107.18)
(Increase)/decrease in inventory	69.73	36.06	(668.97)
(Increase)/decrease in financial assets	(161.88)	351.06	(884.87)
Increase/(Decrease) in financial liabilities	(201.72)	(19.83)	2,676.28
Increase/(Decrease) in provisions	-	-	-
Increase/(Decrease) in trade payables	78.70	(1,413.81)	1,699.07
Increase/(Decrease) in other current liabilities	633.72	3.60	81.04
Cash generated from operations	3,570.13	1,870.06	2,341.61
Income taxes paid	371.49	149.59	199.99
Net cash inflow from operating activities	**3,198.64**	**1,720.47**	**2,141.63**
Cash flow from investing activities			
Sale/(Purchase) of Plant, Property and Equipment	(1,738.61)	78.09	(710.07)
Interest received	68.79	69.76	29.87
Net cash flow from investing activities	**(1,669.81)**	**147.85**	**(680.20)**
Cash flows from financing activities			
Proceeds from Issue of Shares*	-	-	50.36
Finance Cost	(347.90)	(517.80)	(518.33)
Proceeds/ (repayment) from non-current borrowings	(181.80)	(850.00)	(1,024.68)
Net cash inflow (outflow) from financing activities	**(529.71)**	**(1,367.81)**	**(1,492.65)**
Net increase (decrease) in cash and cash equivalents	999.13	500.51	(31.23)
Cash and cash equivalents at the beginning of the year	525.02	24.51	55.73
Cash and cash equivalents at end of the year (Note 8)	**1,524.15**	**525.02**	**24.51**

* Shares of the Company has been issued by converting its Partner's Capital into Equity Share, Net Transaction during the year 2019-20 has been considered as cash flow

Reconciliation of the movements of liabilities to cash flows arising from financing activities

PARTICULARS	For the year ended March 31,		
	2022	**2021**	**2020**
Opening balance			
Term Loan	1,640.95	2,243.14	2,613.60
Overdraft Facility	1,406.90	1,036.67	879.41
Related Parties	12.37	115.54	-
Total	**3,060.23**	**3,395.35**	**3,493.01**
Movement			
Cash Flows ;			
Term Loan	(370.67)	(602.19)	(370.46)
Cash Credit	(46.96)	370.23	157.26
Related Parties	5.69	(103.17)	115.54

Interest Paid	275.18	452.23	420.64
Closing Balance			
Term Loan	1,270.28	1,640.95	2,243.14
Overdraft Facility	1,359.95	1,406.90	1,036.67
Related Parties	18.06	12.37	115.54
Total	**2,648.29**	**3,060.23**	**3,395.35**

Note: -
1. The Restated Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 "Statement of Cash Flows".

The accompanying notes are an integral part of the Restated Financial Statements.

As per our report of even date

For N B T and Co
Chartered Accountants
FRN: 140489W

Sd/-
Arpit Tapadiya
Partner
M. No.: 182428
Place: Mumbai
Date: September 19, 2022

For and on behalf of the Board of Director's
Udayshivakumar Infra Limited

Sd/-
Udayshivakumar
Managing Director
DIN: 05326601

Sd/-
Manjushree Shivakumar
Director
DIN: 07774973

Sd/-
Kodachawad Sheetalkumar M
Chief Financial Officer

Sd/-
Sanjeevani Shivaji Redekar
Company Secretary and Compliance Officer

ANNEXURE 4

(Amount in Lakhs, Unless Otherwise Stated)

RESTATED STATEMENT OF CHANGES IN EQUITY

(A) EQUITY SHARE CAPITAL

PARTICULARS	As at 31 March,		
	2022	2021	2020
Balance at the beginning of the period	3,650.00	3,650.00	-
Changes in Equity Share capital during the period	-	-	3,650.00
Balance at the end of the period	**3,650.00**	**3,650.00**	**3,650.00**

(B) OTHER EQUITY

Particulars	Reserve and surplus	Total
	Retained earnings	
Balance as at 1 April 2019	**-**	**-**
Changes during the year		
Profit/Loss for the year	294.50	294.50
Remeasurement of defined benefit plans (net of tax)	-	-
Total comprehensive income for the year	**294.50**	**294.50**
Cash dividends	-	-
Dividend distribution tax	-	-
Balance as at 31 March 2020	**294.50**	**294.50**
Balance as at 1 April 2020	**294.50**	**294.50**
Changes during the year		
Profit/Loss for the year	1,044.98	1,044.98
Remeasurement of defined benefit plans (net of tax)	-	-
Total comprehensive income for the year	**1,044.98**	**1,044.98**
Cash dividends	-	-
Dividend distribution tax	-	-
Balance as at 31 March 2021	**1,339.48**	**1,339.48**
Balance as at 1 April 2021	1,339.48	1,339.48
Changes during the year		
Profit/Loss for the year	1,214.81	1,214.81
Remeasurement of defined benefit plans (net of tax)	(0.71)	(0.71)
Total comprehensive income for the year	**1,214.10**	**1,214.10**
Cash dividends	-	-
Dividend distribution tax	-	-
Balance as at 31 March 2022	**2,553.57**	**2,553.57**

The accompanying notes are an integral part of the Restated Financial Statements.

As per our report of even date

For N B T and Co
Chartered Accountants
FRN: 140489W

Sd/-
Arpit Tapadiya
Partner
M. No.: 182428
Place: Mumbai
Date: September 19, 2022

For and on behalf of the Board of Director's
Udayshivakumar Infra Limited

Sd/-
Udayshivakumar
Managing Director
DIN: 05326601

Sd/-
Manjushree Shivakumar
Director
DIN: 07774973

Sd/-
Kodachawad Sheetalkumar M
Chief Financial Officer

Sd/-
Sanjeevani Shivaji Redekar
Company Secretary and Compliance Officer

ANNEXURE 5

NOTES TO THE RESTATED FINANCIAL STATEMENTS

1: CORPORATE INFORMATION:

The Company has been formed by conversion of a partnership firm i.e. "Udayshivakumar" (referred as erstwhile partnership firm), under the provisions of Chapter XXI of Companies Act, 2013. The Firm was formed and registered as a partnership firm under the provisions of Indian Partnership Act, 1932, pursuant to a deed of partnership, as amended and supplemented from time to time. The Firm was converted to a private limited company on December 23rd, 2019 and subsequently converted to public limited.

The Company is engaged in business of Civil Construction works from State Government, Central Government and Government Civic Bodies and Corporations.

2: SIGNIFICANT ACOUNTING POLICIES

Significant accounting policies adopted by the Company are as under:

2.1 Basis of Preparation of Restated Financial Statements:

a) Statement of Compliance with Ind AS:

These Restated financial statements have been prepared in accordance with Indian Accounting Standards (referred as Ind AS) as prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, as amended from time to time.

b) Basis of Preparation:

The Restated Financial Information of the Company comprises of Restated Ind AS Statement of Assets and Liabilities as at March 31, 2022 and the related Restated Ind AS Statement of Profit and Loss (including other comprehensive income), the Restated Ind AS Cash Flow Statement, Restated Summary of Statement of Changes in Equity, and the Significant Accounting Policies and explanatory notes for the year ended March 31, 2022,the Special Purpose Ind AS Balance sheet as at March 31, 2021 and March 31, 2020; the related Special Purpose Ind AS Statement of Profit and Loss (including other comprehensive income), the Special Purpose Ind AS Statement of Cash Flows and the Special Purpose Ind AS, the Significant Accounting Policies and explanatory notes for the year ended March 31, 2021 and March 31, 2020 (hereinafter collectively referred to as the 'Restated Financial Statements').

The above Restated Financial Information has been prepared by the Management of the Company under Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act, to the extent applicable, in connection with the proposed listing of equity shares of the Company by way of Initial Public Offering ("IPO"), to be filed by the Company with the Securities and Exchange Board of India, Registrar of Companies and the concerned Stock Exchange in accordance with the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the 'Act') as amended from time to time;

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date ('SEBI 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 Financial Statement has been compiled by the management from Audited Financial Statements of the company as at and for the years ended 31 March 2022, 31 March 2021 and 31 March 2020 prepared in accordance with the Indian Accounting Standards (referred to as 'Ind AS') as prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on September 03, 2022, November 05, 2021 and December 16, 2020 respectively.

The accounting policies have been consistently applied by the Company in preparation of the Restated Financial Statement and are consistent with those adopted in the preparation of financial statements for the year ended March 31, 2022, March 31, 2021 and March 31, 2020.

The Restated Financial Statements has been compiled:

a) from the audited First Ind AS financial statements of the Company as at March, 31st 2022 which were prepared in accordance with Indian Accounting Standard 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 and revised presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable.

b) The financial statements of the erstwhile partnership firm for the period from April 01, 2019 to December 22, 2019 and for the financial years ended March 31, 2021 and March 31, 2020 have been revised by the Company to conform to the format prescribed for companies under the Companies Act, 2013 in accordance with Ind AS notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015(as amended) and adequate disclosures are made in the Special Purpose Ind AS Financial Statements required to be made by the company as per schedule III of the Companies Act, 2013; (collectively referred to as "the Special Purpose Ind AS Financial Statements").

c) The statutory auditors of the Company, N B T and Co, Chartered Accountants, have audited these Special Purpose Ind AS Financial Statements for the firm's period from April 01, 2019 to December 22, 2019 & financial years ended March 31, 2021 and March 31, 2020 and have certified that:

- the accounts and the disclosures made in Special Purpose Ind AS Financial Statements are in accordance with the provisions of schedule III of the Companies Act, 2013;
- the company has followed Ind AS notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015(as amended) in the Special Purpose Ind AS Financial Statements
- the Special Purpose Ind AS Financial Statements presents a true and fair view of the firm's accounts;

d) In the Restated Financial Information:

Following adjustment are made to adhere to requirements of Sec 26 of Part I of Chapter III of Companies Act,2013 along with SEBI ICDR Regulation and Guidance Note on Report of Company Prospectus (Revised 2019) issued by ICAI.

- Accounts head appearing in erstwhile firm Accounts head appearing in Restated Financial Statement: -
  - Partner's Capital Account - Included in Share Capital
  - Remuneration to Partners - Director's Remuneration
  - Interest to Partners - Finance Cost
- There were no changes in accounting policies during the years of these Special purpose Ind AS financial statements;
- Material amounts relating to adjustments for previous years in arriving at profit / loss of the years to which they relate, have been appropriately adjusted;
- Adjustments were made for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the financial statements of the Company as at and for the year ended March 31, 2022 prepared under Ind AS and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations");
- The resultant tax impact on above adjustments has been appropriately adjusted in deferred taxes in the respective years to which they relate.

e) The Restated Financial Information are presented in Indian Rupees. All references to previous GAAP in the Restated Financial Statements refer to accounting principles applicable to a partnership firm as per the Income Tax Act, 1961 ("Previous GAAP"). Further, previous years' figures have been reclassified /regrouped wherever necessary

f) Notes to the Restated Financial Statements represents notes involving items which are considered material and accordingly disclosed. Materiality for the purpose is assessed in relation to the information contained in the Restated Financial Statements.

c) <u>Operating Cycle and Current, Non-current classification</u>

All assets and liabilities has been classified as current and noncurrent as per the Company's normal operating cycle. An asset is classified as current when it is:

i) Expected to be realized or intended to be sold or consumed in normal operating cycle.
ii) Expected to be realized within twelve months after the reporting period. Or
iii) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is classified current when

i) It is expected to be settled in normal operating cycle;
ii) It is due to be settled within twelve months after the reporting period; or
iii) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

d) Use of estimates and judgements:

The preparation of Restated financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

2.2 Property, plant and equipment and Other intangible assets:

Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual value of Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Recognition and measurement:

Property, plant and equipments are stated at historical cost less accumulated depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the Property, plant and equipment until it is ready for use, as intended by the management. Subsequent costs are included in the asset's carrying amount or recognized 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 of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset and is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year.

Capital work-in-progress for production, supply of administrative purposes is carried at cost less accumulated impairment loss, if any, until construction and installation are complete and the asset is ready for its intended use. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as advances under other current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work- in- progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Depreciation methods, estimated useful lives:

Depreciation is provided by the company (other than Freehold Land and capital work-in-progress) on Written Down Value (WDV) method for the estimated useful life of assets. The estimated useful lives of assets are as follows:

Type of Assets	Period of useful life of Assets
Factory Building	60 Years
Machinery	12 Years
Computer	3 Years
Vehicles	8 Years
Office Equipment	5 Years
Furniture & Fixtures	10 Years

Fixed Assets purchased for specific projects will be depreciated over the periods of the project or the useful life stated as above, whichever is shorter.

Depreciation on assets acquired/ purchased, sold/discarded during the year is provided on a pro-rata basis from the date of each addition till the date of sale/retirement.

The economic useful life of assets is assessed based on a technical evaluation, taking into account the nature of assets, the estimated usage of assets, the operating conditions of the assets, past history of replacement, anticipated technological changes, maintenance history, etc. The estimated useful life is reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

Where the cost of part of the asset is significant to the total cost of the assets and the useful life of that part is different from the useful of the remaining asset, useful life of that significant part is determined separately. Depreciation of such significant part, if any, is based on the useful life of that part.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, determined as the difference between the sales proceeds and the carrying amount of the asset, is recognized in the Statement of Profit or Loss.

Impairment:

Property, plant and equipments are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the Restated Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Restated Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

2.3 Investments:

The Company do not have any investment, except to a land which has been classified as investment property.

2.4 Foreign Currency Transactions:

a) Functional and presentation currency:

Items included in the Restated financial statements are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’).
The Restated financial statements are presented in Indian rupee (INR) in Lakhs, which is the Company’s functional and presentation currency.

b) Transactions and balances:

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount at the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognized in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognized in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Foreign exchange fluctuation for the outstanding amount towards the imported capital goods, has been attributed to the cost of the fixed assets.

2.5 Revenue Recognition:

The Company recognizes revenue from contracts with customers based on a comprehensive assessment model as set out in Ind AS 115 ‘Revenue from contracts with customers’. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognizes revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable. Revenue from the sale of goods in the course of ordinary activities is recognized at the 'transaction price' when the goods are 'transferred' to the customer. The 'transaction price' is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties (for example, goods and service tax). The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. The goods are considered as 'transferred' when the customer obtains control of those goods or as per the specific terms with customers for the supplies made by the company.

Sale of services:

Revenue from services are recognized in the accounting period in which service are rendered. For fixed price contracts, revenue is recognized based on actual services provided to the end of the reporting period as a proportion of the total services to be provided.

Other Income:

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably in the Company. Interest income is accrued on a time basis, by reference to the principal outstanding and at the normal interest rate as applicable. Other Income in the Company has been recorded where no significant uncertainty as to measurability or collectability exists.

2.6 Taxation:

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions. In assessing the realiseablility of deferred income tax assets, the Management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in Other Comprehensive Income.

Current Tax:

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using the tax rates that have been enacted or substantially enacted by the end of the reporting period.

Provisions for current income taxes are presented in the balance sheet after offsetting advance tax & TDS paid. Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period. The holding company has adopted the Taxation bracket where in the MAT liability do not attract to the company and has done the provisions accordingly.

Deferred Tax:

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in Restated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax and deferred tax for the year:

Current and deferred tax are recognized by the Company in the Restated Statement of Profit or Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. No deferred tax provisions have been made for the undistributed gains or losses of the subsidiary company.

2.7 Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

2.8 Provisions:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material).

When some or all of the economic benefits required to settle, provisions are expected to be recovered from a third party, a receivable is recognized as an asset it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.9 Contingent liabilities and contingent assets:

Contingent liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not accounted in the Restated financial statements unless an inflow of economic benefits is probable.

2.10 Financial instruments:

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the 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 recognized immediately in profit or loss.

FINANCIAL ASSETS:

Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Classification and subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortized cost; or
b) at fair value through other comprehensive income; or
c) at fair value through profit or loss.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. These include trade receivables, loans, deposits, balances with banks, and other financial assets with fixed or determinable payments.

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Impairment:

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, other contractual right to receive cash or other financial assets not designated at fair value through profit or loss. The loss allowance for a financial instrument is equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increase significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if the default occurs within 12 months after the reporting date. Since during the period(s) the company have receivables only from government (State/Central) or Other Government Bodies/Entitles the company is not exposed to credit risk and hence the company has not recognized the ECL.

For trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. The Company has used a practical expedient permitted by Ind AS 109 and determines the expected credit loss allowance based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

De-recognition:

The Company derecognizes financial asset when the contractual right to the cash flows from the asset expires, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of the transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income, if any, is recognized in the Statement of Profit or Loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of the financial asset.

FINANCIAL LIABILITIES:

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

Classification

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group are recognized at the proceeds received net of direct issue costs.

Subsequent measurement

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the Restated Statement of Profit and Loss.

Financial liabilities (that are not held for trading or not designated at fair value through profit or loss) are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost, are determined based in the effective interest method.

Effective interest method is a method of calculating amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Foreign exchange gains and losses for assets & liabilities:

Financial Assets and liabilities denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in the Restated Statement of Profit or Loss.

The fair value of financial Assets and liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial Assets and liabilities that are measured at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognized in the Restated Statement of Profit and Loss except in case of the amount outstanding to creditors towards the fixed assets purchased in earlier years and amount is outstanding payable, in that case every year the difference in the exchange fluctuation has been adjusted towards the cost of the fixed assets so purchased and has uniformly followed the practice.

De-recognition:

Financial assets liabilities are derecognized when, and only when, the obligations are discharged, cancelled or have expired. An exchange with a lender of a debt instruments with substantially different terms is accounted for as an extinguishment of the original financial assets and liability and recognition of a new financial assets and liability. Similarly, a substantial modification of the terms of an existing financial assets and liability is accounted for as an extinguishment of the original financial assets and liability and the recognition of a new financial assets and liability. The difference between the carrying amount of a financial assets and liability is derecognized and the consideration paid or payable is recognized in the Restated Statement of Profit or Loss.

2.11 Employee Benefits:

Short-term Employee Benefits:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Post-employment benefits

a) Defined contribution plans

Employees benefits in the form of the Company's contribution to Provident Fund, Pension scheme, Superannuation Fund and Employees State Insurance are defined contribution schemes. Payments to defined contribution retirement plans are recognized as expenses when the employees have rendered the service entitling them to the contribution

Provident fund: The employees of the holding Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions as specified under the law are made to the provident fund and pension fund administered by the Regional Provident Fund Commissioner. The Company recognizes such contributions as an expense when incurred.

b) Defined benefit plans

In accounting for post-retirement benefits, several statistical and other factors that attempt to anticipate future events are used to calculate plan expenses and liabilities. These factors include expected discount rate assumptions and rate of future compensation increases. To estimate these factors, actuarial consultants also use estimates such as withdrawal, turnover, and mortality rates which require significant judgment. The actuarial assumptions used by the Group may differ materially from actual results in future periods due to changing market and economic conditions, regulatory events, judicial rulings, higher or lower withdrawal rates, or longer or shorter participant life spans.

2.12 Inventories:

Inventories are valued at after reviewing the cost and net realizable value considering the various other related parameters and uniformity of the valuation.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials, packaging materials and stores and spare parts are valued at after reviewing the cost and net realizable value considering the various other related parameters and uniformity of the valuation. Cost includes purchase price, freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.

Work in progress, manufactured finished goods and traded goods are valued at cost of production till the date work completed. Cost of work in progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition. Cost of traded goods is determined on a weighted average basis.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on item by item basis.

2.13 Cash and cash equivalents:

Cash and cash equivalents comprise cash in hand and short-term deposits with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.14 Earnings Per Share:

The Company reports basic and diluted earnings per share (EPS) in accordance with Indian Accounting Standard 33 "Earnings per Share". Basic EPS is computed by dividing the net profit or loss attributable to ordinary equity holders by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit or loss attributable to ordinary equity holders by weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares (except where the results are anti-dilutive).

2.15 Significant accounting judgments, estimates and assumptions:

The preparation of Restated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

The key assumptions concerning the future and other key sources of estimation uncertainty at the year-end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Restated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Impairment of property, plant and equipment:

Determining whether property, plant and equipment is impaired requires an estimation of the value in use of the cash-generating unit. The value in use calculation requires the management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. When the actual future cash flows are less than expected, a material impairment loss may arise. property, plant and equipment which are out dated or not in use are impaired and shown at the net releasable value and difference to the written down value and net releasable value is transferred to profit & loss account for the year.

b) Useful lives of property, plant and equipment:

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

c) Provision for litigations and contingencies:

The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount. Due to the judgements involved in such estimations the provisions are sensitive to the actual outcome in future periods.

d) Recognition of Deferred Tax Assets

The extent to which deferred tax assets can be recognized is based on an assessment of the profitability of the Group Company's future taxable income against which the deferred tax assets can be utilized. The Company has identified Deferred Tax Asset for the carry forward losses in earlier years and adjusted the same at the year ended and has also recognized deferred tax for the Depreciation difference.

2.16 RECENT ACCOUNTING PRONOUNCEMENTS:

Ministry of Corporate Affairs("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment-The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets–The amendment specifies that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

For N B T and Co
Chartered Accountants
FRN: 140489W

Sd/-
Arpit Tapadiya
Partner
M. No.: 182428
Place: Mumbai
Date: September 19, 2022

For and on behalf of the Board of Director's
Udayshivakumar Infra Limited

Sd/-
Udayshivakumar
Managing Director
DIN: 05326601

Sd/-
Manjushree Shivakumar
Director
DIN: 07774973

Sd/-
Kodachawad Sheetalkumar M
Chief Financial Officer

Sd/-
Sanjeevani Shivaji Redekar
Company Secretary and Compliance Officer

ANNEXURE 6

(Amount in Lakhs, Unless Otherwise Stated)

STATEMENT OF PROPERTY, PLANT AND EQUIPMENT

Particulars	Land and Buildings	Machinery	Motor Vehicle	Computer and peripherals	Furniture and fixtures	Office Equipment	Total
Period ended March 31,2022							
GROSS CARRYING AMOUNT							
Opening Gross Carrying Amount	3.06	2,023.21	1,564.70	10.92	4.53	-	3,606.43
Additions	-	164.93	373.45	1.47	-	0.23	540.08
Assets include in a disposal group for sale	-	-	-	-	-	-	-
Disposals/Adjustment	-	-	-	-	-	-	-
Closing Gross Carrying Amount	**3.06**	**2,188.14**	**1,938.16**	**12.39**	**4.53**	**0.23**	**4,146.51**
ACCUMULATED DEPRECIATION							
Opening Accumulated Depreciation	2.90	487.46	553.20	6.87	0.59	-	1,051.03
Depreciation charged during the year	-	262.93	272.03	3.85	0.48	0.04	539.33
Assets include in a disposal group for sale	-	-	-	-	-	-	-
Disposals/Adjustments	-	-	-	-	-	-	-
Closing Accumulated Depreciation	**2.90**	**750.39**	**825.23**	**10.72**	**1.07**	**0.04**	**1,590.35**
Net Carrying Amount	**0.16**	**1,437.75**	**1,112.93**	**1.67**	**3.46**	**0.19**	**2,556.16**
Year ended March 31,2021							
GROSS CARRYING AMOUNT							
Opening Gross Carrying Amount	3.06	1,957.42	1,718.13	9.47	2.98	-	3,691.07
Additions	-	65.79	17.19	1.45	1.55	-	85.98
Assets include in a disposal group for sale	-	-	-	-	-	-	-
Disposals/Adjustment	-	-	170.61	-	-	-	170.61
Closing Gross Carrying Amount	**3.06**	**2,023.21**	**1,564.70**	**10.92**	**4.53**	**-**	**3,606.43**
ACCUMULATED DEPRECIATION							
Opening Accumulated Depreciation	0.66	244.56	322.96	1.66	0.11	-	324.73
Depreciation charged during the year	2.24	249.46	230.24	5.21	0.48	-	235.93
Assets include in a disposal group for sale	-	-	-	-	-	-	-
Disposals/Adjustments	-	6.55	-	-	-	-	6.55
Closing Accumulated Depreciation	**2.90**	**487.46**	**553.20**	**6.87**	**0.59**	**-**	**1,051.03**
Net Carrying Amount	**0.16**	**1,535.75**	**1,011.51**	**4.05**	**3.94**	**-**	**2,555.41**
Year ended March 31,2020							
GROSS CARRYING AMOUNT							
Opening Gross Carrying Amount	3.06	1,419.48	1,557.56	0.43	0.46	-	2,981.00
Additions	-	537.94	160.56	9.04	2.52	-	710.07
Assets include in a disposal group for sale	-	-	-	-	-	-	-
Disposals/Adjustment	-	-	-	-	-	-	-

Particulars	Land and Buildings	Machinery	Motor Vehicle	Computer and peripherals	Furniture and fixtures	Office Equipment	Total
Closing Gross Carrying Amount	**3.06**	**1,957.42**	**1,718.13**	**9.47**	**2.98**	**-**	**3,691.07**
ACCUMULATED DEPRECIATION							
Opening Accumulated Depreciation	-	-	-	-	-	-	-
Depreciation charged during the year	0.66	244.56	322.96	1.66	0.11	-	571.27
Assets include in a disposal group for sale	-	-	-	-	-	-	-
Disposals/Adjustments	-	-	-	-	-	-	-
Closing Accumulated Depreciation	**0.66**	**244.56**	**322.96**	**1.66**	**0.11**	**-**	**569.95**
Net Carrying Amount	**2.40**	**1,712.87**	**1,395.17**	**7.82**	**2.87**	**-**	**3,121.12**

Note :
1. No Revaluation of the Property, Plant and Equipment is done by the company
2. The Company has adopted the deemed cost model for Property, plant and Equipment as permitted under Ind AS.

Title Deeds of Immovable Property not held in the Name of Company

Particular	Relevant Line Item in Balance Sheet	Description of Item of Property	Whether the title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of company
-	-	-	-	-	-

1. Above Information is presented on the basis of information and explanation provided by the management and as stated by Previous Auditor in his report.

Benami Property:

There is no Proceeding initiated or pending against the Company for holding any benami property under Benami Transaction (Prohibition) Act 1988.

ANNEXURE 7

(Amount in Lakhs, Unless Otherwise Stated)

STATEMENT OF INVESTMENT PROPERTY

Particulars	As at		
	31.03.2022	31.03.2021	31.03.2020
Land	1,198.53	-	-
Total	**1,198.53**	**-**	**-**

Note:
1. The Company has adopted the deemed cost model for valuation

ANNEXURE 8(a)

(Amount in Lakhs, Unless Otherwise Stated)

STATEMENT OF TRADE RECEIVABLES (NON CURRENT)

Particulars	As at		
	31.03.2022	31.03.2021	31.03.2020
Trade receivables considered good - secured	-	-	-
Trade receivables considered good - unsecured*	4,595.13	4,263.05	3,431.14
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables - credit impaired	-	-	-
Doubtful	-	-	-
Total	**4,595.13**	**4,263.05**	**3,431.14**
Less : Loss Allowance	-	-	-
Total trade receivables	**4,595.13**	**4,263.05**	**3,431.14**
Further classified as:			
Receivable from related parties	-	-	-
Receivable from others	4,595.13	4,263.05	3,431.14
Total	**4,595.13**	**4,263.05**	**3,431.14**

** The Amount is outstanding from the customers for reimbursement of GST. In the earlier tax regime (before GST) the company use to charge 4% VAT on the amount of service provided and was successfully able to recover the same from the customers without any default/denial. After the introduction of GST the rate of tax was changed to 12% w.e.f July, 2017. Company had entered into various contracts before July, 2017 in the pre-GST era. The work execution of these contracts was continued to be carried out the GST period, since the execution was taking a time period of 2 to 3 years. The Company while submitting the bills for the work done after the introduction of GST in July, 2017, started adding GST of 12% in the bill submitted for payment to the Government Departments but the Government Departments cleared only the basis amount of contract billed and did not paid the GST of 12% charged in the bills. However, there was no clear-cut instructions to the departments from the Government regarding the honoring the GST of 12% collected in the bills. So, the Government Departments started to hold the GST of 12% charged in the bills and were waiting for the instructions from the Government. The contractors' association looking to the injustice moved to honorable high court of Karnataka, now the case is pending before the Hon'ble High Court of Karnataka and there is bright chance of giving directions to the Government to pay GST on the works executed after the introduction of GST.*

ANNEXURE 8 (b)

(Amount in Lakhs, Unless Otherwise Stated)

STATEMENT OF TRADE RECEIVABLES (CURRENT)

Particulars	As at		
	31.03.2022	31.03.2021	31.03.2020
Trade receivables considered good - secured	-	-	-
Trade receivables considered good - unsecured*	3,201.31	4,213.11	5,877.05
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables - credit impaired	-	-	-
Doubtful	-	-	-
Total	**3,201.31**	**4,213.11**	**5,877.05**
Less : Loss Allowance	-	-	-
Total trade receivables	**3,201.31**	**4,213.11**	**5,877.05**
Further classified as:			
Receivable from related parties	-	-	-
Receivable from others	3,201.31	4,213.11	5,877.05
Total	**3,201.31**	**4,213.11**	**5,877.05**

Trade Receivable ageing schedule

Particulars	Not due	Outstanding for following periods from due date of payment					Total
2021-22		**Less than 6 months**	**6 months-1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) Undisputed Trade receivables — considered good	-	2,434.43	1,241.94	682.86	1,067.29	2,369.92	7,796.44
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables — considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-	-

Particulars	Not due	Outstanding for following periods from due date of payment					Total
2020-21		**Less than 6 months**	**6 months-1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) Undisputed Trade receivables — considered good	-	4,650.71	361.59	1,657.13	1,802.99	3.75	8,476.16
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables — considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-	-

Particulars	Not due	Outstanding for following periods from due date of payment					Total
2019-20		**Less than 6 months**	**6 months-1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) Undisputed Trade receivables — considered good	-	6,712.01	950.91	1,631.52	10.00	3.75	9,308.19
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables — considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-	-

ANNEXURE 8 (c)

(Amount in Lakhs, Unless Otherwise Stated)

STATEMENT OF CASH AND CASH EQUIVALENTS

Particulars	As at		
	31.03.2022	31.03.2021	31.03.2020
Balances with banks			
- in current accounts	1,438.94	518.60	15.46
Cash on hand	85.21	6.42	9.05
Total cash and cash equivalents	**1,524.15**	**525.02**	**24.51**

ANNEXURE 8 (d)

(Amount in Lakhs, Unless Otherwise Stated)

STATEMENT OF OTHER FINANCIAL ASSETS

Particulars	As at		
	31.03.2022	31.03.2021	31.03.2020
Security Deposits	1,162.89	1,001.01	1,352.07
Total other financial assets	**1,162.89**	**1,001.01**	**1,352.07**

ANNEXURE 9

(Amount in Lakhs, Unless Otherwise Stated)

STATEMENT OF DEFERRED TAX ASSET (NET)

Particulars	As at		
	31.03.2022	31.03.2021	31.03.2020
Opening Balance for Deferred tax liabilities	-	20.22	-
Add/Less: Deferred Liabilities for the year	-	-	20.22
DEFERRED TAX LIABILITY	**-**	**20.22**	**20.22**
Opening Balance for Deferred tax Assets	(51.15)	-	-
Add/Less: Deferred Tax Assets for the year	(16.47)	(71.37)	-
DEFERRED TAX ASSETS	**(67.62)**	**(71.37)**	**-**
Net amount charged to Statement of Profit and Loss	(16.47)	(71.37)	20.22
Deferred Tax Liabilities(Asset)	**(67.62)**	**(51.15)**	**20.22**

Particulars	April 1, 2021	Recognised in the statement of profit or loss	Recognised in OCI	March 31, 2022
Deferred tax liabilities/ (assets) in relation to:				
Property, plant and equipment	(51.15)	(16.47)	-	(67.62)
Expenses deductible/ Income taxable in other accounting period	-	-	-	-
Tax assets	**(51.15)**	**(16.47)**	**-**	**(67.62)**

Particulars	April 1, 2020	Recognised in the statement of profit or loss	Recognised in OCI	March 31, 2021
Deferred tax liabilities/ (assets) in relation to:				
Property, plant and equipment	20.22	(71.37)	-	(51.15)
Expenses deductible/ Income taxable in other accounting period	-	-	-	-
Tax assets	**20.22**	**(71.37)**	**-**	**(51.15)**

Particulars	April 1, 2020	Recognised in the statement of profit or loss	Recognised in OCI	March 31, 2020
Deferred tax liabilities/ (assets) in relation to:	-	20.22	-	20.22
Property, plant and equipment	-	-	-	-
Expenses deductible/ Income taxable in other accounting period	**-**	**20.22**	**-**	**20.22**
Tax assets	-	20.22	-	20.22

ANNEXURE 10

(Amount in Lakhs, Unless Otherwise Stated)

STATEMENT OF INVENTORIES

Particulars	As at		
	31.03.2022	**31.03.2021**	**31.03.2020**
Stock of Materials	278.51	311.10	236.56
(Valued at lower of cost or net realisable value)			
Work in Progress	598.92	636.06	746.66
(As Certified by the Management)			
Total Inventories	**877.43**	**947.17**	**983.22**

ANNEXURE 11

(Amount in Lakhs, Unless Otherwise Stated)

STATEMENT OF OTHER CURRENT ASSETS

Particulars	As at		
	31.03.2022	**31.03.2021**	**31.03.2020**
Advance to suppliers	355.69	373.33	201.25
Balance with Government authorities (Net)	695.97	752.48	835.72
Prepaid Expenses	26.38	-	-
Total	**1,078.04**	**1,125.81**	**1,036.97**

ANNEXURE 12

(Amount in Lakhs, Unless Otherwise Stated)

EQUITY SHARE CAPITAL AND OTHER EQUITY

Equity Share Capital

Share Capital	As At March 31, 2022		As At March 31, 2021		As At March 31, 2020	
	Number	**Amount**	**Number**	**Amount**	**Number**	**Amount**
Authorized*						
Opening Balance	3,65,00,000	3,650.00	3,65,00,000	3,650.00	-	-
Issued during the year	-	-	-	-	3,65,00,000	3,650.00
Total	**3,65,00,000**	**3,650.00**	**3,65,00,000**	**3,650.00**	**36500000**	**3,650.00**
Issued, Subscribed & Paid up						
Opening Balance	3,65,00,000	3,650.00	3,65,00,000	3,650.00	-	-
Increase during the year	-	-	-	-	3,65,00,000	3,650.00
Total	**3,65,00,000**	**3,650.00**	**3,65,00,000**	**3,650.00**	**3,65,00,000**	**3,650.00**

Rights, preferences & restrictions attached to shares

- The Company has only one class of shares referred to as the equity shares having face value of Rs. 10/- each. Each holder of equity share is entitled to one vote per share. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by the Shareholders at the Annual General Meeting.
- No shares have been reserved for issue on option.
- No equity shares have been forfeited.

RECONCILIATION OF NUMBER OF SHARES

Particulars	Equity Shares		Equity Shares		Equity Shares	
	Number	**Amount**	**Number**	**Amount**	**Number**	**Amount**
Face value per share (Rs.)	**10.00**		**10.00**		**10.00**	
Number of Equity Shares outstanding at the beginning of the reporting period	3,65,00,000	3,650.00	3,65,00,000	3,650.00	**-**	-
No. of Equity Shares issued during the year	-	-	-	-	3,65,00,000	3,650.00
Total	3,65,00,000	3,650.00	3,65,00,000	3,650.00	3,65,00,000	3,650.00
Less : Deduction during the year	-	-	-	-	-	-
Number of Equity Shares outstanding at the end of the reporting period	**3,65,00,000**	**3,650.00**	**3,65,00,000**	**3,650.00**	**3,65,00,000**	**3,650.00**

Details of shareholders holding more than 5% shares in the Company						
Name of Shareholder	As At March 31, 2022		As At March 31, 2021		As At March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Shri Udayshivakumar	3,61,35,000	99.00%	3,61,35,000	99.00%	3,61,35,000	99.00%
Smt. Amrutha	3,65,000	1.00%	3,65,000	1.00%	3,65,000	1.00%

Disclosure of Shareholding of Promoters and Promoter Group						
Name of Shareholder	As At March 31, 2022		As At March 31, 2021		As At March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Shri Udayshivakumar	3,61,35,000	99.00%	3,61,35,000	99.00%	3,61,35,000	99.00%
Smt. Amrutha	3,65,000	1.00%	3,65,000	1.00%	3,65,000	1.00%

Note: No shares has been issued for consideration other than cash

ANNEXURE 12 (b)

(Amount in Lakhs, Unless Otherwise Stated)

STATEMENT OF RESERVES AND SURPLUS

Particulars	As at		
	31.03.2022	31.03.2021	31.03.2020
Retained Earnings	3,182.14	1,968.04	1,036.51
	-	-	-
Total Reserves and Surplus	**3,182.14**	**1,968.04**	**1,036.51**

Retained Earning

Particulars	As at		
	31.03.2022	31.03.2021	31.03.2020
Opening balance	1,968.04	1,036.51	-
Net profit for the year	1,214.81	931.92	1,048.72
Other Comprehensive Income	(0.71)	(0.39)	-
Add : Accrual of Work in Progress	-	-	359.10
Less - Profit of Old Partnership Firm	-	-	371.32
Closing Balance	**3,182.14**	**1,968.04**	**1,036.51**

ANNEXURE 13 (a)

(Amount in Lakhs, Unless Otherwise Stated)

FINANCIAL LIABILITIES

(a) Borrowings

Particulars	As At March 31, 2022		As At March 31, 2021		As At March 31, 2020	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Secured						
From Bank/ Financial Institution						
- Term Loans	731.22	539.05	914.40	726.55	769.75	1,473.38
- Working Capital Facility	1,359.95	-	1,406.90	-	1,036.67	-
Unsecured						
-Loan/Advance from Director	-	18.06	-	12.37	-	115.54
Total	**2,091.17**	**557.12**	**2,321.31**	**738.92**	**1,806.42**	**1,588.92**

(c) Other financial liabilities

Particulars	As At March 31, 2022		As At March 31, 2021		As At March 31, 2020	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Interest payable on borrowings	-		-		12.90	
Employee Liabilities	0.60		1.80		-	
Other Financial Liabilities	33.36		40.76		20.99	
Security Deposits	-	1,209.02		1,172.00		1,715.38
Total other financial liabilities	**33.96**	**1,209.02**	**42.56**	**1,172.00**	**33.89**	**1,715.38**

ANNEXURE 13.1

(Amount in Lakhs, Unless Otherwise Stated)

STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

Name of Lender	Nature of Facility	Purpose	Sanctioned Amount (In Lakhs Rs.)	Securities offered	Re-Payment Mode	Outstanding amount (In Lakhs Rs.) as on (as per Books)	Outstanding amount (In Lakhs Rs.) as on (as per Books)	Outstanding amount (In Lakhs Rs.) as on (as per Books)
						31-Mar-22	31-Mar-21	31-Mar-20
Axis Bank Limited	Vehicle Loan	To Purchase Innova Car	16.30	Hypothecation of Asset against which loan is obtained	EMI	5.08	8.24	11.09
Canara Bank Limited	Vehicle Loan	To Purchase Fortuner Car	30.00		EMI	13.59	19.18	22.83
Daimler Financial Services India Pvt. Ltd.	Vehicle Loan	To Purchase Trucks & Tippers	1,109.44		EMI	221.08	449.63	760.05
Daimler Financial Services India Pvt. Ltd.	Machinery Loan	To Purchase Transit Mixtures	245.10		EMI	200.72	81.34	-
HDB Financial Services Ltd.	Machinery Loan	To Purchase Ajax Concrete Mixture	14.22		EMI	7.45	14.19	18.85
HDB Financial Services Ltd	Vehicle Loan	To Purchase Bolero Pickup	25.29		EMI	3.15	6.95	9.27
HDFC Bank Ltd	Machinery Loan	To Purchase Transit Mixtures	42.77		EMI	42.77	-	-
HDFC Bank Ltd	Machinery Loan	To Purchase Transit Mixtures	42.77		EMI	42.77	-	-
HDFC Bank Ltd	Machinery Loan	To Purchase Transit Mixtures	42.77		EMI	42.77	-	-
HDFC Bank Ltd	Machinery Loan	To Purchase RMC Pump	22.00		EMI	21.22	-	-
HDFC Bank Ltd	Vehicle Loan	To Purchase Truck	12.68		EMI	12.23	-	-
HDFC Bank Ltd	Vehicle Loan	To Purchase Truck	12.68		EMI	12.23	-	-
HDFC Bank Ltd	Vehicle Loan	To Purchase Truck	12.77		EMI	12.77	-	-
HDFC Bank Ltd	Vehicle Loan	To Purchase Truck	12.77		EMI	12.77	-	-
HDFC Bank Ltd	Vehicle Loan	To Purchase Truck	12.77		EMI	12.77	-	-
HDFC Bank Ltd	Machinery Loan	To Purchase Genset	12.28		EMI	11.84	-	-

HDFC Bank Ltd	Machinery Loan	To Purchase RMC Pump	22.00		EMI	21.22	-	-
HDFC Bank Ltd	Machinery Loan	To Purchase RMC Plant	79.39		EMI	73.71	-	-
HDFC Bank Ltd	Machinery Loan	To Purchase RMC Pump	22.06		EMI	22.06	-	-
Hinduja Leyland Finance Ltd.	Machinery Loan	To Purchase RMC Pump	18.22		EMI	9.09	15.28	17.66
Hinduja Leyland Finance Ltd	Machinery Loan	To Purchase RMC Plant	65.59		EMI	33.53	55.73	63.56
Hinduja Leyland Finance Ltd.	Machinery Loan	To Purchase Tippers	321.05		EMI	99.79	190.23	228.76
Hinduja Leyland Finance Ltd.	Machinery Loan	To Purchase Transit Mixtures	119.72		EMI	58.38	99.25	115.71
John Deere Financial India Pvt Ltd	Machinery Loan	To Purchase Concrete Paver	335.20		EMI	186.57	288.61	305.28
SBI	Vehicle Loan	To Purchase Celerio Car	5.15		EMI	2.32	3.14	3.90
SBI	Vehicle Loan	To Purchase Hyndai Creta Car	16.50		EMI	9.00	11.58	14.45
SREI Equipment Finance Ltd.	Machinery Loan	To Purchase Hamm, Aquaries Roller	81.67		EMI	25.56	41.85	52.64
SREI Equipment Finance Ltd-	Machinery Loan	To Purchase Concrete Paver	375.29		EMI	53.84	159.87	194.90
Daimler Financial Services India Pvt. Ltd.	Machinery Loan	To Purchase Trucks & Tippers	614.22		EMI	-	-	148.11
HDB Financial Services Ltd.	Machinery Loan	To Purchase JCB	46.13		EMI	-	15.15	27.75
HDB Financial Services Ltd	Vehicle Loan	To Purchase TATA Hitachi	25.16		EMI	-	9.16	16.13
HDB Financial Services Ltd	Machinery Loan	To Purchase Tippers	36.90		EMI	-	9.42	17.47
Hinduja Leyland Finance Ltd.	Machinery Loan	To Purchase Crusher	322.40		EMI	-	79.51	117.94
SREI Equipment Finance Ltd	Machinery Loan	To Purchase Rollers	39.54		EMI	-	-	5.23
SREI Equipment Finance Ltd	Machinery Loan	To Purchase Soil Compactor	179.49		EMI	-	4.19	49.96
SREI Equipment Finance Ltd	Machinery Loan	To Purchase Grader	65.38		EMI	-	-	9.21
SREI Equipment Finance Ltd	Vehicle Loan	To Purchase TATA Hitachi	127.50		EMI	-	-	32.40

ANNEXURE 13 (b)

(Amount in Lakhs, Unless Otherwise Stated)

STATEMENT OF TRDAE PAYABLES

Particulars	As at		
	31.03.2022	**31.03.2021**	**31.03.2020**
Non-current			
Total outstanding dues of micro enterprises and small enterprises	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,440.57	611.77	611.77
Total non-current trade payables	**1,440.57**	**611.77**	**611.77**
Current			
Total outstanding dues of micro enterprises and small enterprises	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,912.82	3,662.93	5,076.74
Total current trade payables	**2,912.82**	**3,662.93**	**5,076.74**

Trade Payables ageing schedule

Particulars	Not due	Outstanding for following periods from due date of payment				Total
2021-22		**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	2,912.82	757.99	485.88	196.71	4,353.39
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
(v) Unbilled dues shall be disclosed separately	-	-	-	-	-	-
Total	-	**2,912.82**	**757.99**	**485.88**	**196.71**	**4,353.39**

Particulars	Not due	Outstanding for following periods from due date of payment				Total
2020-21		**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	2,981.23	514.39	702.66	76.41	4,274.69
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
(v) Unbilled dues shall be disclosed separately	-	-	-	-	-	-
Total	-	**2,981.23**	**514.39**	**702.66**	**76.41**	**4,274.69**

Particulars	Not due	Outstanding for following periods from due date of payment				Total
2019-20		**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	4,927.54	668.85	90.88	1.24	5,688.51
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
(v) Unbilled dues shall be disclosed separately	-	-	-	-	-	-
Total	-	**4,927.54**	**668.85**	**90.88**	**1.24**	**5,688.51**

Disclosure related to Micro, Small and Medium Enterprises: On the basis of confirmation obtained from the supplier who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the company, the following are the details:

Particulars	As at		
	31.03.2022	31.03.2021	31.03.2020
Principal amount due to suppliers as at the year end	-	-	-
Interest accrued, due to suppliers on the above amount, and unpaid as at the year end	-	-	-
Payment made to suppliers(other than interest) beyond the appointed date under Section 16 of MSMED	-	-	-
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-	-
Amount of Interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-	-
Amount of Interest due and payable for the period of delay in making the payment, which has been paid but beyond the appointed date during the year, but without adding the interest specified under MSMED Act	-	-	-
Amount of Interest accrued and remaining unpaid at the end of each accounting year to suppliers	-	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED	-	-	-
Total	-	-	-

ANNEXURE 14

(Amount in Lakhs, Unless Otherwise Stated)

STATEMENT OF LONG TERM PROVISIONS

Particulars	As at		
	31.03.2022	31.03.2021	31.03.2020
Gratuity	11.19	6.94	4.46
Total Provisions	**11.19**	**6.94**	**4.46**

ANNEXURE 15

(Amount in Lakhs, Unless Otherwise Stated)

STATEMENT OF OTHER CURRENT LIABILITIES

Particulars	As at		
	31.03.2022	31.03.2021	31.03.2020
Advance from customers	366.01	134.85	24.00
Statutory liabilities	403.24	0.75	108.00
Total	**403.24**	**135.60**	**132.00**

ANNEXURE 16

(Amount in Lakhs, Unless Otherwise Stated)

STATEMENT OF CURRENT TAX LIABILITIES (NET)

Particulars	As at		
	31.03.2022	31.03.2021	31.03.2020
Income Tax (Net of Advance Tax and TDS)	403.26	371.19	149.59
Total provisions	**403.26**	**371.19**	**149.59**

ANNEXURE 17

(Amount in Lakhs, Unless Otherwise Stated)

STATEMENT OF SHORT TERM PROVISIONS

Particulars	As at		
	31.03.2022	31.03.2021	31.03.2020
Gratuity	0.77	0.48	0.19
Total Provisions	**0.77**	**0.48**	**0.19**

ANNEXURE 18

(Amount in Lakhs, Unless Otherwise Stated)

REVENUE FROM OPERATIONS

Particulars	For the year ended		
	31.03.2022	31.03.2021	31.03.2020
(a) Receipts from Sale of Products	1,788.01	1,027.27	1,471.29
(b) Sale of Services	627.84	990.96	895.10
(c) Revenue from Contracts with customers	16,147.07	19,021.45	16,994.39
Total Income from operations	**18,562.92**	**21,039.67**	**19,360.78**

Analysis of revenues by segments:			
Supply of Construction Materials, Inherent Services and Execution of Work Contract	18,562.92	21,039.67	19,360.78
Income based on timing of recognition			
Income recognition at a point in time	2,415.85	2,018.22	2,366.39
Income recognition over period of time	16,147.07	19,021.45	16,994.39
Total	**18,562.92**	**21,039.67**	**19,360.78**
Gross and Net Income Reconciliation			
Gross Income	**18,569.47**	**22,448.68**	**19,360.78**
Adjustment for:-			
Sales Return	6.55	1,409.01	-
Discount	-	-	-
Net Income	**18,562.92**	**21,039.67**	**19,360.78**

ANNEXURE 19

(Amount in Lakhs, Unless Otherwise Stated)

OTHER INCOME

Particulars	For the year ended		
	31.03.2022	31.03.2021	31.03.2020
Interest income			
- from fixed deposits	68.79	69.76	29.87
- from others	-	-	-
Discount	7.09	1.39	1.47
Insurance Claim	-	-	46.41
Other	-	-	1.98
Total Other Income	**75.89**	**71.15**	**79.72**

ANNEXURE 20

(Amount in Lakhs, Unless Otherwise Stated)

COST OF MATERIAL CONSUMED

Particulars	For the year ended		
	31.03.2022	31.03.2021	31.03.2020
Raw materials at the beginning of the year	311.10	236.56	314.26
Add: Purchases during the year	3,498.28	3,686.39	2,733.15
Less: Scrap sales made during the year	-	-	-
Less: Raw material at the end of the year	(278.51)	(311.10)	(236.56)
Total cost of materials consumed	**3,530.87**	**3,611.85**	**2,810.85**

ANNEXURE 21

(Amount in Lakhs, Unless Otherwise Stated)

CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS, STOCK IN TRADE

Particulars	For the year ended		
	31.03.2022	31.03.2021	31.03.2020
Opening inventory of WIP	636.06	746.66	359.10
Less: Closing inventory of finished goods	598.92	636.06	746.66
Change in inventory	**37.14**	**110.60**	**(387.56)**

ANNEXURE 22

(Amount in Lakhs, Unless Otherwise Stated)

CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS, STOCK IN TRADE

Particulars	For the year ended		
	31.03.2022	31.03.2021	31.03.2020
Salaries, wages and bonus	331.91	331.18	290.40
Perquisite	6.98	8.60	2.34
Contribution to provident fund and other statutory fund	4.91	3.22	3.15
Gratuity	3.97	2.46	4.65
Staff welfare expenses	18.49	2.98	5.93
Total employee benefits expense	**366.26**	**348.45**	**306.48**

ANNEXURE 23

(Amount in Lakhs, Unless Otherwise Stated)

DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended		
	31.03.2022	31.03.2021	31.03.2020
Depreciation	539.63	487.63	569.95
Total depreciation and amortisation expense	**539.63**	**487.63**	**569.95**

ANNEXURE 24

(Amount in Lakhs, Unless Otherwise Stated)

DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended		
	31.03.2022	31.03.2021	31.03.2020
Work charges	691.04	1,475.70	908.15
Material Purchases	1,237.33	1,564.39	1,561.76
Consumption of spares, tools and stores	1.40	27.97	8.25
Machinery - running and maintenance	271.15	120.01	74.38
Water charges	5.14	5.91	13.06
Power & Fuel	1,525.31	1,539.59	988.76
Rent and hire	17.51	13.24	51.32
Sub-contracting	7,615.15	9,136.90	9,905.66
Site expenses	40.60	25.20	237.35
Others	420.56	654.04	345.36
Total construction expense	**11,825.18**	**14,562.95**	**14,094.05**

ANNEXURE 25

(Amount in Lakhs, Unless Otherwise Stated)

FINANCE COSTS

Particulars	For the year ended		
	31.03.2022	**31.03.2021**	**31.03.2020**
Interest on Borrowings	275.18	452.23	420.64
Other borrowing costs	39.48	58.52	91.12
Interest on Late Payment of Taxes	33.24	7.05	6.57
Total finance Costs	**347.90**	**517.80**	**518.33**

ANNEXURE 26

(Amount in Lakhs, Unless Otherwise Stated)

OTHER EXPENSES

Particulars	For the year ended		
	31.03.2022	**31.03.2021**	**31.03.2020**
Audit Fee	2.00	2.00	0.25
Advertisement	2.97	2.22	12.77
Computer & Printers Repairs	1.23	1.22	1.56
Donation	7.55	1.00	1.00
Electricity	1.90	2.28	2.77
Fees Expenses	35.87	7.60	-
Rates and Taxes	264.35	70.54	81.22
Office Expenses	8.46	11.39	0.76
Office Rent	0.94	2.54	0.42
Printing & Stationary	2.02	2.62	3.76
Sales Promotion	-	-	1.00
Tender Fees	6.52	4.94	1.93
Travelling	4.10	5.60	2.45
CSR Expense	52.55	-	-
Total other expenses	**390.45**	**113.95**	**109.90**

Details of payments to auditor’s (excluding taxes)

Particulars	For the year ended		
	31.03.2022	**31.03.2021**	**31.03.2020**
Payment to auditor's			
As auditor:			
Audit fee	2.00	2.00	0.25
In other capacities			
Professional fees	-	-	-
Re-imbursement of expenses	-	-	-
Total payments to auditors	**2.00**	**2.00**	**0.25**

ANNEXURE 27

(Amount in Lakhs, Unless Otherwise Stated)

INCOME TAX EXPENSE

(a) Amounts recognised in the statement of profit and loss:

Particulars	For the year ended		
	31.03.2022	**31.03.2021**	**31.03.2020**
Income tax expense			
Current tax			
Current tax on profits for the year	403.03	371.11	349.58
Total current tax expense	**403.03**	**371.11**	**349.58**
Deferred tax			
(Increase) in deferred tax assets	(16.47)	(71.37)	20.22
Total deferred tax expense	**(16.47)**	**(71.37)**	**20.22**
Income tax expense	386.56	299.74	369.80
Income tax expense is attributable to:			
Profit from continuing operations	**1,601.37**	**1,357.59**	**1,418.52**

(b) Amounts recognised in other comprehensive income (OCI):

Particulars	For the year ended		
	31.03.2022	**31.03.2021**	**31.03.2020**
Remeasurement of defined benefit liability/(asset)	-0.57	-0.31	-
Tax Impact of Above			
Total OCI	**-0.57**	**-0.31**	**-**

ANNEXURE 28

(Amount in Lakhs, Unless Otherwise Stated)

EARNING PER SHARE (EPS)

Particulars	For the year ended		
	31.03.2022	**31.03.2021**	**31.03.2020**
(i) Net profit after tax as per standalone statement of profit and loss attributable to equity shareholders	1,214.38	931.69	1,048.72
(ii) Weighted average number of equity shares used as denominator for calculating EPS (Nos.)*	365.00	365.00	365.00
(iii) Basic and diluted earnings per share (in Rs.)	3.33	2.55	2.87
(iv) Face value per equity share (in Rs.)	10.00	10.00	10.00

*The above equity shares are issued to partners of the erstwhile firm i.e. M/s Udayshivkumar on its conversion to private limited company. The shares were issued at par against the fixed capital of partners outstanding as on date of conversion.

ANNEXURE 29

(Amount in Lakhs, Unless Otherwise Stated)

CONTINGENT LIABILITIES IN RESPECT OF

Particulars	As at		
	31.03.2022	**31.03.2021**	**31.03.2020**
Bank guarantees	3,848.85	3,560.00	-
Demands by Service Tax/GST/Excise Authorities under disputes	-	-	-
Income-tax demand raised by authorities^	1,688.78	-	-
Total	**5,537.63**	**3,560.00**	**-**

^Including demands raised post balance sheet date i.e. March 31, 2022

ANNEXURE 30

(Amount in Lakhs, Unless Otherwise Stated)

CAPITAL AND OTHER COMMITMENTS

Particulars	As at		
	31.03.2022	**31.03.2021**	**31.03.2020**
Capital commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-	-

ANNEXURE 31

(Amount in Lakhs, Unless Otherwise Stated)

CAPITAL MANAGEMENT

The primary objective of the Company’s capital management is to ensure that it maintains an efficient capital structure and maximizes shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the period ended 31 March 2022, 31 March 2021 and 31 March 2020. The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity shareholders.

The Company's adjusted net debt to equity ratio is as follows.

Particulars	As at		
	31.03.2022	**31.03.2021**	**31.03.2020**
Borrowings			
Long term and Short term borrowings	1,899.00	2,133.45	2,510.05
Current maturities of Long term borrowings	731.22	914.40	769.75
Less: cash and cash equivalents	1,524.15	525.02	24.51
Less: Bank balances other than cash and cash equivalents	-	-	-
Adjusted net debt	**1,106.07**	**2,522.83**	**3,255.30**
Total Equity	6,832.14	5,618.04	4,686.51
Adjusted net debt to adjusted equity ratio	**0.16**	**0.45**	**0.69**

ANNEXURE 32

(Amount in Lakhs, Unless Otherwise Stated)

RETIREMENT BENEFITS

a. **Defined contribution plan**

The Company makes contribution towards provident fund which is defined contribution retirement plans for qualifying employees. The provident fund plan is operated by the regional provident fund commissioner. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement contribution schemes to fund benefits.

The expense recognised during the period towards defined contribution plan:

Particulars	For the year ended		
	31.03.2022	**31.03.2021**	**31.03.2020**
Contribution to Provident Fund	4.91	3.22	3.15

b. **Defined benefit plan**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to a payment ceiling of INR 20,00,000/-.

The Company is intended to set up the mechenism to take the actuarial valuation of its gratuity liability as required by IND AS 19 "Employee Benefits" and hence the overall impact of the same can not be assessed as of now.

Particulars	For the year ended (Gratuity Unfunded)		
	31.03.2022	**31.03.2021**	**31.03.2020**
I. Expenses recognised in statement of profit and loss during the year:			
Current service cost	3.43	2.12	4.65
Past service cost	-	-	-
Expected return on plan assets	-	-	-
Net interest cost / (income) on the net defined benefit liability / (asset)	0.54	0.34	-
Total expenses	**3.97**	**2.46**	**4.65**
II. Expenses recognised in other comprehensive income			
Amount recognized in OCI, Beginning of Period	0.31	-	-
Actuarial (gains) / losses due to demographic assumption changes in defined benefit obligations	-	-	-
Actuarial (gains) / losses due to financial assumption changes in defined benefit obligations	-	-	-
Actuarial (gains)/ losses due to experience on defined benefit obligations	0.57	0.31	-
Return on plan assets excluding Interest income	-	-	-
Total Remeasurements recognized in OCI	-	-	-
Total expenses	**0.88**	**0.31**	**-**
III. Net asset /(liability) recognised as at balance sheet date:			
Present value of defined benefit obligation	11.96	7.42	4.65
Fair value of plan assets	-	-	-
Funded status [surplus / (deficit)]	**11.96**	**7.42**	**4.65**

IV. Movements in present value of defined benefit obligation			
Present value of defined benefit obligation at the beginning of the year	7.42	4.65	-
Current service cost	3.43	2.12	4.65
Past service cost	-	-	-
Interest cost	0.54	0.34	-
Actuarial (gains) / loss	0.57	0.31	-
Benefits paid	-	-	-
Present value of defined benefit obligation at the end of the year	**11.96**	**7.42**	**4.65**
V. Movements in fair value of the plan assets			
Opening fair value of plan assets	-	-	-
Expected returns on plan assets	-	-	-
Expected returns on plan assets excluding Interest income	-	-	-
Actuarial (gains) / loss on plan assets	-	-	-
Contribution from employer	-	-	-
Benefits paid	-	-	-
Closing fair value of the plan asset	**-**	**-**	**-**
VI. Classification			
Current liability	0.77	0.48	0.19
Non-current liability	11.19	6.94	4.46
Expected cash flows over the next (valued on undiscounted basis):			
1st Following Year	0.77	0.48	0.19
2nd Following Year	0.12	0.06	0.12
3rd Following Year	0.14	0.08	0.05
4th Following Year	0.15	0.09	0.05
5th Following Year	0.15	0.09	0.06
Post 5th Year	10.64	6.61	4.18
VII. Quantitative sensitivity analysis for significant assumptions is as below:			
Increase / (decrease) on present value of defined benefit obligation at the end of the year			
(i) +1% increase in discount rate	1.32	0.82	0.51
(ii) -1% decrease in discount rate	(1.55)	(0.96)	(0.60)
(iii) +1% increase in rate of salary increase	1.55	0.96	0.60
(iv) -1% decrease in rate of salary increase	(1.32)	(0.82)	(0.51)
(v) +1% increase in rate of withdrawal rate increase	(0.24)	(0.15)	(0.09)
(vi) +1% decrease in rate of withdrawal rate	0.24	0.15	0.09

VIII. Sensitivity analysis method

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

IX. Actuarial assumptions:			
Expected Return on Plan Assets	NA	NA	NA
Discount rate	7.25%	7.25%	7.25%
Expected rate of salary increase	5.00%	5.00%	5.00%
Mortality Rate During Employment	ILAM 2012-14	ILAM 2012-14	ILAM 2012-14
Retirement age	60	60	60
Notes:			

a)	The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.
b)	The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

ANNEXURE 33

(Amount in Lakhs, Unless Otherwise Stated)

RELATED PARTY TRANSACTIONS

(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Name of Related Party	Nature of Relationship	Country of Incorporation/ Residency
Mr. Udayshivakumar	Key Management Personnel (KMP)	India
Mrs. Amrutha	Key Management Personnel (KMP)	India
Mr. Prabhakar Rajanna	Relative of Key Management Personnel	India
Udayshivakumar Stone Crusher	Enterprises Where Key Management Personal have Significant Influence	India
Aishwarya USK Stone Crusher	Enterprises Where Key Management Personal have Significant Influence	India
Uday Super Bazar	Enterprises Where Key Management Personal have Significant Influence	India
Eprayag Software Private Limited	Enterprises Where Key Management Personal have Significant Influence	India

(ii) Transactions with related parties

The following transactions occurred with related parties

Name	Nature of Transaction	For the year ended		
		31.03.2022	31.03.2021	31.03.2020
Aishwarya USK Stone Crusher	Purchases	-	60.02	56.29
Udayshivakumar Stone Crusher	Purchases	1,154.62	1,084.12	-
Aishwarya USK Stone Crusher	Rent	-	240.00	-
Mr. Prabhakar Rajanna	Rent	-	40.00	-
Mr. Udayshivakumar	Loan Taken	5,772.14	1,650.20	2,551.39
Mr. Udayshivakumar	Loan Repaid	5,766.45	1,753.37	2,435.86
Mr. Udayshivakumar	Rent Received	10.00	-	-
Udayshivakumar Stone Crusher	Rent Received	203.39	-	-
Mr. Prabhakar Rajanna	Sales	32.88	-	-
Mr. Prabhakar Rajanna	Purchases	31.11	-	-

(iii) Outstanding balances payable to:

Name	Nature of Transaction	For the year ended		
		31.03.2022	31.03.2021	31.03.2020
Aishwarya USK Stone Crusher	Trade Payable	-	116.31	56.29
Udayshivakumar Stone Crusher	Trade Payable	0.34	(69.93)	-
Mr. Udayshivakumar	Borrowing	18.06	12.37	115.54
Mr. Prabhakar Rajanna	Trade Payable	30.27	25.04	-

(iv) Terms and conditions of transactions with related parties:

There have been no guarantees provided or received for any related party receivables and payables. The company has not recorded any impairment of receivables relating to amounts owned by related parties. This assessment is undertaken each financial year through examining the financial position of the related parties and market in which the related party operate.

ANNEXURE 34

(Amount in Lakhs, Unless Otherwise Stated)

FAIR VALUE MEASUREMENT

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Particulars	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets and liabilities as at 31 March 2022								
Non-current financial assets								
Trade Receivable	-	-	4,595.13	4,595.13	-	-	4,595.13	4,595.13
Other financial assets	-	-	1,162.89	1,162.89	-	-	1,162.89	1,162.89
Current financial assets								
Trade receivables	-	-	3,201.31	3,201.31	-	-	3,201.31	3,201.31
Cash and cash equivalents	-	-	1,524.15	1,524.15	-	-	1,524.15	1,524.15
Total	**-**	**-**	**10,483.48**	**10,483.48**	**-**	**-**	**10,483.48**	**10,483.48**
Non-current financial liabilities								
Borrowings	-	-	557.12	557.12	-	-	557.12	557.12
Trade Payables	-	-	1,440.57	1,440.57	-	-	1,440.57	1,440.57
Other financial liabilities	-	-	1,209.02	1,209.02	-	-	1,209.02	1,209.02
Current financial liabilities								
Borrowings	-	-	2,091.17	2,091.17	-	-	2,091.17	2,091.17
Trade payables	-	-	2,912.82	2,912.82	-	-	2,912.82	2,912.82
Other financial liabilities	-	-	33.96	33.96	-	-	33.96	33.96
Total	**-**	**-**	**8,244.66**	**8,244.66**	**-**	**-**	**8,244.66**	**8,244.66**

Particulars	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets and liabilities as at 31 March 2021								
Non-current financial assets								
Trade Receivable	-	-	4,263.05	4,263.05	-	-	4,263.05	4,263.05
Other financial assets	-	-	1,001.01	1,001.01	-	-	1,001.01	1,001.01
Current financial assets								
Trade receivables	-	-	4,213.11	4,213.11	-	-	4,213.11	4,213.11
Cash and cash equivalents	-	-	525.02	525.02	-	-	525.02	525.02

Total	**-**	**-**	**10,002.20**	**10,002.20**	**-**	**-**	**10,002.20**	**10,002.20**
Non-current financial liabilities								
Borrowings	-	-	738.92	738.92	-	-	738.92	738.92
Trade Payables	-	-	611.77	611.77	-	-	611.77	611.77
Other financial liabilities	-	-	1,172.00	1,172.00	-	-	1,172.00	1,172.00
Current financial liabilities								
Borrowings	-	-	2,321.31	2,321.31	-	-	2,321.31	2,321.31
Trade payables	-	-	3,662.93	3,662.93	-	-	3,662.93	3,662.93
Other financial liabilities	-	-	42.56	42.56	-	-	42.56	42.56
Total	**-**	**-**	**8,549.48**	**8,549.48**	**-**	**-**	**8,549.48**	**8,549.48**

Particulars	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets and liabilities as at 31 March 2020								
Non-current financial assets								
Trade Receivable	-	-	3,431.14	3,431.14	-	-	3,431.14	3,431.14
Other financial assets	-	-	1,352.07	1,352.07	-	-	1,352.07	1,352.07
Current financial assets								
Trade receivables	-	-	5,877.05	5,877.05	-	-	5,877.05	5,877.05
Cash and cash equivalents	-	-	24.51	24.51	-	-	24.51	24.51
Total	**-**	**-**	**10,684.77**	**10,684.77**	**-**	**-**	**10,684.77**	**10,684.77**
Non-current financial liabilities								
Borrowings	-	-	1,588.92	1,588.92	-	-	1,588.92	1,588.92
Trade Payables	-	-	611.77	611.77	-	-	611.77	611.77
Other financial liabilities	-	-	1,715.38	1,715.38	-	-	1,715.38	1,715.38
Current financial liabilities								
Borrowings	-	-	1,806.42	1,806.42	-	-	1,806.42	1,806.42
Trade payables	-	-	5,076.74	5,076.74	-	-	5,076.74	5,076.74
Other financial liabilities	-	-	33.89	33.89	-	-	33.89	33.89
Total	**-**	**-**	**10,833.11**	**10,833.11**	**-**	**-**	**10,833.11**	**10,833.11**

B. The carrying amounts of trade receivables, trade payables, deposits, other receivables, cash and cash equivalent including other current bank balances and other liabilities including deposits, creditors for capital expenditure, etc. are considered to be the same as their fair values, due to current and short term nature of such balances.

C. **Fair Value Hierarchy**

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

ANNEXURE 35

(Amount in Lakhs, Unless Otherwise Stated)

FINANCIAL RISK MANAGEMENT

A. Risk management framework

The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk and market risk. The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

The Company has exposure to the following risks arising from financials instruments :

(i)	Credit risk
(ii)	Liquidity risk
(iii)	Market risk (including currency and interest rate risk)

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes provision for expected credit loss and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.
In assessing the recoverability of receivables and other financial assets, the Company has considered internal and external information upto the date of approval of these financial statements. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

(a) **Trade receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Expected credit loss assessment for customers as at the reporting date

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macroeconomic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

On the above basis, the Company estimates the following provision matrix at the reporting date on:

Trade receivables

Particulars	**As at**		
	31.03.2022	**31.03.2021**	**31.03.2020**
Unsecured			
-Considered good	7,796.44	8,476.16	9,308.19
-Considered doubtful	-	-	-
Gross Trade Receivables	7,796.44	8,476.16	9,308.19
Less: Loss Allowance	-	-	-
Net Trade Receivables	7,796.44	8,476.16	9,308.19

Loans and advances given comprises of inter Company loans hence the risk of default from these companies are remote. The Company monitors each loans and advances given and makes any specific provision wherever required.

(b) **Loans and financial assets measured at amortized cost**

Loans and advances given comprises of inter Company loans hence the risk of default from these companies are remote. The Company monitors each loans and advances given and makes any specific provision wherever required.

(c) **Cash and cash equivalents**

The Company held cash and cash equivalent and other bank balance of Rs. in Lakhs 1524.15 at March 31, 2022 (March 31, 2021: Rs in Lakhs 525.02, March 31, 2020: Rs in Lakhs 24.51). The same are held with bank and financial institution counterparties with good credit rating. Also, Company invests its short term surplus funds in bank fixed deposit which carry no market risks for short duration, therefore does not expose the Company to credit risk.

(ii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management monitors rolling forecasts of the Company’s liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

Contractual maturities of financial liabilities as at March 31, 2022	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Long Term Borrowings	731.22	441.16	115.95	1,288.34
Trade Payables (Non-Current)	-	611.77	-	611.77
Other financial liabilities (Non-Current)	-	1,209.02	-	1,209.02
Short term borrowings	2,912.82	-	-	2,912.82
Trade Payables	33.96	-	-	33.96
Other financial liabilities	769.24	-	-	769.24
Total	**4,447.24**	**2,261.95**	**115.95**	**6,825.14**

Contractual maturities of financial liabilities as at March 31, 2021	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Long Term Borrowings	914.40	726.55	12.37	1,653.32
Trade Payables (Non-Current)	-	611.77	-	611.77
Other financial liabilities (Non-Current)	-	1,172.00	-	1,172.00
Short term borrowings	2,321.31	-	-	2,321.31
Trade Payables	3,662.93	-	-	3,662.93
Other financial liabilities	42.56	-	-	42.56
Total	**6,941.19**	**2,510.32**	**12.37**	**9,463.88**

Contractual maturities of financial liabilities as at March 31, 2020	1 year or less	1-3 years	More than 3 years	Total
Long Term Borrowings	769.75	1,428.23	160.69	2,358.67
Trade Payables (Non Current)	-	611.77	-	611.77
Other financial liabilities (Non Current)	-	1,715.38	-	1,715.38
Short term borrowings	1,806.42	-	-	1,806.42
Trade Payables	5,076.74	-	-	5,076.74
Other financial liabilities	33.89	-	-	33.89
Total	**7,686.80**	**3,755.38**	**160.69**	**11,602.87**

(iii) Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company's exposure to, and management of, these risks is explained below.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	**As at**		
	31.03.2022	**31.03.2021**	**31.03.2020**
Variable rate borrowings	2,630.22	3,047.85	3,279.81
Fixed rate borrowings	18.06	12.37	115.54
Sensitivity:			
A change of 100 basis points in interest rates would have following impact on profit before tax and equity -			
Particulars			
Interest rates – increase by 100 basis points	(19.68)	(22.81)	(24.54)
Interest rates – decrease by 100 basis points	19.68	22.81	24.54

ANNEXURE 36

STATEMENT OF UNHEDGED FOREIGN CURRENCY EXPOSURE

There is no unhedged foreign Currency Exposure.

ANNEXURE 37

TRANSACTIONS IN FOREIGN CURRENCY

There is no foreign Currency Transactions in any of the year.

ANNEXURE 38

COVID 19 NOTE

The Company has considered the possible effect that may result from the pandemic relating to COVID – 19 on carrying amount of receivables, unbilled revenue. In additional to the historical pattern of credit loss, we have considered the likelihood of increased credit risk and consequential default considering emerging situation due to COVID -19. This assessment is not based on any mathematical model but an assessment considering the financial strength of the customers in respect of whom amounts are receivable. The company has specifically evaluated the potential impact with respect to repayment capacity of the customer. The company closely monitor its customer who are going through financial stress and assesses action such as change in payment terms, depending on severity of each case. The company, basis their assessment believes that the probability of the occurrence of their forecasted transection is not impacted by COVID – 19 pandemic. The company has also considered the effect of changes, if any, in both counterparty credit risk and while assessing the effectiveness and measuring ineffectiveness. The company has considered such impact to the extent known and available currently. However, the impact assessment of COVID – 19 pandemic is a continuing process given the uncertainties associated with its nature and duration.

ANNEXURE 39

EVENT OCCURRING AFTER REPORTING DATE

There is no reportable event occurred after Balance Sheet Date.

ANNEXURE 40

RATIO ANALYSIS

Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	% change from March 31, 2021 to March 31, 2022	Reason for Major Deviation
a) Current Ratio	Current Assets	Current Liabilities	1.08	1.04	3.19%	Note - 1
(b) Debt-Equity Ratio	Total Debt	Total Equity	0.39	0.54	-28.84%	Note - 2
(c) Debt Service Coverage Ratio	EBIDTA	Interest + Current Debt	0.99	0.81	22.55%	NA
(d) Return on Equity Ratio	PAT	Shareholder's Equity	0.18	0.17	7.19%	NA
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	16.83	18.83	-10.61%	NA
(f) Trade Receivables turnover ratio	Net credit sales	Average Trade receivables	2.28	2.37	-3.58%	NA
(g) Trade payables turnover ratio	Credit purchases	Average Trade payable	3.56	3.65	-2.43%	NA
(h) Net capital turnover ratio	Income from Operations	Average Working Capital	4.28	2.71	57.79%	Note - 3
(i) Net profit ratio	PAT	Net Sales	0.07	0.04	47.75%	Note - 4
(j) Return on Capital employed	EBIT	Total Debt + Long Term Debts	0.17	0.18	-6.87%	Note - 5
(k) Return on investment	Net Income	Cost of Investment	0.00	0.00	-	NA

Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	% change from March 31, 2021 to March 31, 2022	Reason for Major Deviation
a) Current Ratio	Current Assets	Current Liabilities	1.04	1.18	-11.36%	Note - 6
(b) Debt-Equity Ratio	Total Debt	Total Equity	0.54	0.86	-36.72%	Note - 7
(c) Debt Service Coverage Ratio	EBIDTA	Interest + Current Debt	0.81	0.67	20.33%	NA
(d) Return on Equity Ratio	PAT	Shareholder's Equity	0.17	0.07	122.18%	Note - 8
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	18.83	33.39	-43.60%	Note - 9
(f) Trade Receivables turnover ratio	Net credit sales	Average Trade receivables	2.37	0.99	138.85%	Note - 10
(g) Trade payables turnover ratio	Credit purchases	Average Trade payable	3.65	1.39	162.78%	Note - 11
(h) Net capital turnover ratio	Income from Operations	Average Working Capital	2.71	0.33	726.27%	NA
(i) Net profit ratio	PAT	Net Sales	0.04	0.03	38.68%	Note - 12
(j) Return on Capital employed	EBIT	Total Equity + Long Term Debts	0.18	0.05	248.61%	Note - 13
(k) Return on investment	Net Income	Cost of Investment	0.00	0.00	-	NA

Notes:

1. *Reduction in Current Asset with Simultaneous Increase in Current Liabilities caused the ratio to decline.*
2. *Reduction in Overall level of Debt along with increase in level of equity due to accumulation of profits caused the ratio of decline.*
3. *Shrinkage in Working Capital in comparison to Increase in Earning caused the ratio to have drastic increase.*
4. *The Company's Net Profit is increased in spite of fall in sales and the same has caused the ratio to have increase.*
5. *The Company's EBIT is increased with simultaneous fall in level of overall debt caused the ratio to increase.*
6. *Overall Decrease in Current Liabilities caused the ratio to increase.*

7. *Increase in Equity with simultaneous fall in level of overall debt caused the ratio to fall.*
8. *Increase in Profit caused the flight in ratio.*
9. *Increase in COGS due to overall increase in level of business activity caused the ratio to increase.*
10. *Increase in Sales due to overall increase in level of business activity caused the ratio to increase.*
11. *Increase in Purchase due to overall increase in level of business activity caused the ratio to increase.*
12. *Increase in Profit percentage caused the ratio to increase.*
13. *Increase in EBIT due to overall increase in level of business activity caused the ratio to increase.*

ANNEXURE 41

CLASSIFICATION AND GROUPING

Previous year figures have been regrouped/ reclassified, where necessary, to conform to this year's classification.

ANNEXURE 42

(Amount in Lakhs, Unless Otherwise Stated)

OTHER RELEVANT DISCLOSURES

(i) In the opinion of the Board of Directors of the Group, the current assets are approximately of the value stated if realized in the ordinary course of business. The provision for all known liability are adequate and are not in excess of the amount considered reasonably necessary. Sundry debtor and creditors balances which are not receivable or payment due to operational reasons, has been written off or written back during the year and accounted accordingly.

(ii) Additional liability if any, arising pursuant to respective assessment under various fiscal statues, shall be accounted for in the year of assessment. Also interest liability for the delay payment of the statutory dues, if any has been accounted for in the year in which in the same are being paid.

(iii) Balance of Debtors & Creditors & Loans & advances Taken & giving are subject to confirmation and subject to consequential adjustments, if any. Debtors & creditors Balance has been shown separately and the advances received and paid from/to the parties is shown as advance from customer and advance to suppliers.

(iv) The company has no transections, which are not recorded in the books of accounts and which are surrendered or disclosed as income during the year in the Tax assessment or in search or survey or under any other relevant provision of the income tax Act 1961.

(v) **Corporate Social Responsibility:** As per section 135 of the companies Act, 2013, a company, meeting the applicability threshold, needs to spends at least 2% of its average net profit for the immediately preceding three financial year on corporate social responsibility (CSR) activities. The Areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID – 19 relief and rural development projects. The following disclosure has been given with respect to the CSR activities of the company held during the previous year –

Particulars	**For the year ended**		
	31.03.2022	**31.03.2021**	**31.03.2020**
Gross Amount required to be spend by the company during the year	19.35	-	-
CSR expenditure incurred during the year on;			
- Construction / acquisition of any asset	-	-	-
- On purpose other than the above	52.55	-	-
Shortfall	-	-	-
Related Party Transactions	-	-	-

1. There is no Shortfall in the CSR spending required to be done during the year 2021-22.
2. Related Party Transection: No related party sending has been done by the company for CSR spending.

(vi) The Company has not Traded or invested in crypto currency or virtual currency during the year 2019-20, 2020-21 and 2021-22.

(vii) The company has outstanding loan of availed from bank. The company movable and immovable properties is current and non-current assets are charged as securities to the bank to avail the loan. The periodic statements related to the current assets as required by the bank, were submitted and same are grossly in agreement with the books of accounts of the company subject to the administrative variances due to the submission of the unaudited statements. Details of the variations are as follows:

Name	For the year ended		
	31.03.2022	31.03.2021	31.03.2020
Stock as per Stock Statement (Submitted to the Bank)	877.43	947.17	236.56
Stock as per Financial Statement	877.43	947.17	983.22
Difference/Variation	-	-	-746.66
Reason	NA	NA	NA
Receivables as per Book Debt Statement (Submitted to the Bank)	6,658.66	5,493.66	4,351.09
Receivables as per Financial Statement	7,796.44	8,476.16	9,308.19
Difference/Variation	(1,137.78)	(2,982.50)	(4,957.10)
Reason: - **2021-22**: - List is submitted on the Basis of Unaudited Statements **2019-20 and 2020-21:-** Only Considerable Debtors List has been submitted to Bank			

(viii) The Company do not had any transection during the year 2019-20, 2020-21 and 2021-22 with the companies which are struck off under section 248 of the companies Act 2013 or section 560 of the companies Act 1956.

(ix) The company has not been declared as willful defaulter by any bank or financial year from any other lender during the year 2019-20, 2020-21 and 2021-22.

(x) The company has registered all the charges which are required to be registered under the terms of the loan and liabilities and submitted Documents with ROC within the period as required by companies Act 2013.

(xi) As per the information & detail available on records and the disclosure given by the management, the company has complied with the number of layers prescribed under clause (87) of section 2 of the companies Act read with the Companies (Restriction on number of layers) Rules 2017.

(xii) As per the Information & details available on records and the disclosure given by the management, the company has not advanced, loaned or invested to any other person or entity or foreign entitles with the understanding that the intermediary shall directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the company or provided any guarantee, security or like to or on behalf of the company. Further the company has not received any funds from any person, entity including the foreign entity with the understanding that the company shall directly or indirectly lend, invest or guarantee, security or like manner on behalf of the funding party.

(xiii) Audit Qualification: The Financial Statements of the company is audited by P. Onkarappa & Associates for the year ended March 31, 2020, March 31, 2021 and March 31, 2020. The Auditor has not made any qualification in all the 3 years but the Auditor has marked a Key Audit Matter in the Audit report for the Year Ended March 31, 2022. The Key Audited Matter and Auditor Reponses is as follows: The Amount is outstanding from the customers for reimbursement of GST. In the earlier tax regime (before GST) the company use to charge 4% VAT on the amount of service provided and was successfully able to recover the same from the customers without any default/denial. After the introduction of GST the rate of tax was changed to 12% w.e.f July, 2017. Company had entered into various contracts before July, 2017 in the pre-GST era. The work execution of these contracts was continued to be carried out the GST period, since the execution was taking a time period of 2 to 3 years. The Company while submitting the bills for the work done after the introduction of GST in July, 2017, started adding GST of 12% in the bill submitted for payment to the Government Departments but the Government Departments cleared only the basis amount of contract billed and did not paid the GST of 12% charged in the bills. However, there was no clear-cut instructions to the departments from the Government regarding the honouring the GST of 12% collected in the bills. So, the Government Departments started to hold the GST of 12% charged in the bills and were waiting for the instructions from the Government. The contractors' association looking to the injustice moved to honourable high court of Karnataka, now the case is pending before the Hon'ble High Court of Karnataka and there is bright chance of giving directions to the Government to pay GST on the works executed after the introduction of GST. Refer Note 8(a)

Auditor's Response

Our audit procedures related to the (1) Sustainability and Recoverability of Asset, (2) Requirement of ECL and (3), among others:

We have reviewed the petition filed and understood the matter with the company and we are of the opinion that there are bright chances that the company will be able to recover the entire amount. We have also reviewed the judgement passed in the matter of Belgaum Smart City Ltd in which the GOI has reimbursed the 8% of the GST and matter is pending before the court for balance 4%.

Since no significant increase in credit risk event has been occurred during the year we do not see any requirement of recognition of ECL on the Financial Asset.

ANNEXURE 43

(Amount in Lakhs, Unless Otherwise Stated)

CAPITALISATION STATEMENT

Particulars	Pre-issue as at March 31, 2022	As adjusted for the proposed issue
Borrowings:		
Current borrowings	1,359.95	[●]
Non-current borrowings (A)	557.12	[●]
Current maturities of long-term debt (B)	731.22	[●]
Total Borrowings (C)	**2,648.29**	[●]
Equity:		[●]
Equity share capital	3,650.00	[●]
Other equity	3,182.14	[●]
Total Equity (D)	**6,832.14**	[●]
Ratio: Non-current borrowings (including current maturities of long-term debt) (A+B) / Total Equity (D)	**0.19**	[●]
Ratio: Total Borrowings (C) / Total Equity (D)	**0.39**	[●]

Note:

(1) As per restated financial statements of the Company.

(2) The corresponding post capitalization data for each of the amounts given in the above table is not determinable at this stage pending the completion of Book building process and hence the same have not been provided in the above statement.

ANNEXURE 44

(Amount in Lakhs, Unless Otherwise Stated)

STATEMENT OF MANDATORY ACCOUNTING RATIOS

Particulars	31.03.2022	31.03.2021	31.03.2020
Net Worth (A)	6,832.14	5,618.04	4,686.51
EBITDA	2,488.91	2,363.03	2,506.80
Restated Profit after tax	1,214.81	931.92	1,048.72
Less: Prior period item	-	-	-
Adjusted Profit after Tax (B)	1,214.81	931.92	1,048.72
Number of Equity Share outstanding as on the End of Year/Period (C)	365.00	365.00	365.00
Weighted average no of Equity shares at the time of end of the year (D)	365.00	365.00	365.00
Current Assets (F)	6,680.94	6,811.11	7,921.76
Current Liabilities (G)	6,210.44	6,533.58	7,198.64
Face Value per Share	10.00	100.00	100.00
Restated Basic and Diluted Earning Per Share (B/D)	3.33	2.55	2.87
Return on Net worth (%) (B/A)	17.78%	16.59%	22.38%
Net asset value per share - (A/D) (Face Value of Rs. 10 Each)	18.72	15.39	12.84
Current Ratio (F/G)	1.08	1.04	1.10

Notes:-

1) The ratios have been computed as below:
   (a) Basic earnings per share (Rs.): Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year
   (b) Diluted earnings per share (Rs.): Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS
   (c) Return on net worth (%): Net profit after tax (as restated) / Net worth at the end of the period or year
   (d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year
2) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).
3) The figures disclosed above are based on the standalone restated summary statements of the company.
4) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in ANNEXUREs 4, 1, 2, 3.

ANNEXURE 45

(Amount in Lakhs, Unless Otherwise Stated)

RECONCILIATION BETWEEN AUDITED PROFIT AND RESTATED PROFIT

Particulars	**For the year ended**		
	31.03.2022	**31.03.2021**	**31.03.2020**
Total Comprehensive Income for the year (As per Audited Financial Statements)	1,236.62	1,044.98	665.81
Restatement adjustments:			
Effect of Recognition of WIP	(37.14)	(110.60)	387.56
Effect of Gratuity Provision	7.11	(2.46)	(4.65)
Effect of Re-measurement Gain/(Loss) on change in Actuarial Assumptions	0.32	(0.31)	-
Effect of change in Provision for Current Tax	7.56	-	-
Tax Impact of Re-measurement Gain/(Loss) on change in Actuarial Assumptions	(0.08)	0.08	-
Total Impact on Account of Restatement Adjustments	**(22.23)**	**(113.29)**	**382.91**
Total Comprehensive Income for the Year as per Restated Statement of Profit and loss	**1,214.39**	**931.69**	**1,048.72**

Reconciliation between Audited total Equity and Restated total Equity

Particulars	**For the year ended**		
	31.03.2022	**31.03.2021**	**31.03.2020**
Total equity (As per Audited Financial Statements)	4,694.39	4,989.48	3,944.50
Restatement adjustments:			
Total Impact of Change in Opening Equity	241.01	354.45	
Effect of Recognition of WIP	(37.14)	(110.60)	-
Effect of Gratuity Provision	7.11	(2.46)	(4.65)
Effect of Remeasurement Gain/(Loss) on change in Actuarial Assumptions	0.32	(0.31)	-
Effect of change in Provision for Current Tax	7.10	-	-
Tax Impact of Remeasurement Gain/(Loss) on change in Actuarial Assumptions	0.08	(0.08)	
Accrual of WIP	-	-	359.10
Total Impact on Account of Restatement Adjustments	**218.48**	**241.01**	**354.45**
Total Equity as per Restated Statement of Assets and Liabilities	**4,912.87**	**5,230.48**	**4,298.95**

Notes:

1. The company was earlier a partnership firm i.e. M/s Udayshivkumar. The same was converted to a company as on 23.12.2019. Thus, Appropriate adjustments have been made in the restated statement of assets and liabilities, restated statement of profit and loss and restated statement of cash flows, 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 as at and for the year ended 31 March 2022, 31 March 2021, 31 March 2020 prepared in accordance with Revised Schedule III to the Act and in compliance with Indian Accounting Standards (Ind AS') notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act, to the extent applicable and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended). Summarized above are the restatement adjustments made to the Total Comprehensive Income and its Impact on Total Equity of Audited financial statements for the year ended 31st March, 2022 and special purpose Ind AS audited financial statements of the company for the year ended on March 2021 and March 2020 and their consequential impact on the profit/(loss) of the company. Accordingly, suitable restatement adjustments (both re-measurements and re-classifications) in the accounting heads are made to the Ind AS financial information as of and for the financial years ended March 31, 2022, 2021 and 2020 following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions) consistent with that used at the date of transition to Ind AS (i.e. 1st April, 2019).

2. Exemptions and exceptions availed

   Set out below are the applicable Ind AS optional exemptions and mandatory exceptions applied by the Company.

(i) Ind AS optional exemptions

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its Property, Plant and Equipment (PPE) and Investment Property as recognized in the financial statements as at the date of transition to Ind AS and use that as its deemed cost as at the date of transition after making necessary adjustments for decommissioning liabilities.

Accordingly, the Company as elected to measure all of its PPE and Investment Property at their previous carrying value as on 01.04.2019.

(ii) Ind AS Mandatory Exceptions

(a) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1st April, 2019 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

(b) Classification and measurement of financial assets

Ind AS requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

OTHER FINANCIAL INFORMATION

In accordance with the SEBI ICDR Regulations, the audited Ind AS financial statements of the Company as at and for the financial year ended March 31, 2022, the special purpose Ind AS Financial Statements of the Company as at and for the financial year ended March 31, 2021 and the special purpose Ind AS Financial Statements of the Company as at and for the financial year ended March 31, 2020 of our Company (the "**Audited Financial Statements**") are available on our website at http://www.uskinfra.com/Audited-Financial-Statements.html.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere.

The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of the entities specified above, nor any of their advisors, nor the 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.

Accounting ratios

The accounting ratios derived from Restated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

Particulars	Fiscal 2022	Fiscal 2021	Fiscal 2020
Basic earnings per share[1] (in ₹)	3.33	2.55	2.87
Diluted earnings per share[2] (in ₹)	3.33	2.55	2.87
EBITDA[3] (in ₹ lakhs)	2,488.91	2,363.03	2,506.80
Net worth[4] (in ₹ lakhs)	6,832.14	5,618.04	4,686.51
Return on net worth[5] (%)	17.78%	16.59%	22.38%
Net asset value per share[6] (in ₹)	18.72	15.39	12.84

Notes:

1) *Basic Earnings per Equity Share (₹) = Restated profit for the year divided by Weighted average number of equity shares outstanding during the year, read with note 1 above*
2) *Diluted Earnings per Equity Share (₹) = Restated profit for the year divided by Weighted average number of diluted equity shares outstanding during the year, read with note 1 above*
3) *Earning before interest, tax, depriciation and amortisation (EBITDA) = Restated profit/(loss) for the respective year + tax expenses + finance costs + depreciation and amortisation -Profit / (loss) on Sale of Fixed Assets*
4) *'Net worth': Equity Share capital and other equity less capital reserves. Net worth has been computed as a sum of Equity share capital and other equity less capital reserves.*
5) *Return on Net Worth (%) = Restated profit for the year divided by Net worth at the end of the period/year*
6) *Net Asset Value per Equity Share = Net worth derived from Restated Financial Statements as at the end of the year divided by number of equity shares outstanding as at the end of year as per Restated Financial Statements.*
7) *The figures disclosed above are based on the Restated Financial Statements.*

CAPITALISATION STATEMENT

The following table sets forth our capitalisation derived from our Restated Financial Statements for the financial year ended and as at March 31, 2022, and as adjusted for the Issue. This table should be read in conjunction with "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Financial Statements*" and "*Risk Factors*" on pages 232, 181 and 29, respectively.

(in ₹ lakhs)

Particulars	**Pre-Issue as at 31 March 2022 (A)**	**Adjusted for the Proposed Issue* (B)**
Total borrowings		
Current borrowings	1,359.95	[●]
Non-current borrowings (A)	557.12	[●]
Current maturities of long-term debt (B)	731.22	[●]
Total Borrowings (C)	**2,648.29**	
Total equity		
Equity share capital	3,650.00	[●]
Other equity#	3,182.14	[●]
Total equity (D)	**6,832.14**	[●]
Total non-current borrowings (including current maturities of long- term borrowings)/ Total equity (B)/(D)	**0.19**	[●]
Total borrowings/ total equity (C) / (D)	**0.39**	[●]

Notes:

1. *As per Restated Financial Statements of the Company.*
2. *The corresponding post capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of Book building process and hence the same have not been provided in the above statement.*

RELATED PARTY TRANSACTIONS

For further details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind AS 24 '*Related Party Transactions*' read with SEBI ICDR Regulations for the financial years ended March 31, 2022, March 31, 2021, and March 31, 2020 as reported in the Restated Financial Statements, see "*Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements – Annexure 33 – Related Party Transactions"* on page 217.

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 Financial Statements (including the schedules, notes and significant accounting policies thereto), included in the section titled "Restated Financial Statements" beginning on page 181 of this Draft Red Herring Prospectus.

Our Restated Financial Statements 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 Draft Red Herring 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 Draft Red Herring 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 Draft Red Herring Prospectus should accordingly be limited.

Unless otherwise indicated or the context requires otherwise, the financial information for the Fiscals 2022, 2021 and 2020 included herein have been derived from our restated balance sheets as of March 31, 2022, March 31, 2021 and March 31, 2020 and restated statements of profit and loss, cash flows and changes in equity for the fiscal years ended March 31, 2022, March 31, 2021 and March 31, 2020 of the Company, together with the statement of significant accounting policies, and other explanatory information thereon.

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 22 of this Draft Red Herring Prospectus fora discussion of the risks and uncertainties related to those statements and also the section titled "Risk Factors" and "Our Business" beginning on pages 29 and 126, respectively, of this Draft Red Herring Prospectus 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 Udayshivkumar Infra Limited.

Overview

Our Company was originally formed as a sole proprietorship under the name of 'M/s Udayshivakumar' at Davangere on August 22, 2002 and was converted into a partnership firm under the name of 'M/s. Udayshivakumar' pursuant to a deed of partnership dated March 31, 2014. The partnership firm was registered under the Indian Partnership Act, 1932 with the Registrar of Firms, Belgaum on April 4, 2014. Further, pursuant to the deed of partnership dated March 8, 2019, the deed of partnership dated March 31, 2014 was reconstituted by amending the existing clauses and inserting new clauses in the deed of partnership. Consequent to the aforesaid amendments a memorandum acknowledging receipt of documents for change in constitution of partnership was issued by Registrar of Firms, Belgaum, on April 3, 2019. Pursuant to deed of partnership dated March 8, 2019 executed between partners of M/s. Udayshivakumar i.e., Udayshivakumar and Amrutha (collectively, "Partners"), Partners contributed to share capital of the Company in the proportion of the capital contributed by them in M/s. Udayshivakumar. Following are the details of the capital contribution of Partners in M/s. Udayshivakumar:

S. No.	*Partner*	*Capital Contribution (in ₹ lakhs)*
1	*Udayshivakumar*	*3,613.50*
2	*Amrutha*	*36.50*
Total		***3,650.00***

We are a ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 company engaged in the business of construction of roads including National Highways, State Highways, District Roads, Smart Roads under PM's Smart City Mission projects, Smart Roads under Municipal Corporations, Bruhat Bengaluru Mahanagara Palike (BBMP) and

Smart Roads under Municipal Corporations, Bruhat Bengaluru Mahanagara Palike (BBMP) and Local Area Roads in various Taluka Places etc., in the State of Karnataka, Constructions of Bridges across Major and Minor Rivers, Railway Over Bridges (ROB), construction of Major and Minor Irrigation and canal projects, Industrial Areas, based in the State of Karnataka. We bid for Roads, Bridges, Irrigation & Canals Industrial Area construction in the State of Karnataka including Government Departments such as Karnataka Public Works Ports & Inland Water Transport Department (KPWP & IWTD), National Highways (MORTH), Belgaum Smart City Ltd. and Davangere Smart City Ltd., Bruhat Bengaluru Mahanagara Palike (BBMP), Various Municipal City Corporations, State Highway Development Corporations Ltd., (SHDP), Karnataka Road Development Corporation Ltd., (KRDCL), Karnataka Industrial Area Development Board (KIADB), Davanagere Harihara Urban Development Authority (DHUDA), Krishna Bhagya Jala Nigam Limited (KBJNL), Visvesvaraya Jala Nigam Limited (VJNL), Carvery Niravari Nigam Limited (CNNL), Karnataka Niravari Limited (KNNL), Youth Empowerment & Sports Department, in the State of Karnataka.

As on August 31, 2022, our Company along with the erstwhile partnership firm, M/s. Udayshivakumar, have executed various projects in and around the State of Karnataka. Since Fiscal 2015, our Company along with the erstwhile partnership firm, M/s. Udayshivakumar, have completed 30 projects having an aggregate contract value of ₹ 68,468 lakhs, which includes sixteen (16) roads, five (5) bridges, six (6) irrigation and three (3) civil construction works. As on August 31, 2022, our Company is executing twenty five (25) ongoing projects which include seven (7) roads, seven (7) smart roads, one (1) bridge, seven (7) irrigation projects and three (3) civil construction works with an aggregate order book value of ₹ 72,030.00 lakhs. Further, as on August 31, 2022, we also have new work orders allotted *(but work not yet started)* comprising of seven (7) roads and two (2) irrigation works with an aggregate order book value of ₹ 47,659.00 lakhs. As on August 31, 2022 on an aggregate basis, we have 34 works orders in hand having aggregate order book value of ₹ 1,19,689.00 lakhs.

In addition to independently undertaking projects like the ones we have executed in the past, we intend to enter into joint ventures with other infrastructure companies in our industry to jointly bid and execute larger projects. We have already entered into joint venture vide agreement dated April 22, 2022 by way of a partnership i.e. M/s Udayshivakumar Kotarki JV with 75% share in the partnership held by our Company and the balance 25% held by Kotarki Constructions Pvt. Ltd. The partnership has been awarded a project by NHAI *i.e* "*Widening to two lane with paved shoulders from km. 24.400 to 27.270, 40.500 to 41.900, 84.300 to 88.200, 105.250 to 112.710, 161.550 to 166.350, 174.120 to 176.120 and 186.550 to 191.900 of NH-766C in the state of Karnataka on EPC mode*". The contract value of the said project is approx. ₹17100 lakhs. Such joint ventures or partnerships will enable us to achieve pre-qualification with our joint venture partner at the time of the bid, both technical and financial, and if the bid is successful, we will be able to successfully bid and execute the project with our joint venture partner.

We have over the years developed an established road under BOQ and EPC business and have gradually added facilities to support and supplement our road and irrigation construction business. As part of our in-house integrated model, we have developed in house resources with key competencies to deliver a project from conceptualization to completion that includes our design and engineering team.

Over the years, we have acquired a fleet of modern construction machinery and equipment to support the construction of our projects. As on August 31, 2022, our equipment base comprises of over ninety (90) construction equipments, forty six (46) dumpers, forty seven (47) other construction vehicles, five (5) Ready Mix Concrete (RMC) Plants *(out of which one is owned by Mr. Prabhakar, brother of the Promoter and taken on lease by us)*, one (1) stone quarry and one (1) crusher plant owned by M/s Udayshivakumar Stone Crusher a partnership firm of our Promoter. Our in-house integrated model reduces dependence on third party suppliers for key raw materials such as Metal Jelly, Ready Mix Concrete, construction equipment and other products and services required in the development and construction of our projects. We have also set up a central procurement team that procures major materials and engineering items required for our projects. Our integrated business model facilitates execution of projects within scheduled timelines. We depend on our employees, both skilled and unskilled, to execute our projects. As on August 31, 2022, we have twenty seven (27) engineers, twenty two (22) skilled and ninety nine (99) on-site workers such as drivers, JCB operators, helpers etc for executing various projects.

In addition to procurement and construction, in the past two (2) years we have focused our efforts on building a team of engineers for the designing and engineering aspects of Roads, Bridge, Irrigation Projects, Industrial Areas construction. We have a team of 27 (Twenty Seven) engineers who are dedicated to contracts wherein our Company is involved on a BOQ and EPC basis and are supported by third-party consultants and industry experts to ensure compliance of standards laid down by the industry and government agencies & departments. Similarly, we also have our own team and facility for fabrication works which reduces our dependence on third parties.

Further, our Promoter has rich experience of more than 25 years in the infrastructure sector and has been instrumental in driving the growth and business strategies of our Company. For further information, please refer to section titled "*Our Promoters and Promoter Group*" beginning on page 176 of this Draft Red Herring Prospectus.

In Fiscals 2022, 2021 & 2020 our total revenues, as restated, were ₹ 18,638.81 lakhs, ₹ 21,110.82 lakhs and ₹ 19,440.50 lakhs respectively. In Fiscal 2022, 2021 & 2020 our Profit after Tax, as restated, was ₹ 1,214.81 lakhs, ₹ 931.92 lakhs and ₹ 1,048.72 lakhs respectively. Our profit for the year grew at a CAGR of 7.63%, between financial years ended 2019-20 to financial year ended 2021-22.

The following table sets forth certain information on the revenue from operations contributed by our business segments, for the periods indicated:

(₹ in lakhs)

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Sale of Products	1,788.01	1,027.27	1,471.29
Sale of services	627.84	990.96	895.10
Revenue from Contracts with customers	16,147.07	19,021.45	16,994.39
Total Revenue from Operations	**18,562.92**	**21,039.67**	**19,360.78**

Presentation of Financial Statements

Unless stated or the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Restated Financial Information, which have been prepared in terms of the requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations, as amended from time to time, and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI. For further information on our Company's financial information, see *"Restated Financial Statements"* on page 181.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Further, any figures sourced from third party industry sources may be rounded off to other than to the second decimal to conform to their respective sources.

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 Draft Red Herring Prospectus are to a calendar year.

Significant Developments Subsequent to the Last Financial Year

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

- The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on September 17, 2022, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
- The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Annual General Meeting held on September 19, 2022 authorized the Issue.
- Clause 1 of our Memorandum of Association was amended to reflect the change of name of our Company from 'Udayshivakumar Infra Private Limited' to 'Udayshivakumar Infra Limited', pursuant to conversion of our Company from private limited to public limited
- Alteration in the Main Object clause of the Memorandum of Association of the Company vide Certificate of registration of the Special Resolution confirming alteration of Object Clause dated September 9, 2022, to empower the Company to venture into mining and allied activities.
- Clause 5 of our Memorandum of Association was amended to reflect the increase in authorised share capital of our Company vide shareholders resolution dated August 18, 2022. The authorised share capital was

increased from ₹ 36,50,00,000 divided into 3,65,00,000 Equity Shares of ₹ 10/- each to ₹ 56,50,00,000 divided into 5,65,00,000 Equity Shares of face value of ₹ 10 each.

- Appointment of Ms. Manjushree S as Executive Director w.e.f August 30, 2022
- Appointment of Mr. Kencha Hanumantha Reddy as Independent Director w.e.f August 30, 2022
- Appointment of Mr. Chandra Mohan Rajasekar as Independent Director w.e.f September 17, 2022
- Appointment of Mr. Sreenivas Devaggi Janardhanappa as Independent Director w.e.f September 17, 2022
- Pursuant to a special resolution of our Shareholders at an EGM held on August 30, 2022, our Board is authorised to borrow monies from time to time in excess of aggregate of paid up share capital and free reserves (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed ₹ 30,000 lakhs.
- The Registered Office of our Company was changed from House No. 229 Samhit, 8th 'A' CROSS, 7th Main, M.E.I. Layout, Nagasandra Post, Bangalore – 560 073, Karnataka, India to 1924A/196, Banashankari Badavane, Near NH-4 Bypass, Davangere – 577 005, Karnataka, India.
- Entered in the new business segment of iron ore mining in the state of Karnataka.
- We had entered into an arrangement with NHAI wherein we were engaged as a fee collection agent for the Halligudi toll fee plaza.

Significant Factors Affecting Our Results of Operations and Financial Condition

We believe that the following factors have significantly affected our results of operations and financial condition during the periods under review, and may continue to affect our results of operations and financial condition in the future:

Government policies, macro-economic environment and performance of the civil infrastructure sector

Our business is substantially dependent on infrastructural development of Roads, Flyover, Bridges Irrigation projects in the state of Karnataka undertaken or awarded by governmental authorities and other entities funded by the central and state Governments. We currently and in the future expect to derive a significant portion of our revenue from Roads, Flyover, Bridges, Irrigation projects and focused infrastructure projects in India. These are primarily dependent on budgetary allocations made by central and state Governments, participation from multilateral agency sponsored developments, public bodies. We believe that sustained increase in budgetary allocation for and the participation of public bodies, multilateral agencies in and the development of comprehensive infrastructure policies that encourage greater private sector participation will result in several road and other infrastructure projects being launched in India. Macroeconomic factors in India relating to the road and highway sector will have a significant impact on our prospects and results of operations. Overall economic growth in manufacturing, services and logistics sectors will lead to demand for better transportation facilities, which would entail demand for construction, upgradation and maintenance of highways. A change in policy resulting from a change in government (including change in central government and/or state governments of regions where our projects are under construction) may also impact our business.

Our bidding and execution capabilities

Infrastructure projects on a public private partnership basis in India are typically 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 post qualification consequently the award of projects. While evaluating our performance in contracts previously executed, our project management capabilities are also assessed. This would require continuing and improving on our project management practices which includes amongst others efficient equipment and material sourcing, good communication between the site office and head office and project planning and monitoring to suit the projects under execution. Should we opt to sub-contract any projects in the future, we would need to monitor the performance of our sub-contractors. Our ability to continue implementation of such practices as our business grows would determine our overall performance, which is likely to impact our profitability.

Availability of cost effective funding sources

As of March 31, 2022, our total borrowings were ₹ 2,648.29 Lakhs. Our projects are funded to a large extent by debt and any increase in interest expense may have an adverse effect on our results of operations and financial condition. In cases, significant amounts of working capital are required to finance the purchase of materials, the hiring of equipment and the performance of engineering, construction and other work on projects before payments are received from clients. In certain cases, we are contractually obligated to our clients to fund the working capital requirements of our projects. We believe that we have been able to maintain relatively stable finance costs. Our ability to maintain our finance costs at optimum levels will continue to have a direct impact on our profitability, results of operations and financial condition.

Ability to effectively execute and expand our Order Book

Our Company's Order Book as of a particular date is calculated on the basis of the aggregate contract value of our ongoing construction projects as of such date reduced by the value of work executed by us until such date, as certified by the relevant client. For the purposes of calculating the Order Book value, our Company does not take into account any escalation or change in work scope of our ongoing projects as of the relevant date, or the work conducted by us in relation to any such escalation of change in work scope of such projects until such date. 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 manner in which we calculate and present our Company's Order Book information may vary from the manner in which such information is calculated and presented by other companies, including our competitors. The Order Book information included in this Draft Red Herring 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. Our Order Book and the new projects that we have bid for and will continue to bid for in the future will have an effect on the revenues we will earn in the future. Our projects are relatively medium and large sized contracts and our results of operations may vary from Fiscal to Fiscal depending on the project implementation schedule. In addition, our project implementation schedule may vary due to various factors that may be beyond our control, including availability of land from the clients and timely commencement of work. These depend on various factors such as the value of these projects, the timeline for completion and payments to be made as per the agreed timelines. For further discussion on various factors that may affect the execution of our projects and consequently the realization of our Order Book as of a particular date, *see "Risk Factors –Our Order Book may not be representative of our future results and our actual income may be significantly less than the estimates reflected in our Order Book, which could adversely affect our results of operations"* on page 30. Accordingly, the realization of our Order Book and the effect on our results of operations may vary significantly from reporting period to reporting period depending on the nature of such contracts, actual performance of such contracts, as well as the stage of completion of such contracts as of the relevant reporting date as it is impacted by applicable accounting principles affecting revenue and cost recognition. 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.

Ability to execute larger capacity projects

In order to bid for higher value projects, we are required to meet certain pre-qualification criteria based on technical capability and performance, reputation for quality, safety record, financial strength and experience in, and size of previous contracts in, similar projects. In selecting contractors for major projects, customers generally limit the tender to contractors they have pre-qualified based on these criteria, although price competitiveness of the bid is one of the most important selection criterion, pre-qualification still remains key to our securing larger projects. In addition, our ability to strategically partner with other companies also determines our success in bidding for and being granted such large projects.

Operational uncertainties

Our business is subject to various operational uncertainties that may affect our results of operations. These operational uncertainties including the availability and retention of skilled manpower, could affect our ability to complete the project and/ or ensure delivery of our manufactured products on time, delays in meeting agreed milestones or ensuring commencement of operations of projects undertaken by us within the scheduled completion date. These could lead to increased financing costs, delayed payments from the client, invocation of liquidated damages or penalty clauses by the client in accordance with terms agreed with the client, and in certain circumstances, even termination of the contract. We are typically required to provide bank guarantees for advances as well as performance guarantees. Our projects are typically fixed-price or lump-sum contracts, and under the terms of such fixed-price or lump-sum contracts, we generally agree on a fixed price for providing engineering, procurement and construction services for part of the project that is contracted to us. For further details of the nature of project related contracts entered into by us, see *"Our Business"* on page 126. The actual expenditure incurred by us in connection with such contracts may, however, vary from the assumptions underlying our bid as a result of various project uncertainties, including unanticipated changes in engineering design of the project or any escalation or change in work scope of our ongoing projects, resulting in delays and increased costs. While most of these projects provide for cost escalation provisions and price escalation, which may affect our results of operations and financial condition.

Geographic locations, seasonality and weather conditions

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 construction 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.

Competition

The road construction industry in India is very competitive. 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. We believe our main competitors are KNR Constructions Limited, PNC Infratech Limited, HG Infra Engineering Limited and IRB Infrastructure Developers Limited amongst various other small and mid-sized companies and entities.

Impact of Covid – 19 Pandemic

On account of the COVID-19 pandemic, India had imposed a nationwide lockdown on March 24, 2020 and imposed several restrictions. While progressive relaxations have since been granted for movement of goods and people and cautious re-opening of businesses and offices, selective or partial lockdowns at a local level may be re-introduced, depending on the health risk posed by the pandemic. The vaccination drive is a significant step towards moving beyond the pandemic, however, the possibility of multiple waves of the pandemic and therefore lockdown-like measures remains, as is evident in many countries having to reinstate lockdowns due to a 'second wave' of the COVID-19 outbreak and the discovery of new mutant strains of the coronavirus.

The pandemic outbreak has caused an economic downturn on a global scale,including closures of many businesses and reduced consumer spending, as well as significant market disruption and volatility. The steps taken to counter the effects of the pandemic have resulted in a period of economic downturn and business disruption in India and globally. Our operations are dependent on and directly affected by various factors, including the ability of the various parties involved including contractors, manpower, equipment suppliers, raw material suppliers, consultants, independent engineers, lenders independent engineers, our concessioning authorities to carry out their work effectively in a timely manner or at all like obtaining right of way, physical construction work, physical site inspections, procurement of raw material, which may entail suspended operations and/or delayed completion of projects, and may entail additional costs or delay various requirements under different regulations.

In view of the fluidity of the situation and lack of visibility on the timeline for containment of the global pandemic, the recovery trajectory remains uncertain. It is difficult for us to predict the impact that COVID-19 will have on us, our customers or suppliers in the future. We continue to closely monitor the effect that COVID-19 may have on our business and results of operations. To the extent, the COVID-19 pandemic adversely affects us, it may also significantly increase the effect of the aforementioned factors affecting our results of operations.

Summary of Significant Accounting Policies

NOTE 1: CORPORATE INFORMATION:

UDAYSHIVAKUMAR INFRA LIMITED ("the company") is domiciled in India and incorporated under the provision of Companies Act, 2013. The Company's registered office is at 1924A/196, Banashankari, Badavane, Near NH-4 Bypass Davangere, Karnataka – 577005, India. The Company is engaged in business of Civil Construction works from State Government, Central Government and Government Civic Bodies and Corporations. The Company is incorporated under Part -I of Chapter XXI of the Companies Act, 2013 by converting of M/s. Udayshivakumar ("Erstwhile Partnership Firm) into private limited company and all assets, liabilities, obligations, licenses, permissions etc. of the firm have become the assets, liabilities, obligations, licenses, permissions etc. of the company and all assets, liabilities, obligations, licenses, permissions etc. of the firm are vested with the company.

NOTE 2: SIGNIFICANT ACOUNTING POLICIES

Significant accounting policies adopted by the Company are as under:

2.1 Basis of Preparation of Restated Financial Statements:

a) Statement of Compliance with Ind AS:

These Restated financial statements have been prepared in accordance with Indian Accounting Standards (referred as Ind AS) as prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, as amended from time to time.

b) Basis of Preparation:

The Restated Financial Information comprise of the Restated Statement of Asset and Liabilities as at 31 March 2022, 31 March 2021 and 31 March 2020, Restated Statement of Profit and Loss (including other comprehensive income), Restated Statement of Cash Flows and Restated Statement of Changes in Equity the year ended 31 March 2022, 31 March 2021 and 31 March 2020 and the Summary Statement of Significant Accounting Policies and other explanatory information (hereinafter referred to as 'Restated Financial Statements').

The Restated Financial Statements have been approved by the Board of Directors of Udayshivakumar Infra Limited at their meeting held on 15 July 2022 and has been specifically prepared for inclusion in the draft red herring prospectus to be filed by Udayshivakumar Infra Limited with the Securities and Exchange Board of India ('SEBI') in connection with the proposed Initial Public Offer ('IPO') of equity shares of Udayshivakumar Infra Limited (referred to as the 'Issue'). The Restated Financial Statements have been prepared by the management of Udayshivakumar Infra Limited to comply in all material respects with the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the 'Act') as amended from time to time;
b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date ('SEBI 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 Financial Statement has been compiled by the management from Audited Financial Statements of the company as at and for the years ended 31 March 2022, 31 March 2021 and 31 March 2020 prepared in accordance with the Indian Accounting Standards (referred to as 'Ind AS') as prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on September 03, 2022, November 05, 2021 and December 16, 2020 respectively.

The accounting policies have been consistently applied by the Company in preparation of the Restated Financial Statement and are consistent with those adopted in the preparation of financial statements for the year ended March 31, 2022, March 31, 2021 and March 31, 2020.

The Restated Financial Statements have been prepared so as to contain information / disclosures and incorporating adjustments set out below in accordance with the SEBI ICDR Regulations:

a) Adjustments to the profits or losses of the earlier years and of the year in which the change in the accounting policy has taken place is recomputed to reflect what the profits or losses of those years would have been if a uniform accounting policy was followed in each of these years, if any;
b) Adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the financial statements of the company for the year ended 31 March 2022, March 31, 2021 and March 31, 2020 and the requirements of the SEBI ICDR Regulations, if any; and
c) The resultant impact of tax due to the aforesaid adjustments, if any.

All amounts included in the Restated Financial Statements are reported in Indian Rupees (₹), which is also the Company's functional currency, and all the values are rounded to the nearest lakhs (INR 00,000), except otherwise indicated.

The Restated Financial Statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

d. The Restated Financial Statements have been presented to the extent possible, in the same manner as Company's Audited financial statements.

e. The Restated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

f. Notes to the Restated Financial Statements represents notes involving items which are considered material and accordingly disclosed. Materiality for the purpose is assessed in relation to the information contained in the Restated Financial Statements.

c) <u>Operating Cycle and Current, Non-current classification</u>

All assets and liabilities has been classified as current and noncurrent as per the Company's normal operating cycle. An asset is classified as current when it is:

i) Expected to be realized or intended to be sold or consumed in normal operating cycle.
ii) Expected to be realized within twelve months after the reporting period. Or
iii) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is classified current when
i) It is expected to be settled in normal operating cycle;
ii) It is due to be settled within twelve months after the reporting period; or
iii) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

d) <u>Use of estimates and judgements:</u>

The preparation of Restated financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

2.2 Property, plant and equipment and Other intangible assets:

Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual value of Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Recognition and measurement:

Property, plant and equipments are stated at historical cost less accumulated depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the Property, plant and equipment until it is ready for use, as intended by the management. Subsequent costs are included in the asset's carrying amount or recognized 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 of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset and is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year.

Capital work-in-progress for production, supply of administrative purposes is carried at cost less accumulated impairment loss, if any, until construction and installation are complete and the asset is ready for its intended use. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as advances under other current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work- in- progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Depreciation methods, estimated useful lives:

Depreciation is provided by the company (other than Freehold Land and capital work-in-progress) on Written Down Value (WDV) method for the estimated useful life of assets. The estimated useful lives of assets are as follows:

Type of Assets	Period of useful life of Assets
Factory Building	60 Years
Machinery	12 Years
Computer	3 Years
Vehicles	8 Years
Office Equipment	5 Years
Furniture & Fixtures	10 Years

Fixed Assets purchased for specific projects will be depreciated over the periods of the project or the useful life stated as above, whichever is shorter.

Depreciation on assets acquired/ purchased, sold/discarded during the year is provided on a pro-rata basis from the date of each addition till the date of sale/retirement.

The economic useful life of assets is assessed based on a technical evaluation, taking into account the nature of assets, the estimated usage of assets, the operating conditions of the assets, past history of replacement, anticipated technological changes, maintenance history, etc. The estimated useful life is reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.
Where the cost of part of the asset is significant to the total cost of the assets and the useful life of that part is different from the useful of the remaining asset, useful life of that significant part is determined separately. Depreciation of such significant part, if any, is based on the useful life of that part.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, determined as the difference between the sales proceeds and the carrying amount of the asset, is recognized in the Statement of Profit or Loss.

Impairment:

Property, plant and equipments are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the Restated Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Restated Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

2.3 Investments:

The Company do not have any investment.

2.4 Foreign Currency Transactions:

a) Functional and presentation currency:

Items included in the Restated financial statements are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’).
The Restated financial statements are presented in Indian rupee (INR) in Lakhs, which is the Company’s functional and presentation currency.

b) Transactions and balances:

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount at the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognized in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognized in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Foreign exchange fluctuation for the outstanding amount towards the imported capital goods, has been attributed to the cost of the fixed assets.

2.5 Revenue Recognition:

The Company recognizes revenue from contracts with customers based on a comprehensive assessment model as set out in Ind AS 115 ‘Revenue from contracts with customers’. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognizes revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable. Revenue from the sale of goods in the course of ordinary activities is recognized at the 'transaction price' when the goods are 'transferred' to the customer. The 'transaction price' is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties (for example, goods and service tax). The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. The goods are considered as 'transferred' when the customer obtains control of those goods or as per the specific terms with customers for the supplies made by the company.

Sale of services:
Revenue from services are recognized in the accounting period in which service are rendered. For fixed price contracts, revenue is recognized based on actual services provided to the end of the reporting period as a proportion of the total services to be provided.

Other Income:
Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably in the Company. Interest income is accrued on a time basis, by reference to the principal outstanding and at the normal interest rate as applicable. Other Income in the Company has been recorded where no significant uncertainty as to measurability or collectability exists.

2.6 Taxation:

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions. In assessing the realiseablility of deferred income tax assets, the Management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in Other Comprehensive Income.

Current Tax:

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using the tax rates that have been enacted or substantially enacted by the end of the reporting period.

Provisions for current income taxes are presented in the balance sheet after offsetting advance tax & TDS paid. Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period. The holding company has adopted the Taxation bracket where in the MAT liability do not attract to the company and has done the provisions accordingly.

Deferred Tax:

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in Restated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax and deferred tax for the year:

Current and deferred tax are recognized by the Company in the Restated Statement of Profit or Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. No deferred tax provisions have been made for the undistributed gains or losses of the subsidiary company.

2.7 Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

2.8 Provisions:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material).

When some or all of the economic benefits required to settle, provisions are expected to be recovered from a third party, a receivable is recognized as an asset it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.9 Contingent liabilities and contingent assets:

Contingent liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not accounted in the Restated financial statements unless an inflow of economic benefits is probable.

2.10 Financial instruments:

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the 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 recognized immediately in profit or loss.

FINANCIAL ASSETS:
Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Classification and subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortized cost; or
b) at fair value through other comprehensive income; or
c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. These include trade receivables, loans, deposits, balances with banks, and other financial assets with fixed or determinable payments.

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Impairment:

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, other contractual right to receive cash or other financial assets not designated at fair value through profit or loss. The loss allowance for a financial instrument is equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increase significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if the default occurs within 12 months after the reporting date. Since during the period(s) the company have receivables only from government (State/Central) or Other Government Bodies/Entitles the company is not exposed to credit risk and hence the company has not recognized the ECL.

For trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. The Company has used a practical expedient permitted by Ind AS 109 and determines the expected credit loss allowance based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

De-recognition:

The Company derecognizes financial asset when the contractual right to the cash flows from the asset expires, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of the transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income, if any, is recognized in the Statement of Profit or Loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of the financial asset.

FINANCIAL LIABILITIES:

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

Classification

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group are recognized at the proceeds received net of direct issue costs.

Subsequent measurement

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the Restated Statement of Profit and Loss.

Financial liabilities (that are not held for trading or not designated at fair value through profit or loss) are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost, are determined based in the effective interest method.

Effective interest method is a method of calculating amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Foreign exchange gains and losses for assets & liabilities:

Financial Assets and liabilities denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in the Restated Statement of Profit or Loss.

The fair value of financial Assets and liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial Assets and liabilities that are measured at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognized in the Restated Statement of Profit and Loss except in case of the amount outstanding to creditors towards the fixed assets purchased in earlier years and amount is outstanding payable, in that case every year the difference in the exchange fluctuation has been adjusted towards the cost of the fixed assets so purchased and has uniformly followed the practice.

De-recognition:

Financial assets liabilities are derecognized when, and only when, the obligations are discharged, cancelled or have expired. An exchange with a lender of a debt instruments with substantially different terms is accounted for as an extinguishment of the original financial assets and liability and recognition of a new financial assets and liability. Similarly, a substantial modification of the terms of an existing financial assets and liability is accounted for as an extinguishment of the original financial assets and liability and the recognition of a new financial assets and liability. The difference between the carrying amount of a financial assets and liability is derecognized and the consideration paid or payable is recognized in the Restated Statement of Profit or Loss.

2.11 Employee Benefits:

Short-term Employee Benefits:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Post-employment benefits

a) Defined contribution plans

Employees benefits in the form of the Company's contribution to Provident Fund, Pension scheme, Superannuation Fund and Employees State Insurance are defined contribution schemes. Payments to defined contribution retirement plans are recognized as expenses when the employees have rendered the service entitling them to the contribution

Provident fund: The employees of the holding Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions as specified under the law are made to the provident fund and pension fund administered by the Regional Provident Fund Commissioner. The Company recognizes such contributions as an expense when incurred.

b) Defined benefit plans

In accounting for post-retirement benefits, several statistical and other factors that attempt to anticipate future events are used to calculate plan expenses and liabilities. These factors include expected discount rate assumptions and rate of future compensation increases. To estimate these factors, actuarial consultants also use estimates such as withdrawal, turnover, and mortality rates which require significant judgment. The actuarial assumptions used by the Group may differ materially from actual results in future periods due to changing market and economic conditions, regulatory events, judicial rulings, higher or lower withdrawal rates, or longer or shorter participant life spans.

2.12 Inventories:

Inventories are valued at after reviewing the cost and net realizable value considering the various other related parameters and uniformity of the valuation.
Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials, packaging materials and stores and spare parts are valued at after reviewing the cost and net realizable value considering the various other related parameters and uniformity of the valuation. Cost includes purchase price, freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.
Work in progress, manufactured finished goods and traded goods are valued at cost of production till the date work completed. Cost of work in progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition. Cost of traded goods is determined on a weighted average basis.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on item by item basis.

2.13 Cash and cash equivalents:

Cash and cash equivalents comprise cash in hand and short-term deposits with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.14 Earnings Per Share:

The Company reports basic and diluted earnings per share (EPS) in accordance with Indian Accounting Standard 33 "Earnings per Share". Basic EPS is computed by dividing the net profit or loss attributable to ordinary equity holders by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit or loss attributable to ordinary equity holders by weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares (except where the results are anti-dilutive).

2.15 Significant accounting judgments, estimates and assumptions:

The preparation of Restated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

The key assumptions concerning the future and other key sources of estimation uncertainty at the year-end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Restated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Impairment of property, plant and equipment:

Determining whether property, plant and equipment is impaired requires an estimation of the value in use of the cash-generating unit. The value in use calculation requires the management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. When the actual future cash flows are less than expected, a material impairment loss may arise. property, plant and equipment which are out dated or not in use are impaired and shown at the net releasable value and difference to the written down value and net releasable value is transferred to profit & loss account for the year.

b) Useful lives of property, plant and equipment:

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

c) Provision for litigations and contingencies:

The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount. Due to the judgements involved in such estimations the provisions are sensitive to the actual outcome in future periods.

d) Recognition of Deferred Tax Assets:

The extent to which deferred tax assets can be recognized is based on an assessment of the profitability of the Group Company's future taxable income against which the deferred tax assets can be utilized. The Company has identified Deferred Tax Asset for the carry forward losses in earlier years and adjusted the same at the year ended and has also recognized deferred tax for the Depreciation difference.

2.16 RECENT ACCOUNTING PRONOUNCEMENTS:

Ministry of Corporate Affairs("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment-The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets–The amendment specifies that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

Principal Components of revenue and expenditure

Income

Our total income comprises (i) Revenue from operations; and (ii) other income.

Revenue from operations

Revenue from operations comprise the following: (i) revenue from sale of services (ii) revenue from sales of products; and (iii) revenue from contracts with customers.

Other income

Other income include (i) interest income (a) on deposits with banks; and (b) from others; (ii) Discount (iii) insurance claim received; and (iv) other non-operating income.

Expenses

Our expenses comprise (i) cost of materials consumed; (ii) changes in inventories; (iii) employee benefits expense; (iv) finance costs; (v) depreciation and amortisation expense; (vi) construction expense and (viii) other expenses.

Cost of materials consumed

Cost of materials consumed include cost of material consumed for sale of products.

Changes in inventories

Changes in inventories of finished goods and trading goods indicates the difference between the opening and closing inventory of our finished goods and trading goods.

Employee benefits expense

Employee benefits expense comprises (i) salaries, wages, and bonus; (ii) contribution to gratuity, provident fund and other funds; (iii) staff welfare expenses; and (iv) perquisite and gratuity.

Depreciation and amortisation expense

Depreciation and amortisation expense on (i) property, plant and equipment; (ii) motor vehicle; and (iii) furniture & fixtures.

Construction expense

Construction costs comprise (i) construction material consumed; (ii) work charges; (iii) consumption of spares, tools and stores; (iv) repairs and maintenance -plant and machinery; (v) site expenses; (vi) sub-contracting charges; (vii) power and fuel; (viii) rent and hire; (ix) water charges; and (x) others.

Finance costs

Finance costs expense comprises (i) interest expenses on borrowings to banks and to others; (ii) interest on late payment on taxes; and (iii) other borrowing cost.

Other expenses

Other expenses includes, amongst others (i) rates and taxes; (ii) advertisement (iii) repair of computer & printers; (iv) loss on sale of items of property, plant and equipment; (v) payment to auditors; (vi) donation; (vii) electricity charges; (viii) CSR expenses; (ix) fee expense (x) office expense (xi) office rent; (xii) printing & stationary; (xiii) sales promotion; (xiv) tender fees; and (xv) travelling expense.

Results of Operations

The following table sets forth certain information with respect to our results of operations, on a restated financial basis, for the years indicated:

Particulars	March 31, 2022		March 31, 2021		March 31, 2020	
	₹ in Lakhs	% of total income	₹ in Lakhs	% of total income	₹ in Lakhs	% of total income
Revenue						
Revenue from operations	18,562.92	99.59%	21,039.67	99.66%	19,360.78	99.59%
Other income	75.89	0.41%	71.15	0.34%	79.72	0.41%
Total revenue	**18,638.81**	**100.00%**	**21,110.82**	**100.00%**	**19,440.50**	**100.00%**
Expenses						
Cost of materials consumed	3,530.87	18.94%	3,611.85	17.11%	2,810.85	14.46%
Changes in inventory	37.14	0.20%	110.60	0.52%	-387.56	-1.99%
Employee benefits expense	366.26	1.97%	348.45	1.65%	306.48	1.58%
Depreciation and amortisation expenses	539.63	2.90%	487.63	2.31%	569.95	2.93%
Construction expense	11,825.18	63.44%	14,562.95	68.98%	14,094.05	72.50%
Finance costs	347.90	1.87%	517.80	2.45%	518.33	2.67%
Other expenses	390.45	2.09%	113.95	0.54%	109.90	0.57%
Total expenses	**17,037.44**	**91.41%**	**19,753.23**	**93.57%**	**18,021.98**	**92.70%**
Profit before tax and exceptional items	**1,601.37**	**8.59%**	**1,357.59**	**6.43%**	**1,418.52**	**7.30%**
Exceptional Item						
Loss on Sale of Fixed Assets	-	0.00%	125.93	0.60%	-	0.00%
Profit Before Tax	**1,601.37**	**8.59%**	**1,231.67**	**5.83%**	**1,418.52**	**7.30%**
Tax expense:						
(1) Current tax	403.03	2.16%	371.11	1.76%	349.58	1.80%
(2) Deferred tax Asset/Liability	-16.47	-0.09%	-71.37	-0.34%	20.22	0.10%
(3) Earlier years tax	-	0.00%	-	0.00%	-	0.00%
Total Tax Expense	**386.56**	**2.07%**	**299.74**	**1.42%**	**369.80**	**1.90%**
Profit for the year	**1,214.81**	**6.52%**	**931.92**	**4.41%**	**1,048.72**	**5.39%**
Other comprehensive income						
Remeasurements of defined benefit liability/(asset)	-0.57	0.00%	-0.31	0.00%	-	0.00%
Tax Impact of Above	0.14	0.00%	0.08	0.00%	-	0.00%
Total comprehensive income for the year	**1,214.38**	**6.52%**	**931.69**	**4.41%**	**1,048.72**	**5.39%**
EBDITA	**2,488.91**	**13.35%**	**2,363.03**	**11.19%**	**2,506.80**	**12.89%**

FISCAL 2022 COMPARED WITH FISCAL 2021

Set forth below is a discussion of our results of operations for financial year ended March 31, 2022 over March 31, 2021:

Revenue

Our total revenue decreased by ₹ 2,472.01 lakhs or 11.71% to ₹ 18,638.81 lakhs in March 31, 2022 from ₹ 21,110.82 lakhs in March 31, 2021.

Revenue from operations

Revenue from operations decreased by ₹ 2,476.75 lakhs or 11.77% to ₹ 18,562.92 lakhs comprising of 99.59% of our total revenue in March 31, 2022 from ₹ 21,039.67 lakhs, comprising 99.66% of our total revenue in March 31, 2021. This was primarily attributable to the following:

Sale of products

Revenue from sale of products increased by ₹ 760.74 lakhs or 74.06%, from ₹ 1,027.27 lakhs in March 31, 2021 to ₹ 1788.01 lakhs in March 31, 2022. For details of the products manufactured and sold by our Company, see details in the chapter titled *"Our Business"* on page 126.

Sale of services

Revenue from sale of services decreased by ₹ 363.12 lakhs or 36.64%, to ₹ 627.84 lakhs in March 31, 2022 from ₹ 990.96 lakhs in March 31, 2021. This decrease was due change in the Lorry freight charges and lorry hire charges, further there was sale of approx. 10 lorries in the Fiscal 20-21 which resulted decrease in overall lorry freight charges in the fiscal 2022, and other reason for decrease is the use of these lorry's for our internal purposes mainly, so there is decrease in the sale of services.

Revenue from contracts with customers

Revenue from contracts with customers decreased by ₹ 2,874.37 lakhs or 15.11%, to ₹ 16,147.07 lakhs in March 31, 2022 from ₹ 19,021.45 lakhs in March 31, 2021. This decrease was due to company restrained itself from bidding of bigger contracts and of bigger values due to the effect of pandemic in fiscal 2021-22, however, in the present financial year company have successfully submitted tenders for more contracts and of higher values and the same is reflected in our present order book.

Other income

Our other income increased by ₹ 4.74 lakhs or 6.66%, from ₹ 71.15 lakhs in March 31, 2021 to ₹ 75.89 lakhs in March 31, 2022. This was primarily on account of increase in discount received from ₹ 1.39 lakhs in March 31, 2021 to ₹ 7.09 lakhs in March 31, 2022. This was partially offset by a reduction in interest income on fixed deposits with banks from ₹ 69.76 lakhs in March 31, 2021 to ₹ 68.76 lakhs in March 31, 2022.

Expenses

Our total expenses decreased by ₹ 2,715.79 lakhs or 13.75%, to ₹ 17,037.44 lakhs in March 31, 2022 from ₹ 19,753.23 lakhs in March 31, 2021. This decrease was due to a decrease in cost of materials consumed, construction expense, changes in inventories, and finance cost. This was partially offset by an increase in employee benefit expense, depreciation and amortisation expense and other expenses.

Cost of materials consumed

Cost of materials consumed decreased by ₹ 80.98 lakhs or 2.24%, to ₹ 3,530.87 lakhs in March 31, 2022 from ₹ 3,611.85 lakhs in March 31, 2021. This decrease was due to lesser contracts bided in the Fiscal 2021-22, which resulted because of lower consumption of products used in the process of civil construction of roads and bridges.

Changes in inventories

Changes in inventories of finished goods and trading goods were ₹ 37.14 lakhs in March 31, 2022 whereas they were ₹ 110.60 lakhs in March 31, 2021, a decrease by ₹ 73.46 lakhs or 66.42%.

Employee benefits expense

Employee benefits expense increased by ₹ 17.81 lakhs or 5.11%, from ₹ 348.45 lakhs in March 31, 2021 to ₹ 366.26 lakhs in March 31, 2022. This was due to miniscule increase in salaries, wages and bonus from ₹ 331.18 lakhs in March 31, 2021 to ₹ 331.91 lakhs in March 31, 2022, contribution to gratuity, provident fund and other funds from ₹ 5.68 lakhs in March 31, 2021 to ₹ 8.88 lakhs in March 31, 2022, and staff welfare expenses from ₹ 2.98 lakhs in March 31, 2021 to ₹ 18.49 lakhs in March 31, 2022. This was partially offset by a decrease in perquisites to employees from ₹ 8.60 lakhs in March 31, 2021 to ₹ 6.98 lakhs in March 31, 2022.

Depreciation and amortisation expense

Depreciation and amortisation expense increased by ₹ 52.00 lakhs or 10.66%, from ₹ 487.63 lakhs in March 31, 2021 to ₹ 539.63 lakhs in March 31, 2022. This was due to increase in depreciation of property, plant & equipment, motor vehicle and furniture & fixtures.

Construction expense

Civil construction costs decreased by ₹ 2,737.76 lakhs or 18.80%, to ₹ 11,825.18 lakhs in March 31, 2022 from ₹ 14,562.95 lakhs in March 31, 2021. This decrease was primarily due to decrease in:

- work charges to ₹ 691.04 lakhs in March 31, 2022 from ₹ 1,475.70 lakhs in March 31, 2021,
- purchases of materials to ₹ 1,237.33 lakhs in March 31, 2022 from ₹ 1,564.39 lakhs in March 31, 2021,
- consumption of spares, tools and stores to ₹ 1.40 lakhs in March 31, 2022 from ₹ 27.97 lakhs in March 31, 2021,
- sub-contracting charges to ₹ 7,615.15 lakhs in March 31, 2022 from ₹ 9,136.90 lakhs in March 31, 2021,
- water charges to ₹ 5.14 lakhs in March 31, 2022 from ₹ 5.91 lakhs in March 31, 2021,
- power and fuel expense to ₹ 1,525.31 lakhs in March 31, 2022 from ₹ 1,539.59 lakhs in March 31, 2021, and
- others to ₹ 420.56 lakhs in March 31, 2022 from ₹ 654.04 lakhs in March 31, 2021.

This was partially offset by increase in machinery - running & maintenance cost from ₹ 120.01 lakhs in March 31, 2021 to ₹ 271.15 lakhs in March 31, 2022, rent & hire cost from ₹ 13.24 lakhs in March 31, 2021 to ₹ 17.51 lakhs in March 31, 2022, and site expenses from ₹ 25.20 lakhs in March 31, 2021 to ₹ 40.60 lakhs in March 31, 2022.

Finance costs

Finance costs decreased by ₹ 169.90 lakhs or 32.81%, to ₹ 347.90 lakhs in March 31, 2022 from ₹ 517.80 lakhs in March 31, 2021. This was due to decrease in interest paid on borrowings to banks to ₹ 275.18 lakhs in March 31, 2022 from ₹ 452.23 lakhs in March 31, 2021, other borrowing costs to ₹ 39.48 lakhs in March 31, 2022 from ₹ 58.52 lakhs in March 31, 2021. This was partially offset by increase in interest paid on late payment of taxes from ₹ 7.05 lakhs in March 31, 2021 to ₹ 33.24 lakhs in March 31, 2022.

Other expenses

Our other expenses increased by ₹ 276.50 lakhs or 242.65%, from ₹ 113.95 lakhs in March 31, 2021 to ₹ 390.45 lakhs in March 31, 2022. This was primarily due to increase in rates & taxes from ₹ 70.54 lakhs in March 31, 2021 to ₹ 264.35 lakhs in March 31, 2022, fees expense from ₹ 7.60 lakhs in March 31, 2021 to ₹ 35.87 lakhs in March 31, 2022, donation from ₹ 1.00 lakhs in March 31, 2021 to ₹ 7.55 lakhs in March 31, 2022, advertisement from ₹ 2.22 lakhs in March 31, 2021 to ₹ 2.97 lakhs in March 31, 2022, CSR expenses from ₹ Nil in March 31, 2021 to ₹ 52.55 lakhs in March 31, 2022, Tender fees from ₹ 4.94 lakhs in March 31, 2021 to ₹ 6.52 lakhs in March 31, 2022 and computer & printer repairs from ₹ 1.22 lakhs in March 31, 2021 to ₹ 1.23 lakhs in March 31, 2022. This was partially offset by decrease in electricity from ₹ 2.28 lakhs in March 31, 2021 to ₹ 1.90 lakhs in March 31, 2022, office expenses from ₹ 11.39 lakhs in March 31, 2021 to ₹ 8.46 lakhs in March 31, 2022, office rent from ₹ 2.54 lakhs in March 31, 2021 to ₹ 0.94 lakhs in March 31, 2022, printing & stationary from ₹ 2.62 lakhs in March 31, 2021 to ₹ 2.02 lakhs in March 31, 2022 and travelling expense from ₹ 5.60 lakhs in March 31, 2021 to ₹ 4.10 lakhs in March 31, 2022.

Expenses excluding depreciation and amortisation expense and finance costs

For the reasons discussed above, our total expenses excluding depreciation and amortisation expense and finance costs decreased from ₹ 18,747.79 lakhs in March 31, 2021 to ₹ 16,149.91 lakhs in March 31, 2022.

Profit before tax

For the reasons discussed above, our profit before tax increased by ₹ 369.71 lakhs or 30.02%, from ₹ 1,231.67 lakhs (comprising 5.83% of our total income) in March 31, 2021 to ₹ 1,601.37 lakhs (comprising 8.59% of our total income) in March 31, 2022. This was partially offset by the exceptional item namely loss on sale of fixed assets from ₹ 125.93 lakhs in March 31, 2021 to ₹ Nil in March 31, 2022.

Tax expenses

Our tax expenses increased by ₹ 86.82 lakhs or 28.96%, from ₹ 299.74 lakhs in March 31, 2021 to ₹ 386.56 lakhs in March 31, 2022. This was due to an increase in current tax from ₹ 371.11 lakhs in March 31, 2021 to ₹ 403.03 lakhs in March 31, 2022. This was partially offset by a decrease in deferred tax assets.

Profit for the year

For the reasons discussed above, our profit for the year increased by ₹ 282.89 lakhs or 30.36%, from ₹ 931.92 lakhs (comprising 4.41% of our total income) in March 31, 2021 to ₹ 1,214.81 lakhs (comprising 6.52% of our total income) in March 31, 2022.

Total comprehensive income for the year

Our total comprehensive income for the year increased by ₹ 282.69 lakhs or 30.34%, from ₹ 931.69 lakhs in March 31, 2021 to ₹ 1,214.38 lakhs in March 31, 2022.

FISCAL 2021 COMPARED WITH FISCAL 2020

Set forth below is a discussion of our results of operations for financial year ended March 31, 2021 over March 31, 2020:

Revenue

Our total revenue increased by ₹ 1,670.32 lakhs or 8.59% from ₹ 19,440.50 lakhs in March 31, 2020 to ₹ 21,110.82 lakhs in March 31, 2021.

Revenue from operations

Revenue from operations increased by ₹ 1,678.89 lakhs or 8.67% from ₹ 19,360.78 lakhs comprising of 99.59% of our total revenue in March 31, 2020 to ₹ 21,039.67 lakhs comprising of 99.66% of our total revenue in March 31, 2021. This was primarily attributable to the following:

Sale of products

Revenue from sale of products decreased by ₹ 444.02 lakhs or 30.18%, to ₹ 1,027.27 lakhs in March 31, 2021 from ₹ 1,471.29 lakhs in March 31, 2020. For details of the products manufactured and sold by our Company, see details in the chapter titled *"Our Business"* on page 126.

Sale of services

Revenue from sale of services increased by ₹ 95.86 lakhs or 10.71% from ₹ 895.10 lakhs in March 31, 2020 to ₹ 990.96 lakhs in March 31, 2021. This increase was due increase in the lorry freight charges and lorry hire charges in normal course of business growth.

Revenue from contracts with customers

Revenue from contracts with customers increased by ₹ 2,027.06 lakhs or 11.93% from ₹ 16,994.39 lakhs in March 31, 2020 to ₹ 19,021.45 lakhs in March 31, 2021. This increase was due increase in the number of completed contracts with higher value including contracts with government department.

Other income

Our other income decreased by ₹ 8.57 lakhs or 10.75%, to ₹ 71.15 lakhs in March 31, 2021 from ₹ 79.72 lakhs in March 31, 2020. This was primarily on account of decrease by a reduction in discount received from ₹ 1.47 lakhs in March 31, 2020 to ₹ 1.39 lakhs in March 31, 2021, insurance claim and other non-operating income reduce to ₹ nil in March 31, 2021 each, from ₹ 46.41 lakhs and ₹ 1.98 lakhs in March 31, 2020 respectively. This was partially offset by increase in interest income on fixed deposits with banks from ₹ 29.87 lakhs in March 31, 2020 to ₹ 69.76 lakhs in March 31, 2021.

Expenses

Our total expenses increased by ₹ 1,731.25 lakhs or 9.61% from ₹ 18,021.98 lakhs in March 31, 2020 to ₹ 19,753.23 lakhs in March 31, 2021. This increase was due to an increase in cost of materials consumed, construction expense, changes in inventories, employee benefit expense and other expenses. This was partially offset by a decrease in depreciation and amortisation expense and finance cost.

Cost of materials consumed

Cost of materials consumed increased by ₹ 801.01 lakhs or 28.50% from ₹ 2,810.85 lakhs in March 31, 2020 to ₹ 3,611.85 lakhs in March 31, 2021. This increase was due to increase in number of contracts completion and higher consumption of products used in the process of construction of roads and bridges, including other projects related with irrigation works.

Changes in inventories

Changes in inventories of finished goods and trading goods were ₹ 110.60 lakhs in March 31, 2021 whereas they were negative ₹ 387.56 lakhs in March 31, 2020.

Employee benefits expense

Employee benefits expense increased by ₹ 41.97 lakhs or 13.70%, from ₹ 306.48 lakhs in March 31, 2020 to ₹ 348.45 lakhs in March 31, 2021. This was due to increase in salaries, wages and bonus from ₹ 290.40 lakhs in March 31, 2020 to ₹ 331.18 lakhs in March 31, 2021, contribution to provident fund and other funds from ₹ 3.15 lakhs in March 31, 2020 to ₹ 3.22 lakhs in March 31, 2021, and perquisite to employees from ₹ 2.34 lakhs in March 31, 2020 to ₹ 8.60 lakhs in March 31, 2021. This was partially offset by a decrease in contribution to gratuity from ₹ 4.65 lakhs in March 31, 2020 to ₹ 2.46 lakhs in March 31, 2021 and staff welfare expense from ₹ 5.93 lakhs in March 31, 2020 to ₹ 2.98 lakhs in March 31, 2021.

Depreciation and amortisation expense

Depreciation and amortisation expense decreased by ₹ 82.32 lakhs or 14.44%, to ₹ 487.63 lakhs in March 31, 2021 from ₹ 569.95 lakhs in March 31, 2020. This was due to decrease in depreciation of motor vehicle and was partially offset by increase in depreciation of property, plant & equipment and furniture, computer & peripherals and furniture & fixtures.

Construction expense

Civil construction costs increased by ₹ 468.90 lakhs or 3.33%, from ₹ 14,094.05 lakhs in March 31, 2020 to ₹ 14,562.95 lakhs in March 31, 2021. This increase was primarily due to increase in:

- work charges from ₹ 908.15 lakhs in March 31, 2020 to ₹ 1,475.70 lakhs in March 31, 2021,
- purchases of materials from ₹ 1,561.76 lakhs in March 31, 2020 to ₹ 1,564.39 lakhs in March 31, 2021,
- consumption of spares, tools and stores from ₹ 8.25 lakhs in March 31, 2020 to ₹ 27.97 lakhs in March 31, 2021,
- machinery – running & maintenance from ₹ 74.38 lakhs in March 31, 2020 to ₹ 120.01 lakhs in March 31, 2021.
- power and fuel expense from ₹ 988.76 lakhs in March 31, 2020 to ₹ 1,539.59 lakhs in March 31, 2021, and
- others from ₹ 345.36 lakhs in March 31, 2020 to ₹ 654.04 lakhs in March 31, 2021.

This was partially offset by decrease in water charges from ₹ 13.06 lakhs in March 31, 2020 to ₹ 5.91 lakhs in March 31, 2021, rent & hire cost from ₹ 51.32 lakhs in March 31, 2020 to ₹ 13.24 lakhs in March 31, 2021, site expenses from ₹ 237.35 lakhs in March 31, 2020 to ₹ 25.20 lakhs in March 31, 2021 and sub-contracting charges from ₹ 9,905.66 lakhs in March 31, 2020 to ₹ 9,136.90 lakhs in March 31, 2021.

Finance costs

Finance costs decreased by ₹ 0.52 lakhs or 0.1%, to ₹ 517.80 lakhs in March 31, 2021 from ₹ 518.33 lakhs in March 31, 2020. This was due to decrease in interest paid on other borrowing costs to ₹ 58.52 lakhs in March 31, 2021 from ₹ 91.12 lakhs in March 31, 2020. This was partially offset by increase in interest paid on late payment of taxes from ₹ 6.57 lakhs in March 31, 2020 to ₹ 7.05 lakhs in March 31, 2021 and interest paid on borrowings to banks from ₹ 420.64 lakhs in March 31, 2020 to ₹ 452.23 lakhs in March 31, 2021.

Other expenses

Our other expenses increased by ₹ 4.05 lakhs or 3.69%, from ₹ 109.90 lakhs in March 31, 2020 to ₹ 113.95 lakhs in March 31, 2021. This was primarily due to increase in payment to auditor from ₹ 0.25 lakhs in March 31, 2020 to ₹ 2.00 lakhs in March 31, 2021, fees expenses from ₹ nil lakhs in March 31, 2020 to ₹ 7.60 lakhs in March 31, 2021, office expenses from ₹ 0.76 lakhs in March 31, 2020 to ₹ 11.39 lakhs in March 31, 2021, office rent expenses from ₹ 0.42 lakhs in March 31, 2020 to ₹ 2.54 lakhs in March 31, 2021, tender fees from ₹ 1.93 lakhs in March 31, 2020 to ₹ 4.94 lakhs in March 31, 2021 and travelling expenses from ₹ 2.45 lakhs in March 31, 2020 to ₹ 5.60 lakhs in March 31, 2021. This was partially offset by decrease in advertisement expenses from ₹ 12.77 lakhs in March 31, 2020 to ₹ 2.22 lakhs in March 31, 2021, computer & printers repair expenses from ₹ 1.56 lakhs in March 31, 2020 to ₹ 1.22 lakhs in March 31, 2021, electricity from ₹ 2.77 lakhs in March 31, 2020 to ₹ 2.28 lakhs in March 31, 2021, rates & taxes from ₹ 81.22 lakhs in March 31, 2020 to ₹ 70.54 lakhs in March 31, 2021, printing & stationary from ₹ 3.76 lakhs in March 31, 2020 to ₹ 2.62 lakhs in March 31, 2021 and sales promotion expense from ₹ 1.00 lakhs in March 31, 2020 to ₹ nil lakhs in March 31, 2021.

Expenses excluding depreciation and amortisation expense and finance costs

For the reasons discussed above, our total expenses excluding depreciation and amortisation expense and finance costs increased to ₹ 18,747.79 lakhs in March 31, 2021 from ₹ 16,933.71 lakhs in March 31, 2020.

Profit before tax

For the reasons discussed above, our profit before tax decreased by ₹ 186.86 lakhs or 13.17%, to ₹ 1,231.67 lakhs (comprising 5.83% of our total income) in March 31, 2021 from ₹ 1,418.52 lakhs (comprising 7.30% of our total income) in March 31, 2020.

Tax expenses

Our tax expenses decreased by ₹ 70.06 lakhs or 18.94%, to ₹ 299.74 lakhs in March 31, 2021 from ₹ 369.80 lakhs in March 31, 2020. This was due to a reduce in deferred tax asset from positive ₹ 20.22 lakhs in March 31, 2020 to negative ₹ 71.37 lakhs in March 31, 2021. This was partially offset by an increase in current tax from ₹ 349.58 lakhs in March 31, 2020 to ₹ 371.11 lakhs in March 31, 2021.

Profit for the year

For the reasons discussed above, our profit for the year decreased by ₹ 116.80 lakhs or 11.14%, to ₹ 931.92 lakhs (comprising 4.41% of our total income) in March 31, 2021 from ₹ 1,048.72 lakhs (comprising 5.39% of our total income) in March 31, 2020.

Total comprehensive income for the year

Our total comprehensive income for the year decreased by ₹ 117.03 lakhs or 11.16%, to ₹ 931.69 lakhs in March 31, 2021 from ₹ 1,048.72 lakhs in March 31, 2020.

Liquidity and Capital Resources

We operate in a capital intensive industry and our principal liquidity requirements have been to finance our working capital needs and our capital expenditures. Our business requires high levels of financing to develop, operate and maintain our projects. To fund these costs, we have historically relied on raising short term and long term borrowings, including working capital financing, loans from related parties and others and cash generated from operating activities.

Our short-term liquidity requirements relate to servicing our borrowings, operating and maintaining our projects and financing working capital requirements. Our long-term liquidity requirements include construction of projects under development and repayment of long-term debt under our facilities.

Our primary liquidity requirements have been towards our working capital requirements. We have met these requirements from cash flows from operations and borrowings. We expect to meet our working capital requirements for the next 12 months primarly from the cash flows of our business operations and other available financial means.

As on March 31, 2022, March 31, 2021, and March 31, 2020, we had cash and cash equivalents of ₹ 1,524.15 lakhs, ₹ 525.02 lakhs, and ₹ 24.51 lakhs, respectively. Cash and cash equivalents consist of cash on hand, balances with banks in current accounts.

Cashflows

The following table sets forth certain information relating to our cash flows in the periods indicated:

(in ₹ lakhs)

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Net cash generated/ (used) from operating activities	3,198.64	1,720.47	2,141.63
Net cash generated/ (used) from investing activities	(1,669.81)	147.85	(680.20)
Net cash generated/ (used) from financing activities	(529.71)	(1,367.81)	(1,492.65)
Net increase/(decrease) in cash and cash equivalents	**999.13**	**500.51**	**(31.23)**
Cash and Cash Equivalents at the beginning of the year	525.02	24.51	55.73
Cash and Cash Equivalents at the end of the year	**1,524.15**	**525.02**	**24.51**

Operating Activities

For Financial Year Ended March 31, 2022

Net cash generated from operating activities was ₹ 3,198.64 lakhs in March 31, 2022. Profit before tax was ₹ 1,601.37 lakhs in March 31, 2022. Adjustments primarily consisted of depreciation of ₹ 539.63 lakhs, finance costs of ₹ 347.90 lakhs and provision for gratuity of ₹ 3.97 lakhs, which was partially offset by interest income of ₹ 68.79 lakhs.

Our operating profit before working capital adjustments was ₹ 2,424.08 lakhs in March 31, 2022. The working capital adjustments in March 31, 2022 included increase in trade payables of ₹ 78.70 lakhs, increase in other current liabilities of ₹ 633.72 lakhs and increase in financial assets of ₹ 161.88 lakhs. This was offset by decrease in trade receivables of ₹ 679.72 lakhs, decrease in other current assets of ₹ 47.77 lakhs, decrease in inventory of ₹ 69.73 lakhs and decrease in financial liabilities of ₹ 201.72 lakhs. Cash generated from operating activities in March 31, 2022 amounted to ₹ 3,198.64 lakhs. Income tax paid (net, of refunds) amounted to ₹ 371.49 lakhs.

For Financial Year Ended March 31, 2021

Net cash generated from operating activities was ₹ 1,720.47 lakhs in March 31, 2021. Profit before tax was ₹ 1,231.67 lakhs in March 31, 2021. Adjustments primarily consisted of depreciation of ₹ 487.63 lakhs, finance costs of ₹ 517.80 lakhs and provision for gratuity of ₹ 2.46 lakhs, which was partially offset by interest income of ₹ 69.76 lakhs.

Our operating profit before working capital adjustments was ₹ 2,169.80 lakhs in March 31, 2021. The working capital adjustments in March 31, 2021 included increase in other current assets of ₹ 88.84 lakhs and increase in other current liabilities of ₹ 3.60 lakhs. This was offset by decrease in trade receivables of ₹ 832.03 lakhs, decrease in inventory of ₹ 36.06 lakhs, decrease in financial assets of ₹ 351.06 lakhs, decrease in trade payables of ₹ 1,413.81 lakhs and decrease in financial liabilities of ₹ 19.83 lakhs. Cash generated from operating activities in March 31, 2021 amounted to ₹ 1,870.06 lakhs. Income tax paid (net, of refunds) amounted to ₹ 149.59 lakhs.

For Financial Year Ended March 31, 2020

Net cash generated from operating activities was ₹ 2,141.63 lakhs in March 31, 2020. Profit before tax was ₹ 1,418.52 lakhs in March 31, 2020. Adjustments primarily consisted of depreciation of ₹ 569.95 lakhs, finance costs of ₹ 518.33 lakhs, accrual of WIP of ₹ 359.10 lakhs and provision for gratuity of ₹ 4.65 lakhs, which was partially offset by interest income of ₹ 29.87 lakhs and profit of partnership firm of ₹ 371.32 lakhs.

Our operating profit before working capital adjustments was ₹ 2,469.36 lakhs in March 31, 2020. The working capital adjustments in March 31, 2020 included increase in trade receivables of ₹ 2,923.12 lakhs, increase in other current assets of ₹ 107.18 lakhs, increase in inventory of ₹ 668.97 lakhs, increase in financial assets of ₹ 884.87

lakhs, increase in trade payables of ₹ 1,699.07 lakhs, increase in financial liabilities of ₹ 2,676.28 lakhs and increase in other current liabilities of ₹ 81.04 lakhs. Cash generated from operating activities in March 31, 2020 amounted to ₹ 2,341.61 lakhs. Income tax paid (net, of refunds) amounted to ₹ 199.99 lakhs.

Investing Activities

For Financial Year Ended March 31, 2022

Net cash used in investing activities in March 31, 2022 was ₹ 1,699.81 lakhs. This was on account of payments for purchase of property, plant and equipment of ₹ 1,738.61 lakhs. This was partially offset by interest received of ₹ 68.79 lakhs.

For Financial Year Ended March 31, 2021

Net cash generated from investing activities in March 31, 2021 was ₹ 147.85 lakhs. This was on account of proceeds from sale of property, plant and equipment of ₹ 78.09 lakhs and interest received of ₹ 69.76 lakhs.

For Financial Year Ended March 31, 2020

Net cash used in investing activities in March 31, 2020 was ₹ 680.20 lakhs. This was on account of payments for purchase of property, plant and equipment of ₹ 710.07 lakhs. This was partially offset by interest received of ₹ 29.87 lakhs.

Financing Activities

For Financial Year Ended March 31, 2022

Net cash used in financing activities in March 31, 2022 was ₹ 529.71 lakhs. This was on account of interest paid of ₹ 347.90 lakhs and repayment of non-current borrowings of ₹ 181.80 lakhs.

For Financial Year Ended March 31, 2021

Net cash used in financing activities in March 31, 2021 was ₹ 1,367.81 lakhs. This was on account of interest paid of ₹ 517.80 lakhs and repayment of non-current borrowings of ₹ 850.00 lakhs.

For Financial Year Ended March 31, 2020

Net cash used in financing activities in March 31, 2020 was ₹ 1,492.65 lakhs. This was on account of interest paid of ₹ 518.33 lakhs and repayment of non-current borrowings of ₹ 1,024.68 lakhs. This was partially offset by proceeds from issue of equity shares of ₹ 50.36 lakhs.

Capital Expenditure

In the financial year ended March 31, 2022, 2021 and 2020, our capital expenditure was ₹ 540.08 lakhs, ₹ 84.64 lakhs, and ₹ 710.07 lakhs, respectively. This primarily consists of addition of machinery, computer peripherals, furniture & fixtures, office equipments and motor vehicles**.**

Indebtedness

As of March 31, 2022, we had long-term borrowings of ₹ 1,288.34 lakhs and short-term borrowings of ₹ 1,359.95 lakhs which includes unsecured loans. The following table sets forth certain information relating to our outstanding indebtedness as of March 31, 2022, and our repayment obligations in the periods indicated:

(in ₹ Lakhs)

Category of Borrowings	**As of March 31, 2022**		
	Payment due by period		
	Total	**Short term (less than 1 year)**	**Long term (more than 1 year)**
Long-term borrowings			
Secured	1,270.28	731.22*	539.06
Unsecured	18.06	-	18.06
Total Long-term borrowings	1,288.34	**731.22***	**557.12**

Category of Borrowings	As of March 31, 2022		
	Payment due by period		
	Total	Short term (less than 1 year)	Long term (more than 1 year)
Short-term borrowings			
Secured	1,359.95	1,359.95	-
Unsecured	-	-	-
Total Short-term borrowings	**1,359.95**	**1,359.95**	**-**
Total Borrowings	**2,648.29**	**2,091.17**	**557.12**

**Short term borrowings include the maturities payable within 1 year.*

For further details regarding our indebtedness, see *"Financial Indebtedness"* and *"Restated Financial Statements"* on pages 260 and 181, respectively.

Contingent Liabilities and Commitments

The following table sets forth the principal components of our contingent liabilities as of March 31, 2022, 2021 and 2020 as per our Restated Financial Statements:

(in ₹ Lakhs)

Particulars		As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
A.	Bank guarantees	3,848.85	3,560.00	-
B.	Demands by Service Tax/GST/Excise Authorities under disputes	-	-	-
C.	Income-tax demand raised by authorities^	1,688.78	-	-
	Total	**5,537.63**	**3,560.00**	**-**

^Including demands raised post balance sheet date i.e., March 31, 2022

As on date of filing this Draft Red Herring Prospectus, our Company does not have capital and other commitments (net of advances) if any.

Off Balance Sheet Commitments and Arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with standalone entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Related Party Transactions

We enter into various transactions with related parties in the ordinary course of business. For further information relating to our related party transactions, see *"Restated Financial Statements"* on page 181.

Reservations, Qualifications and Adverse Remarks Included in Financial Statements

There have been no reservations or qualifications or adverse remarks of our Statutory Auditors in the last three financial years

Changes in Accounting Policies

As on the date of this Draft Red Herring Prospectus, except the change in account policy due to adoption of IND AS accounting standards, there have no changes in our accounting policies in the last three financial years.

Quantitative and qualitative disclosure about market risk

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes provision for expected credit loss and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

Trade Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Interest Rate Risk

We are exposed to interest rate risk resulting from fluctuations in interest rates. While most of our long term borrowings from banks and financial institutions are on fixed rate basis, our project specific borrowings primarily consist of floating rate obligations linked to the applicable benchmark rates, which may typically be adjusted at certain intervals in accordance with prevailing interest rates. Increases in interest rates would increase interest expenses relating to our outstanding floating rate borrowings and increase the cost of new debt. In addition, an increase in interest rates may adversely affect our ability to service long-term debt and to finance development of new projects, all of which in turn may adversely affect our results of operations.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Inflation

While we believe inflation has not had any material impact on our business and results of operations, inflation generally impacts the overall economy and business environment and hence could affect us.

Unusual or Infrequent Events or Transactions

Except as described in *"Risk Factors" and "Our Business"*, on pages 29 and 126, respectively, there have been no events or transactions to our knowledge which may be described as "unusual" or "infrequent".

Significant Economic Changes

Our business is substantially dependent on irrigation, roads & bridges projects in Karnataka undertaken or awarded by government authorities and other entities funded by governments. Any change in government policies resulting in a decrease in the amount of road and bridge projects undertaken may adversely affect our business and results of operations. For further details, see *"Industry Overview"* on page 101.

Known Trends or Uncertainties

Our business has been impacted and we expect will continue to be impacted by the trends identified above under *"Significant Developments after March 31, 2022 that may affect our Future Results of Operations"* and the uncertainties described in *"Risk Factors"* on pages 259 and 29, respectively. To our knowledge, except as described in this Draft Red Herring Prospectus, there are no known factors, which are expected to have a material adverse impact on our revenues or income from continuing operations.

Future Relationships between Costs and Income

Other than as described *"Risk Factors", "Our Business" and "Management's Discussion and Analysis of Financial Position and Results of Operations"* on pages 29, 126 and 232 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

Material Increase in Revenue from Operations or Other Income

Our business has been affected and we expect that it will continue to be affected by the trends identified above in *"Significant Developments after March 31, 2022 that may affect our Future Results of Operations"* and the uncertainties described in *"Risk Factors"* on pages 259 and 29, respectively. To our knowledge, except as disclosed in this Draft Red Herring Prospectus, there are no known factors which we expect to have a material adverse impact on revenue from operations or other income.

New Products or New Business Segments

Except as set out in this Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or new business segments.

Seasonality

Our business is not seasonal in nature.

Significant Dependence on a Single or Few Customers

Our business is substantially dependent on irrigation, road & bridge projects in region of Karnataka undertaken or awarded by governmental authorities and other entities funded by the central and/ or state governments. We derive almost all of our revenue from contracts awarded by a limited number of 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. For further details, see *"Risk Factors – Our business currently is primarily dependent on projects in India undertaken or awarded by governmental authorities and other entities funded by the GoI or state governments and we derive majority of our revenues from contracts with a limited number of government entities. Any adverse changes in the central or state government policies may lead to our contracts being foreclosed, terminated, restructured or renegotiated, which may have a material effect on our business and results of operations"* on page 31.

Competitive Conditions

We expect competition in our industry from existing and potential competitors to intensify. For details, please refer to the discussions of our competition in *"Our Business"*, *"Industry Overview"* and *"Risk Factors – We operate in a competitive industry and our failure to successfully compete may adversely affect our business, financial condition and results of operations, and prospects"* on pages 126, 101 and 39, respectively.

Significant Developments after March 31, 2022 that may affect our Future Results of Operations

Except as otherwise as set out in this Draft Red Herring Prospectus, to our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Draft Red Herring Prospectus which have materially or adversely affected or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 (Twelve) months.

FINANCIAL INDEBTEDNESS

Our Company has availed loans in the ordinary course of business for meeting our working capital requirement. Our Company has obtained the necessary consents required under the relevant loan documentation for undertaking activities, including change in our capital structure and change in our Articles of Association and Memorandum of Association. For details in relation to the borrowing powers of the Company, please see the section entitled "*Our Management – Borrowing Powers*" on page 159. The details of aggregate indebtedness of our Company as on March 31, 2022 are provided below:

Facilities availed directly by our Company

(in ₹ lakhs)

Category of borrowing	Sanctioned amount as of March 31, 2022	Outstanding amount as of March 31, 2022
Secured Borrowings		
Working Capital Facilities!^	1,400.00	1,270.28
Term Loans!^%	3,128.46	1,359.95
Total Secured Borrowings (A)	**4,528.46**	**2,630.22**
Unsecured Borrowings		
Unsecured Loan from Director	-	18.06
Total Unsecured Borrowings (B)	**-**	**18.06**
Total Borrowings (A+B)	**4,528.46***	**2,648.29**

The details above have been certified by our Statutory Auditor, pursuant to certificate dated September 27, 2022.

**Sanctioned amount for Total Borrowings only covers amounts sanctioned for secured borrowings as unsecured loan from director is on demand and also repayable on demand.*

!Cash Credit and Bank Guarantee Facilities sanctioned by State Bank of India vide letter of arrangement dated June 1, 2021.

^Our Promoter, Udayshivakumar, has mortgaged the properties owned by him as a security for the Cash Credit and Bank Guarantee facilities availed by our Company from State Bank of India, pursuant to the letter of arrangement dated June 1, 2021.

%Our Promoter, Udayshivakumar and his wife, Amrutha are co-borrowers in the certain term loan facilities, details of which are provided below:

(₹ in lakhs)

S. No.	*Name of lender*	*Name of the Promoter/ member of the Promoter Group*	*Nature of facility*	*Amount outstanding as at March 31, 202*
1.	*Axis Bank Limited*	*Udayshivakumar*	*Term Loan*	*5.08*
2.	*Canara Bank*	*Udayshivakumar*	*Term Loan*	*13.59*
3.	*Daimler Financial Services India Private Limited*	*Udayshivakumar*	*Term Loan*	*466.18*
4.	*HDB Financial Services Limited*	*Udayshivakumar*	*Term Loan*	*39.51*
5.	*HDFC Bank Limited*	*Udayshivakumar*	*Term Loan*	*153.30*
6.	*John Deere India Private Limited*	*Amrutha and Udayshivakumar*	*Term Loan*	*186.57*
Total				***864.23***

^Our Company has availed vehicle loans from HDFC Bank Limited, Axis Bank Limited, Canara Bank, Daimler Financial Services India Private Limited, Hinduja Leyland Finance Limited, HDB Financial Services, John Deere India Private Limited, SREI Infrastructure Finance Limited and State Bank of India Limited. Our Company has registered vehicle loans availed from HDFC Bank Limited and Daimler Financial Services India Private Limited amounting to ₹ 594.81 lakhs and has filed relevant forms with the RoC. However, certain loans availed from Axis Bank Limited, Canara Bank, Daimler Financial Services India Private Limited, Hinduja Leyland Finance Limited, HDB Financial Services, John Deere India Private Limited, SREI Infrastructure Finance Limited and State Bank of India Limited are still in the name of the erstwhile sole proprietorship and partnership firm and while these loans are appearing in the books of accounts of our Company, we have not been able to file the relevant forms for registering these loans with the RoC. The details of these loans have been provided below:

(₹ in lakhs)

S. No.	*Name of the lender*	*Amount sanctioned*	*Amount outstanding as at March 31, 2022*
1.	*Axis Bank Limited*	*16.30*	*5.08*
2.	*Canara Bank*	*30.00*	*13.59*
3.	*Daimler Financial Services India Private Limited*	*1,354.54*	*421.80*
4.	*Hinduja Leyland Finance Limited*	*524.58*	*200.79*
5.	*HDB Financial Services Limited*	*39.51*	*10.59*
6.	*John Deere India Private Limited*	*335.20*	*186.56*
7.	*SREI Infrastructure Finance Limited*	*456.96*	*79.40*
8.	*State Bank of India*	*21.65*	*11.31*
	Total	**2,778.74**	**929.12**

For risks relating to the above, please see "Risk Factors- Our Promoter is a co-borrower to certain vehicle loans availed by our Company. In event of default of the debt obligations, our Promoter will have to bear the liability, which may adversely affect the Promoter's ability to manage the affairs of our Company. Further certain of our vehicle loans are in the name of the erstwhile sole proprietorship and partnership firm and are yet to be transferred to the name of our Company" on page 49.

Principal terms of our borrowings:

Our Company has availed credit facilities from (i) State Bank of India, which include cash credit facility and bank guarantee facility (collectively "**Working Capital Facilities**"); (ii) term loans from HDFC Bank Limited, Daimler Financial Services India Private Limited, Hinduja Leyland Finance Limited, HDB Financial Services, John Deere India Private Limited and SREI Infrastructure Finance Limited ("**Vehicle Loans**").

1. ***Interest:*** The interest rate for Working Capital Facilities, namely, cash credit facility, availed from State Bank of India vary and are typically linked to the prevalent external benchmark lending rate ("**EBLR**") and spread per annum, whereas for bank guarantee, the interest rate ranges from 1.80% to 2.10%, in the form of commission. The interest rate for Vehicle Loans is fixed in nature and is charged at the interest rate provided in the loan documents executed with the lenders.

2. ***Prepayment:*** The terms of certain facilities availed by our Company typically have prepayment provisions which allow for prepayment of the outstanding loan amount, subject to payment of prepayment penalties and such other conditions as laid down in the facility agreements. We are liable to pay a charge at the rate of 2% levied on the pre-paid amount for the Working Capital Facilities availed from State Bank of India and a charge stipulated in the loan documents executed with the lenders either on the principal outstanding or on the pre-paid amount for the Vehicle Loans availed by our Company.

3. ***Additional and penal interest***: The additional interest or penal interest for the Working Capital Facilities availed from State Bank of India ranges from 1% per annum to 5% per annum payable in the event of delay in submission of documents or in case of payment related default or breach of any of the covenants, *etc*. The penal interest payable on non-payment of the equated monthly instalments of the Vehicle Loans availed by our Company is charged at the rate stipulated in the loan documents executed with the lenders.

4. ***Tenor:*** The tenor of the Working Capital Facilities and the Vehicle Loans, ranges from twelve months to fifty three months.

5. ***Repayment:*** The Working Capital Facilities and the Vehicle Loans are repayable as per the maturity profile agreed with lender.

6. ***Security:*** In terms of our borrowings where security needs to be created, we are typically required to:

(a) create charge by way of hypothecation on entire current assets and movable fixed assets, both present and future;

(b) create charge over certain immovable properties of our Promoter, enumerated in the financing arrangement and letter of arrangement;

(c) create a charge on the vehicle or machinery purchased from the principal amount sanctioned;

(d) issue an undated security cheque of the value not exceeding the facility amount; and

(e) execute personal guarantees by our Promoter and a member of our Promoter Group, in relation to certain borrowings of our Company.

7. ***Key Covenants:*** The financing arrangement and sanction letters in relation to the Working Capital Facilities and Vehicle Loans contain covenants and conditions restricting certain corporate actions, and our Company is required to take the prior approval of the lender before carrying out such actions, including:

(a) undertake or effect any scheme of amalgamation or capital expenditure or acquiring fixed assets or invest by way of share capital or in any other manner in any other entity or concern;

(b) transfer of controlling interest or make any drastic change in the management set-up, including resignation of promoter directors;

(c) incur or cause to incur, any indebtedness or make investments, or give corporate guarantees or stand surety for any person, lend or advance funds to or place deposits with any other concern in any manner whatsoever;

(d) effect any change in the share capital, shareholding pattern management control, interest structure where the shareholding by our Promoter or capital control or ownership interest, directly or indirectly, legally or beneficially, gets diluted below the present level in any manner whatsoever in our Company;

(e) transfer, sell, lease, grant on license or create any third party interest of any nature whatsoever on the collateral securities;

(f) wind up/liquidate its affairs or agree/authorise to settle any litigation or arbitration having a material adverse effect;

(g) change the practice with regard to remuneration of Directors by means of ordinary, remuneration or commission, scale of siting fees *etc*., except where mandated by any legal or regulatory provisions.

(h) divert the sanctioned facilities towards any other purposes;

(i) undertake any trading activity other than the sale of products arising out of its own manufacturing operations;

(j) issue any personal guarantee for any other loans by the guarantors, except for car loans, personal loans, home loans, education loans to be obtained for self and family members;

(k) withdraw from its business, any unsecured loans brought in by directors, promoter, relatives and friends, during the tenure of the borrowings or repay monies brought in by the promoter or directors or principal Shareholders and their friends and relatives by way of deposits loans and advances;

(l) make amendments in the constitutional documents of the Company including Memorandum of Association and Articles of Association; and

(m) payment of dividends or distribution to our shareholders.

This is an indicative list and there may be additional key covenants under the various borrowing arrangements entered by our Company.

8. ***Events of Default:*** In terms of the financing arrangement and sanction letters, the occurrence of any of the following, among others, constitute an event of default:

(a) Default in payment of principal or interest due under the facilities;

(b) The collateral security or any part thereof being jeopardized or becoming unenforceable;

(c) Misrepresentation, misleading information and representation, breach of any term, covenant, warranty, undertakings or other obligation under the facilities and/or security documents by our Company / guarantor / security provider;

(d) Occurrence of material adverse change or circumstances which would or may prejudicially or adversely affect in any manner the capacity of our Company with respect to repayment of facilities;

(e) Application made, or proceedings commenced under Insolvency and Bankruptcy Code, 2016 or any applicable laws against our Company, guarantors' or any of our group companies or any winding up proceedings are commenced/to be commenced including steps taken as to moratorium, attachment of the properties or assets, winding up, executing arrangements with creditors, dissolution including ceasing to carry on the business or appointment of receiver over whole or any part of the property of our Company;

(f) Default committed in any other loan availed by our Company / the guarantors with the lenders;

(g) Failure to utilize the loan facilities for the purpose for which it was sanctioned;

(h) If there is any deterioration, jeopardy or impairment of the Secured Assets or any part thereof, or any decline or depreciation in the value or market price thereof (whether actual or reasonably anticipated) which causes the Secured Assets in the judgment of the Bank to become unsatisfactory as to character or value;

(i) Creation of any charge, mortgage, pledge, hypothecation, lien or other encumbrance over our property or any part thereof, which is or shall be the security for the repayment of the said dues except for securing any other obligation of our Company to the lenders; and

(j) Any illegality or expropriation.

This is an indicative list and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered by our Company.

We are required to ensure that the aforementioned events of default and other events of default, as specified under the various binding documents and agreements entered into by the Company for the purpose of availing of loans, are not triggered. For further details of financial and other covenants required to be complied with in relation to our borrowings, see "*Risk Factors – Our agreements with various banks for financial arrangements contain restrictive covenants for certain activities and if we are unable to get their approval, it might restrict our scope of activities and impede our growth plans*" on page 48.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, as on the date of this Draft Red Herring Prospectus, there are no outstanding (i) criminal proceedings; (ii) actions taken by regulatory or statutory authorities; (iii) claims related to any direct or indirect taxes; or (iv) other pending litigations, as determined to be material by our Board as per the Materiality Policy; in each case involving our Company, our Joint Venture, our Promoter or our Directors ("**Relevant Parties**"). Further, except as stated in this section, there are no disciplinary actions, including penalties imposed by SEBI or stock exchanges, against our Promoter in the last five Fiscals immediately preceding the date of this Draft Red Herring Prospectus, including any outstanding action.*

For the purposes of (iv) above, in terms of the Materiality Policy adopted by our Board pursuant to a resolution dated September 17, 2022, any pending litigation / arbitration proceedings involving the Relevant Parties shall be considered "material" for the purposes of disclosure in this Draft Red Herring Prospectus, if:

a.) The aggregate monetary claim/ dispute amount/ liability made by or against our Company or our Joint Venture in any such pending litigation (individually or in aggregate), is equivalent to or above 5% of the restated profit after tax of our Company, as per the latest completed fiscal year of the Restated Financial Statements (amounting to ₹ 60.72 lakhs);

b.) Any such pending litigation / arbitration proceeding involving the Directors or Promoter of our Company, which may have a material adverse impact on the business, operations, performance, prospects, financial position or reputation our Company; and

c.) any such litigation wherein a monetary liability is not determinable or quantifiable, or which does not fulfil the threshold as specified in (a) or (b) above, as applicable, or wherein our Company is not a party, but the outcome of which could, nonetheless, have a material effect on the business, operations, performance, prospects, financial position or reputation of our Company.

It is clarified that for the purposes of the above, pre-litigation notices received by any of Relevant Parties, from third parties (other than show cause notices issued by statutory / regulatory / tax authorities or notices threatening criminal action or the first information reports) have not, and shall not, unless otherwise decided by our Board, be considered as material litigation until such time that such Relevant Party, as the case may be, is impleaded as a defendant/s in proceedings before any judicial / arbitral forum.

Further in terms of the Materiality Policy, creditors of our Company to whom amount due by our Company is equal to or in excess of 10% of the restated trade payables of our Company as at the end of the latest fiscal year included in the Restated Financial Statements, would be considered as material creditors. Accordingly, a creditor has been considered 'material' by our Company if the amount due to such creditor exceeds ₹ 435.34 lakhs.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus. All terms defined herein in a particular litigation disclosure pertain to that litigation only.

A. Litigation involving our Company

Litigation against our Company

Criminal Litigations

As on the date of this Draft Red Herring Prospectus, there are no criminal litigations against our Company.

Actions by statutory or regulatory authorities against our Company

As on the date of this Draft Red Herring Prospectus, there are no actions by statutory or regulatory authorities against our Company.

Other pending material litigation against our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding matieral pending litigation against our Company.

Litigation by our Company

Criminal Litigations

As on the date of this Draft Red Herring Prospectus, there is no criminal litigation by our Company.

Other pending material litigation by our Company

Our Promoter, on behalf of the erstwhile partnership firm, '*M/s. Udayshivakumar*' had invoked the arbitration clause of the agreement dated February 4, 2011 executed with Public Works Department ("**PWD**") for construction of railway-over-bridge on Bengaluru-Hubli railway line alleging that there was delay in the execution of the work for the reasons attributable to PWD, in view of which our Company suffered losses due to *inter alia*, idling of labour force, machinery and equipment; incurring extra expenditure for the project, maintenance of bank guarantees and performance guarantees and claimed a compensation of approximately ₹ 1,648.26 lakhs. The sole arbitrator passed an award dated Jauary 21, 2022 and held that our Company was entitled to receive compensation of ₹ 250.97 lakhs along with interest, for the losses caused on account of delay caused by PWD in commencement of the project. The Executive Engineer, PWD filed an application under Section 34 of the Arbitration and Concilation Act, 1996 before the Hon'ble Principal Distrct and Sessions Judge challenging the award dated January 21, 2022 passed by the sole arbitrator and seeking an order to be passed for setting aside the said award. The application is currenly pending before the Hon'ble Principal Distrct and Sessions Judge.

B. Litigation involving our Promoter

Litigation against our Promoter

Criminal Litigations

A criminal complaint was filed by the State of Karnataka against our Promoter, who is a partner in Udayshivakumar Stone Crusher, an entity forming part of our Promoter Group and others, alleging that an explosion while operating the stone crusher owned by M/s. Udayshivakumar Stone Crusher caused a grevious injury to certain individuals who were present at the site, one of whom was an employee of Udayshivakumar Stone Crusher. In view of the aformentioned accident, a compliant was filed against our Promoter under Sections 3 and 3 of the Explosive Substances Act, 1908, Section 9 (B) of the Explosives Act, 1884 and Section 286 and 337 of the the Indian Penal Code, 1860. A chargesheet has been filed before the Hon'ble Principal Civil Judge & JMFC Court, Harapanahalli and the matter is currently pending for admission of evidence.

Actions taken by regulatory/statutory authorities

As on the date of this Draft Red Herring Prospectus, there are no actions by statutory or regulatory authorities against our Promoter.

Other Material Litigation

As on the date of this Draft Red Herring Prospectus, there are no material litigations against our Promoter.

Disciplinary action taken (including outstanding action) against our Promoter in the five Financial Years preceding the date of this Draft Red Herring Prospectus by SEBI or any stock exchange

There has been no disciplinary action by SEBI or any stock exchange against our Promoter in the five years preceding this Draft Red Herring Prospectus.

Litigation by our Promoter

Criminal Litigation

As on the date of this Draft Red Herring Prospectus, there is no criminal litigation filed by our Promoter.

Other Material Litigation

For details, please see *"-Litigation by our Company-Other pending material litigation by our Company"* on page 265.

C. Litigation involving our Directors

Litigation against our Directors

Criminal Litigations

For details, please see *"-Litigation against our Promoter-Criminal Litigations"* on page 265.

Actions taken by statutory or regulatory authorities

As on the date of this Draft Red Herring Prospectus, there are no actions by statutory or regulatory authorities against our Directors.

Other Material Litigations

As on the date of this Draft Red Herring Prospectus, there are no material litigations against our Directors.

Litigations by our Directors

Criminal Litigations

As on the date of this Draft Red Herring Prospectus, there is no criminal litigation by our Directors.

Other Material Litigation

For details, please see *"-Litigation by our Company-Other pending material litigation by our Company"* on page 265.

D. Litigation involving our Joint Venture

Litigation against our Joint Venture

Criminal Litigations

As on the date of this Draft Red Herring Prospectus, there is no criminal litigation against our Joint Venture .

Actions taken by statutory or regulatory authorities

As on the date of this Draft Red Herring Prospectus, there are no actions by statutory or regulatory authorities against our Joint Venture .

Other Material Litigations

As on the date of this Draft Red Herring Prospectus, there are no material litigations against our Joint Venture.

Litigations by our Joint Venture

Criminal Litigations

As on the date of this Draft Red Herring Prospectus, there is no criminal litigation by our Joint Venture.

Other Material Litigation

As on the date of this Draft Red Herring Prospectus, there are no litigations filed by our Joint Venture.

E. Tax proceedings against our Company, Joint Venture, Promoter and Directors

Set out herein below are details of claims relating to direct and indirect taxes involving our Company, Joint Venture, Promoter and Directors:

Nature of case	Number of cases	Amount involved (in ₹ lakhs)*
Company#		
Direct tax	6	1,688.78
Indirect tax	1	Not ascertainable
Promoter		
Direct tax	7	553.05
Indirect tax	Nil	Nil
Directors^		
Direct tax	7	553.05
Indirect tax	Nil	Nil
Joint Venture		
Direct tax	Nil	Nil
Indirect tax	Nil	Nil

**To the extent quantifiable*
#Including cases of erstwhile partnership
^This litigation pertains to our Chairman and Managing Director, Udayshivakumar.

F. Outstanding dues to creditors

As per the Materiality Policy, a creditor of our Company, shall be considered to be material ("**Material Creditors**") for the purpose of disclosure in this Draft Red Herring Prospectus, if amounts due to such creditor by our Company is in excess of 5% of the restated trade payables of our Company as at the end of the latest fiscal year in the Restated Financial Statements (*i.e.*, as at March 31, 2022). Accordingly, a creditor has been considered 'material' by our Company if the amount due to such creditor exceeds ₹ 435.34 lakhs as on March 31, 2022.

As of March 31, 2022, outstanding dues to Material Creditors, micro, small and medium enterprises and other creditors were as follows:

S. No.	Type of creditor	No. of creditors	Amount outstanding (₹ in lakhs)
1.	Dues to micro, small and medium enterprises	Nil	0.00
2.	Dues to Material Creditors	2	1,382.57
3.	Dues to other creditors	224	2,970.83
	Total	**226**	**4,353.39**

The details pertaining to outstanding dues to Material Creditors, along with the name and amount involved for each such Material Creditor, are available on the website of our Company at http://www.uskinfra.com/Material-Creditor.html. It is clarified that such details available on our Company's website do not form a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any source of information including our Company's website, http://www.uskinfra.com/Material-Creditor.html would be doing so at their own risk.

G. Material Developments

Except as disclosed in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 232, there have been no material developments, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, any circumstances, which materially and adversely affect, or are likely to affect our trading or profitability of our Company or the value of our assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

We have set out below an indicative list of approvals obtained by our Company and our Joint Venture, which are considered material and necessary for the purpose of undertaking its business activities in India. In view of these material approvals, our Company can undertake this Issue, and can undertake its business activities presently being carried out. Other than as stated below, no further material approvals from any regulatory authority are required to undertake the Issue or continue such business activities. In addition, certain of our material approvals may expire in the ordinary course of business, from time to time, and our Company and our Joint Venture shall make an application to the appropriate authorities for renewal of such key approvals. For details in connection with the regulatory and legal framework applicable to our Company, see "Key Regulations and Policies" on page 146.

(A) Our Company

I. Incorporation details of our Company

1. Certificate of incorporation dated December 23, 2019, issued to our Company by the Central Registration Centre, Registrar of Companies, in the name of '*Udayshivakumar Infra Private Limited'.*

2. Fresh certificate of incorporation dated September 16, 2022, issued to our Company by the Registrar of Companies, Bangalore, Karnataka pursuant to conversion of our Company from 'private limited company' to a 'public limited company' and consequential change in our name to '*Udayshivakumar Infra Limited*.

II. Approvals in relation to the Issue

For details regarding the approvals and authorizations obtained by our Company in relation to the Issue, see "*Other Regulatory and Statutory Disclosures – Authority for the Issue*" on page 271.

III. Material approvals in relation to our Company

Tax related registrations

1. The permanent account number of our Company is AACCU5401A.
2. The tax deduction account number of our Company is BLRU05076B.
3. The GST registration number of our Company is 29AACCU5401A1ZT (Karnataka).
4. Udyam Registration Number of our Company is UDYAM-KR-12-0000245.

Business related approvals

1. Our Company has obtained registrations under various employee and labour related laws including Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees State Insurance Act, 1948.

2. In relation to the civil construction business our Company has obtained a category-I civil contractor license bearing number CBS/C1/CIVIL/15195/2020 issued by State Karnataka Public Works Department.

3. In relation to the ready-mix concrete business, our Company has obtained (i) a license under Contract Labour (Regulations and Abolition Act), 1970; and (ii) shops and establishment registration under Karnataka Shops and Commercial Establishments Rules, 1963 for operating our RMC manufacturing units situated at, Belgaum, Haveri, Shivamogga, Davangere and Chitradurga.

   Further, our Company has also obtained a combined consent for discharge of effluents under the Water (Prevention and Control of Pollution) Act, 1974 and emission under Air (Prevention and Control of Pollution) Act, 1981 from the Karnataka Pollution Control Board for our RMC manufacturing unit situated at, Belgaum.

4. In relation to the toll-collection business, our Company has obtained a license under the Contract

Labour (Regulations and Abolition Act), 1970.

5. Our Company has obtained certificates of registration from Aambitious Assessment Private Limited certifying that (i) the quality management system of our Company is compliant with the requirements of ISO 9001:2015; (ii) the environmental management system of our Company is compliant with the requirements of ISO 14001:2015; and (iii) the occupational health and safety management system of our Company is compliant with the requirements of ISO 45001:2018.

Material approvals applied for but not received

Our Company and our Joint Venture has applied for the following approvals and is yet to receive the same :

S. No.	Details of License	Authority with which application has been made	Date of Application
Company			
1.	Change of name in PAN card pursuant to conversion of our Company from a private limited company to a public limited company	Income Tax Department, Government of India	September 17, 2022
2.	Change of name in GST certificate pursuant to conversion of our Company from a private limited company to a public limited company	Department of Commercial Taxes, Government of Karnataka,	September 21, 2022
3.	Consent to establish under Section 25 of Water (Prevention & Control of Pollution) Act, 1974, and Section 21 of Air (Prevention & Control of Pollution) Act, 1981 for our four ready-mix concrete plants situated at Haveri	Karnataka State Pollution Control Board	September 24, 2022
4.	Consent to establish under Section 25 of Water (Prevention & Control of Pollution) Act, 1974, and Section 21 of Air (Prevention & Control of Pollution) Act, 1981 for our four ready-mix concrete plants situated at Shivamogga	Karnataka State Pollution Control Board	September 24, 2022
5.	Consent to establish under Section 25 of Water (Prevention & Control of Pollution) Act, 1974, and Section 21 of Air (Prevention & Control of Pollution) Act, 1981 for our four ready-mix concrete plants situated at Davangere.	Karnataka State Pollution Control Board	September 24, 2022
6.	Consent to establish under Section 25 of Water (Prevention & Control of Pollution) Act, 1974, and Section 21 of Air (Prevention & Control of Pollution) Act, 1981 for our four ready-mix concrete plants situated at Chitradurga.	Karnataka State Pollution Control Board	September 24, 2022
Joint Venture			
7.	Approval of mining lease with necessary clearances and permits for the stone quarries situated at Haveri	Deputy Commissioner, Haveri	September 9, 2022
8.	Approval of mining lease with necessary clearances and permits for the stone quarries situated at Shivamogga	Deputy Commissioner, Shivamogga	September 13, 2022

Material approvals expired and for which renewal has been applied for

Nil

Material approvals expired and renewal to be applied for

Nil

Material approvals required but not obtained or applied for

Our Company and our Joint Venture are yet to apply for certain approvals for carrying out its business and operations, details of such approvals have been provided below:

S. No.	Details of License	Authority to be applied for the license
	Company*	
1.	Explosive license	Directorate General of Mines Safety
2.	Permission for conducting mining operations	Department of Mines & Geology, Karnataka
3.	Permission for installation or trial operation of equipment	Department of Mines & Geology, Karnataka
4.	Ground water clearance	Karnataka Pollution Control Board
5.	Approval for diesel storage	Directorate General of Mines Safety
	***Joint Venture**#	
1.	Permanent Account Number	Income Tax Department, Government of India
2.	License under the Goods and Service Tax Act, 2017	Government of Karnataka
3.	Civil/ electrical contractor license	Karnataka, Public Works Department

**Our Company has recently been awarded a project for conducting mining operations by the Government of Karnataka, for which we would be required to apply for certain licenses and approvals. The list of licenses is indicative in nature and we may be required to apply for additional licenses for conducting this project. Since the project is at a very initial stage and is yet to commence, we have not applied for the aforementioned approvals.*

#Our Joint Venture, Udayshivakumar-Kotarki Joint Venture, has been formed to undertake a project awarded to us by NHAI. Our Joint Venture is yet to commence business operations and therefore has not applied for these approvals.

IV. Intellectual property

Our Company has made the following applications for registering our name and logo under the Trade Mark Act, 1999, which are pending as of date of this Draft Red Herring Prospectus:

Sr. No.	Particulars of the mark	Application No.	Class	Date of Application	Current status of the Application
1.		5621562	33	September 23, 2022	Send to Vienna Codification
2.	UDAYSHIVAKUMAR INFRA LIMITED	5621561	33	September 23, 2022	Formalities Chk Pass

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorised by our Board of Directors pursuant to the resolution passed at its meeting dated September 17, 2022 and our Shareholders pursuant to a special resolution passed on September 19, 2022.

Our Company has received in-principle approval from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [•] and [•], respectively.

Prohibition by SEBI, RBI or other Governmental Authorities

Our Company, Promoter, Promoter Group, Directors, the persons in control of our Company are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoter, Directors or persons in control of our Company are or were associated as promoter, 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 Directors are associated with securities market related business, in any manner and there have been no outstanding actions initiated by SEBI against our Directors in the five years preceding the date of this Draft Red Herring Prospectus.

Our Company, Promoter or Directors have not been declared as wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters and fraudulent borrowers issued by the RBI.

Our Promoter or Directors have not been declared as fugitive economic offenders.

Confirmation under Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoter and members of Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent applicable, as on the date of this Red Herring 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 had net tangible assets of at least ₹ 300 lakhs, 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 ₹ 1,500 lakhs, 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 ₹ 100 lakhs in each of the preceding three full years (of 12 months each), calculated on a restated basis; and
- Our Company has not changed its name in the last one year.

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, operating profits and net worth, derived from the Restated Financial Statements included in this Draft Red Herring Prospectus as at, and for the last three Financial Years ended March 31, 2022, 2021 and 2020 are set forth below:

(*₹ in lakhs, unless otherwise stated*)

Particulars	As at and for the Financial Year ended		
	March 31, 2022	March 31, 2021	March 31, 2020
Restated net tangible assets [1]	6,764.52	5,566.89	4,706.73
Restated monetary assets[2]	1,524.15	525.02	24.51
% of monetary assets to net tangible assets	22.53	9.43	0.52
Restated pre-tax operating profit [3]	1,873.39	1,804.25	1,857.13
Net worth[4]	6,832.14	5,618.04	4,686.51

[1] *Net Tangible Assets = Total assets (reduced by Deferred tax assets (net)) less Total non-current liabilities (reduced by*

Deferred tax liabilities (net)) and Total current liabilities.
[2] *Monetary Assets = Cash in hand + Balance with banks*
[3] *Restated operating profit/loss means restated profit before exceptional items and tax excluding other income and finance cost.*
[4] *As per regulation 2(1)(hh) of the SEBI ICDR Regulations as amended, "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 accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets write back of depreciation and amalgamation.*

Our Company has operating profits in each of Financial Year 2022, 2021 and 2020 in terms of our Restated Financial Statements.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

(a) None of our Company, our Promoter, members of our Promoter Group or our Directors are debarred from accessing the capital markets by SEBI.
(b) None of our Promoter or Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI.
(c) None of our Company, our Promoter or Directors is a Wilful Defaulter or a fraudulent borrower.
(d) None of our Promoter or Directors has been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.
(e) There are no fully paid up convertible securities that are required to be converted on or before the filing of this Red Herring Prospectus.
(f) There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Red Herring Prospectus.

Our Company shall not make an Allotment of the number or prospective allottees is less than 1,000 in accordance with Regulation 49(1) of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BRLM HAVE 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 RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLM HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 27, 2022 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF 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 have been complied with at the time of filing of this Red Herring 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 BRLM

Our Company, our Directors and the BRLM accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.uskinfra.com, or the respective websites of our Promoter, Promoter Group or any affiliate of our Company would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Issue Agreement and 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.

None among our Company, or any member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; or (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Banks on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Bidders will be required to confirm and will be 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 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 Promoter, their respective directors and officers, 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 Promoter, and their respective directors, officers, agents, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Eligibility and Transfer Restrictions

Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Karnataka, India only.

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, 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.

Neither the delivery of this Red Herring Prospectus nor the Issue of the Equity Shares shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date of this Red Herring Prospectus or that the information contained herein is correct as of any time subsequent to this date.

Invitations to subscribe to or purchase the Equity Shares in the Issue will be made only pursuant to this Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Issue, which comprises this Red Herring Prospectus and the preliminary international wrap for the Issue, if the recipient is outside India. **No person outside India is eligible to Bid for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.**

The Equity Shares offered in the Issue have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States and may not be offered or sold within the United States (as defined in Regulation S under the U.S. Securities Act ("**Regulation S**")) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. 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.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

Disclaimer clause of the NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to the NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Listing

The Equity Shares issued through this Draft Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Application will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. BSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

Consents

Consents in writing of: (a) each of our Directors, our Company Secretary and Compliance Officer, Banker to the Company, Statutory Auditor, legal counsel appointed for the Issue, the BRLM, the Registrar to the Issue, CRISIL, have been obtained; (b) Experts to the Issue has been obtained, and (c) the Syndicate Members, the Banker to the Issue and Banker to the Company, to act in their respective capacities, have been obtained and will be filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents have not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Experts to the Issue

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

Our Company has received written consent dated September 19, 2022 from M/s. N B T and Co, Chartered Accountants, to include their name as required under section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of (i) their examination report dated September 19, 2022 on our Restated Financial Statements; and (ii) their report dated September 19, 2022 on the Statement of Special Tax Benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Particulars regarding capital issues by our Company and listed group companies, subsidiaries or associate entity during the last three years

Our Company has not made any capital issues during the three years preceding the date of this Draft Red Herring Prospectus. Further, our Company does not have any listed group companies, subsidiaries or associates.

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 for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's incorporation.

Performance vis-à-vis objects – Public/ rights issue of our Company

Our Company has not undertaken any public or rights issue in the five years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – Public/ rights issue of the listed subsidiaries/listed Promoter of our Company

As on date of this Draft Red Herring Prospectus, our Company does not have a corporate promoter. Further, the securities of our Subsidiaries are not listed on any stock exchange.

Price information of past issues handled by BRLM

The BRLM has not listed any issues in the preceding three years on the Stock Exchanges.

Stock Market Data of Equity Shares

This being an initial public offer 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

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, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

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 circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to the SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for the stipulated period. In an event there is a delay in redressal of the investor grievance, 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, which period shall start from the day following the receipt of a complaint from the investor. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Further, in case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the application amount for the period of such delay by the intermediary responsible for causing such delay in unblocking, which period shall start from the day following the receipt of a complaint from the investor. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Investors shall be entitled to compensation in the manner specified in SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. (SEBI/HO/CFD/DIL2/CIR/P/2022/51) dated April 20, 2022 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. For the avoidance of doubt, the provisions of SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. (SEBI/HO/CFD/DIL2/CIR/P/2022/51) dated April 20, 2022 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 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Our Company has obtained authentication on the SCORES and is compliant with the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

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 hereinabove.

Disposal of Investor Grievances by our Company

Our Company have not received any investor grievances in the last three Financial Years prior to the filing of the Draft Red Herring Prospectus.

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 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 Sanjeevani Shivaji Redekar, as the Compliance Officer for the Issue and he may be contacted in case of any pre-Issue or post-Issue related problems. For details, see "*General Information*" on page 71.

Our Company has also constituted a Stakeholders' Relationship Committee comprising Kencha Hanumantha Reddy, Sreenivas Devaggi Janardhanappa and Manjushree Shivakumar as members, to review and redress shareholder and investor grievances. For details, see "*Our Management*" on page 156.

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

Our Company has not applied for or obtained any exemption from complying with any provisions of securities laws from SEBI.

SECTION VII - ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued and Allotted pursuant to the Issue shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, Listing Regulations, the terms of the Red Herring Prospectus, the Prospectus, the abridged prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital, and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, 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 the SEBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Issue.

The Issue

The Issue comprises a Fresh Issue of Equity Shared by the Company.

Ranking of the Equity Shares

The Allottees upon Allotment of Equity Shares under the Issue will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares Allotted in the Issue shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, MoA and AoA, and shall rank pari passu with the existing Equity Shares in all respects including dividends. For further details, see "*Main Provisions of the Articles of Association*" on page 305.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders as per the provisions of the Companies Act, our MoA, AoA, the Listing Regulations and other applicable laws including guidelines or directives that may be issued by the GoI in this respect. All dividends, declared by our Company after the date of Allotment (pursuant to the Allotment of Equity Shares), will be payable to the Allottees, for the entire year, in accordance with applicable law. For further details in relation to dividends, see "*Dividend Policy*" and "*Main Provisions of the Articles of Association*" on pages 180 and 305, respectively.

Face Value, Issue Price and Price Band

The face value of each Equity Share is ₹ 10 and the Issue Price at Floor Price is ₹ [●] per Equity Share and at Cap Price is ₹ [●] per Equity Share. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company, in consultation with the Book Running Lead Manager, and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in [●] editions of [●], an English national daily newspaper, [•] editions of [•], a Hindi national daily newspaper and [●] editions of [●] a Kannada national daily newspaper (Kannada also being the regional language of Karnataka, where our Registered Office is located) each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager, 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 for the Equity Shares.

Compliance with Disclosure and Accounting Norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Shareholders

Subject to applicable laws, rules, regulations and guidelines and the 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, in accordance with the provisions of the Companies Act;
- Right to receive Issues for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the Listing Regulations and our AoA and other applicable laws.

For a detailed description of the main provisions of the AoA of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "*Main Provisions of the Articles of Association*" on page 305.

Market Lot and Trading Lot

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 and the Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been entered into amongst our Company, the respective Depositories and Registrar to the Company:

- Tripartite agreement dated August 22, 2022 amongst our Company, NSDL and Registrar to the Company.
- Tripartite agreement dated September 14, 2022 amongst our Company, CDSL and Registrar to the Company.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Issue will be in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares. For the method of basis of allotment, see "*Issue Procedure*" on page 287.

Joint Holders

Where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

The courts of Mumbai, India will have exclusive jurisdiction in relation to this Issue.

Period of operation of subscription list

See "*Issue Structure – Bid/Issue Programme*" on page 280.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, read with the Companies (Share Capital and Debentures) Rules, 2014, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination/ cancel nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by the Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or
b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, 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 dematerialized 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 the nomination, they are requested to inform their respective Depository Participant.

Withdrawal of the Issue

Our Company, in consultation with the Book Running Lead Manager, reserve the right not to proceed with the Issue, after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges simultaneously. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Bank, in case of UPI Bidders using the UPI Mechanism, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Issue to process refunds to the Anchor Investors, as the case may be. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment.

Bid/ Issue Programme

BID/ ISSUE OPENS ON	**[●]**(1)
BID/ ISSUE CLOSES ON	**[●]**(2)

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

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

Event	Indicative Date
Bid/ Issue Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

**In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated by the intermediary responsible for causing such delay in unblocking in accordance with applicable law. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. From the date of receipt of complaint from the Bidder, in addition to the compensation to be paid by the SCSBs as above, the post-Issue BRLM shall be liable for compensating the Bidder at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of on which grievance is received by the BRLM or Registrar until the date on which the blocked amounts are unblocked.*

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/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 02, 2021.

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 ₹ 5,00,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 2,00,000and up to ₹ 5,00,000, 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.

The above timetable is indicative and does not constitute any obligation or liability on our Company and the Book Running Lead Manager.

Whilst the 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 six Working Days of the Bid/ Issue Closing Date, or such other period as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid/ Issue Period by our Company, in consultation with the Book Running Lead Manager, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges, and delay in respect of final certificates from SCSBs. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

In terms of the UPI Circulars, in relation to the Issue, the Book Running Lead Manager will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six 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.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of the Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the Issue procedure is subject to change to any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/ Issue Period (except the Bid/ Issue Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**")
Bid/ Issue Closing Date	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

UPI Mandate end time and date be [●]

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.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to SCSBs on a 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 and submit the confirmation to the BRLM and the Registrar to the Issue on a daily basis. To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per Bid/ batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, and the Sponsor Banks would be rejected.

On Bid/ Issue Closing Date, extension of time will be granted by the Stock Exchanges only for uploading Bids received by UPI Bidders, after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

Due to limitation of time available for uploading the Bids on the Bid/ Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/ Issue Closing Date, and in any case no later than 3:00 p.m. IST on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are 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 cannot be uploaded will not be considered for allocation under this Issue. Bids will be accepted only during Working Days, during the Bid/ Issue Period. Bids will be accepted only during Monday to Friday (excluding any public holiday), during the Bid/Issue period. Bids and revisions shall not be accepted on Saturdays and public holidays. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected. 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.

Bids will be accepted only on Working Days. Bids and any revisions in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges.

Our Company, in consultation with the Book Running Lead Manager, reserve the right to revise the Price Band during the Bid/ Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price will not be less than the face value of the Equity Shares. In all circumstances, the Cap Price shall be less than or equal to 120% of the Floor Price. Provided that, the Cap Price of the Price Band shall be at least 105% of the Floor Price.

In case of revision in the Price Band, the Bid/ Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Issue Period not exceeding 10 Working Days. In cases of force majeure, strike or similar circumstances, our Company, in consultation with the Book Running Lead Manager, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice and also by indicating the change on the respective websites of the Book Running Lead Manager and the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and Sponsored Bank, as applicable. In case of revision of price band, the Bid lot shall remain the same.

In case of discrepancy in data entered in the electronic book vis-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

The requirement of minimum subscription is not applicable to the Issue in accordance with the SEBI ICDR Regulations. In the event our Company does not receive (i) a minimum subscription of 90% of the Issue, and (ii) a subscription in the Issue as specified under Rule 19(2)(b) of the SCRR, including devolvement of Underwriters, if any, within 60 days from the date of Bid/ Issue Closing Date, 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 offered under this Draft Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received. In terms of the SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, our Company shall within four days from the closure of the Issue, 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 the prescribed time, our Company shall pay interest prescribed under the applicable law.

Further, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 49(1) of the SEBI ICDR Regulations failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Issue capital of our Company, lock-in of the Promoter's minimum contribution and the Anchor Investor lock-in as provided in "*Capital Structure*" on page 79 and except as provided under the AoA, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the AoA. For details, see "*Main Provisions of the Articles of Association*" on page 305.

ISSUE STRUCTURE

Issue of up to [●] Equity Shares comprising an issue of Equity Shares.

The Issue shall constitute at least [●]% of the post-Issue paid-up Equity Share capital of our Company. The face value of the Equity Shares is ₹ 10 each.

The Issue is being made through the Book Building Process.

Particulars	QIBs[(1)]	Non Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/allocation [(2)]	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and RIBs	Not less than [●] 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 [•]% of the Issue size shall be allocated to QIB Bidders. However, 5% of the Net QIB Portion will 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 net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion (excluding the Anchor Investor Portion).	Not less than [•]% of the Issue or the Issue less allocation to QIB Bidders and Retail Individual Bidders will be available for allocation. One-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 2,00,000 and up to ₹ 10,00,000 and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 10,00,000.	Not less than [•]% of the Issue, or the Issue less allocation to QIB Bidders 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): 1. Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and 2. [●] Equity Shares shall be available for allocation on a proportionate basis to all other QIBs, including Mutual Funds receiving allocation as per (a) above Up to [•]% of QIB portion, being Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only	Allotment of specified securities to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability in the Non-Institutional Portion, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in the SEBI ICDR Regulations.	Allotment to each Retail Individual Bidder shall not be less than the maximum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares is any, shall be allotted on a proportionate basis. For details see "*Issue Procedure*" on page 287.
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares that the Bid Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares and in multiple of [●] Equity Shares not exceeding the size of the Issue, subject to applicable limits	Such number of Equity Shares and in multiples of [●] Equity Shares not exceeding the size of the Issue (excluding QIB portion), subject to applicable limits	Such number of Equity Shares and in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000
Mode of Bidding	Only through the ASBA process (except for Anchor Investors, which shall include the UPI Mechanism for UPI Bidders). In case of UPI Bidders through the UPI Mechanism.^		

Particulars	QIBs[(1)]	Non Institutional Bidders	Retail Individual Bidders
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Mode of Allotment	Compulsorily in dematerialised form		
Allotment Lot	A minimum of [●] Equity Shares and in multiples of one Equity Share thereafter		
Trading Lot	One Equity Share		
Who can apply[(4)]	Public financial institutions as specified in Section 2(72) of the Companies Act, scheduled commercial banks, Mutual Funds, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹ 2,500 lakhs, pension funds with minimum corpus of ₹ 2,500 lakhs, National Investment Fund set up by the Government of India, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the *karta*), companies, corporate bodies, scientific institutions societies and trusts, and FPIs who are individuals, corporate bodies and family offices	Resident Indian individuals, Eligible NRIs and HUFs (in the name of *karta*)
Terms of Payment	**In case of Anchor Investors:** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[(3)] **In case of all other Bidders:** Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) including UPI ID in case of UPI Bidders, that is specified in the ASBA Form at the time of submission of the ASBA Form		

^ SEBI vide its circular no.SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in Public Issues shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, Stock Exchanges shall, for all categories of investors viz. Retail, QIB, NII and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

(1) Our Company in consultation with the BRLM may allocate up to [•]% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 1,000 lakhs, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 1,000 lakhs but up to ₹ 25,000 lakhs under the Anchor Investor Portion, subject to a minimum Allotment of ₹ 500 lakhs per Anchor Investor, and (iii) in case of allocation above ₹ 25,000 lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 25,000 lakhs, and an additional 10 Anchor Investors for every additional ₹ 25,000 lakhs or part thereof will be permitted, subject to minimum allotment of ₹ 500 lakhs per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 1,000 lakhs. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being made to other Anchor Investors. For details, see "Issue Procedure" on page 287.

(2) Subject to valid Bids being received at or above the Issue Price. This Issue is made in accordance with the Rule 19(2)(b) of the SCRR and is being made through the Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations.

(3) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms, provided that any difference between the price at which Equity Shares are allocated to the Anchor Investors and the Anchor Investor Issue Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.

(4) In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder is required in the Bid cum Application Form and such First Bidder will be deemed to have signed on behalf of the joint holders. 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.

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 would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock

Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For details, see "*Terms of the Issue*" on page 278.

ISSUE PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the 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.*

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v)Issuance of CAN and allotment in the Issue; (vi) General instructions (limited to instructions for completing the Bid Form,) designated date, disposal of applications and electronic registration of bids; (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 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) designated date, (xii) interest in case of delay in allotment or refund; and (xiii) disposal of application.

*SEBI vide the UPI Circulars, 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 and SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 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 has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"), until further notice pursuant to SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 ("**UPI Phase II**").The final reduced timeline will be made effective using the UPI Mechanism for applications by Retail Individual Bidders ("**UPI Phase III**), as may be prescribed by the SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 ("**March 16, 2021**") has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is applicable for initial public offers opening on or after May 1, 2021 and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 modifying the process timelines and extending the implementation timelines for certain measures introduced by the March 16 Circular. 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 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.*

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

The BRLM shall be the nodal entity for any issues arising out of public issuance process.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI Circular No. SEBI/HO/CFD/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 Book Running Lead Manager shall continue to coordinate with intermediaries involved in the said process.

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 Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus and the Prospectus.

Further, our Company and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

Book Building Procedure

The Issue is being made in terms of Rule 19(2)(b) of the SCRR through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than [•]% of the Issue shall be available for allocation to QIBs on a proportionate basis, provided that our Company in consultation with the BRLM may allocate up to [•]% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. Further, in the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added back to the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than [•]% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size between ₹ 2,00,000 to ₹ 10,00,000 and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 10,00,000 and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion and not less than [•]% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories, as applicable, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification by the Central Board of Direct Taxes dated February 13, 2020 and press release dated June 25, 2021.

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 DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the IPO.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, *inter alia*, equity shares. 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 UPI Bidders 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, UPI Bidders had the option to submit the ASBA Form with any of the Designated

Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019. Under this phase, submission of the ASBA Form without UPI by UPI Bidders to Designated Intermediaries (other than SCSBs) for blocking of funds will be discontinued. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, pursuant to SEBI circular dated March 30, 2020, this phase has been extended till further notice.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Issue.

Pursuant to the UPI Streamlining Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Issue BRLM will be required to compensate the concerned investor.

The Issue will be made under UPI Phase II of the UPI Circulars, unless UPI Phase III of the UPI Circulars becomes effective and applicable on or prior to the Bid/Issue Opening Date.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company has appointed ICICI Bank Limited and HDFC Bank Limited as the Sponsor Banks 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 banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022. NPCI vide circular reference no. NPCI/UPI/OC No. 127/ 2021-22 dated December 09, 2021, inter alia, has enhanced the per transaction limit in UPI from ₹ 2,00,000 to ₹ 5,00,000 for UPI based Application Supported by Blocked Amount (ASBA) in Initial Public Offers(IPOs). Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹ 5,00,000 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).

For details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLM.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, and UPI ID (for UPI Bidders Bidding through the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

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 the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) at least one day prior to the Bid/ Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. UPI Bidders are mandatorily required to use the UPI Mechanism for submitting their bids to Designated Intermediaries and are allowed to use ASBA Process by way of ASBA Forms to submit their bids directly to SCSBs. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

UPI Bidders bidding using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (including Bidders using UPI Mechanism) must provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details or the UPI ID, as applicable, in the relevant space provided in the ASBA Form are liable to be rejected. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. UPI Bidders authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Banks, as applicable, at the time of submitting the Bid.

For all IPOs opening on or after September 1, 2022, as specified in SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, all the ASBA applications in Public Issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular shall be applicable for all categories of investors viz. Retail, QIB and NIB and also for all modes through which the applications are processed. Non Institutional Bidders bidding through UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form. UPI Bidders Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

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
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis	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 respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com).

(2) Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLM.

The relevant Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges. For UPI Bidders using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis to enable the Sponsor Banks to initiate UPI Mandate Request to UPI Bidders for blocking of funds. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Banks, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an issue. The Book Running Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 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.

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis to enable the Sponsor Banks to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Bidders) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

The Sponsor Banks shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI mandate request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. In accordance with BSE circular no: 20220803-40 and NSE circular no: 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Issue Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders Bidding using through the UPI Mechanism should accept UPI mandate requests for blocking off funds prior to the Cut-Off Time and all pending UPI mandate requests at the Cut-Off Time shall lapse. Further, modification of Bids shall be allowed in parallel during the Bid/Issue Period until the Cut-Off Time. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank and the Bankers to the Issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Bank and the Bankers to the Issue for analysing the same and fixing liability.

Pursuant to BSE circular and NSE circular each dated August 3, 2022 with circular no: 20220803-40 and no. 25/2022, respectively, the following is applicable to all initial public offers opening on or after September 1, 2022:

a) Cut-off time for acceptance of UPI mandate shall be up to 5:00 pm on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the Issue and despitory participants shall continue till further notice.
b) There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued.
c) Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 5 pm on the initial public offer closure day.
d) The Stock Exchanges shall display Issue demand details on its website and for UPI bids the demand shall include/ consider UPI bids only with latest status as RC 100 – black request accepted by Investor/ client, based on responses/ status received from the Sponsor Bank(s).

Electronic registration of Bids

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for the Book Building Process on a regular basis before the closure of the Issue.

b) On the Bid/ Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in this Draft Red Herring Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 5:00 pm on the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

Participation by Promoter and Promoter Group of the Company, the BRLM and the Syndicate Members

The BRLM and the Syndicate Members shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members 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 Members, 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 sponsored by the entities which are associates of the BRLM) nor; (ii) any "person related to the Promoter/ Promoter Group" shall apply in the Issue under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a "person related to the Promoter or Promoter Group": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoter or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of 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.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or exchange traded funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Foreign investment in India is governed by the provisions of FEMA Non-Debt Instruments Rules along with the FDI Policy issued by the DPIIT, from time to time. Further, the RBI has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 which regulate the mode of payment and reporting requirements for investments in India by a person resident outside India.

Since, the business of multi-brand retail trading falls under the restricted route of investment under the FDI Policy, accordingly FDI investment in our Company is restricted and is subject to prior government approval. Therefore, in this Issue Non-Residents Investors including FPIs and Eligible NRIs and AIFs cannot invest in this Issue by way of the FDI route and will have to invest as Foreign Portfolio Investors, subject to their investment not exceeding the individual and aggregate limits. FPIs can invest up to 10% individually and up to 24 % of our

Company's paid-up Equity Share Capital on a fully diluted basis on an aggregate basis. For details, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 304.

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 the said investment will fall under the restricted route prescribed under the FDI policy and therefore will be subject to prior government approval.

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their respective SCSB or confirm or accept the UPI Mandate Request (in case of UPI Bidders through the UPI Mechanism) to block their Non- Resident External ("**NRE**") accounts (including UPI ID, if activated), or Foreign Currency Non-Resident ("**FCNR**") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSB to block their Non-Resident Ordinary ("**NRO**") accounts or confirm or accept the UPI mandate request (in case of UPI Bidders using the UPI Mechanism) for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Participation by Eligible NRIs in the Issue shall be subject to the FEMA Non-Debt Instruments Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

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 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. 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.

For details, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 304.

Bids by HUFs

Bids by HUFs Hindu Undivided Families or HUFs, are required to be made in the individual name of the *karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

Bids by FPIs

In terms of 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. Further, in terms of the FEMA 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 (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLM reserves the right to reject any Bid without assigning any reason, subject to applicable laws.

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 to the Issue 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. 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.

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 derivate instruments is also required to ensure that any transfer of offshore 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.

Bids by FPIs submitted under the multiple investment managers structure with the same PAN but with different beneficiary account numbers, Client ID and DP ID may not be treated as multiple Bids.

The FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for non-residents.

Further, Bids received from FPIs bearing the same PAN will be treated as multiple Bids and are 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, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, 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 will be rejected.

Bids by SEBI registered VCFs, AIFs and 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 (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

Accordingly, the holding in any company by any individual VCF or FVCIs registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offering.

Category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A VCF registered as a category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking. The holding in any company by any individual FVCI or VCF registered with SEBI should not exceed 25% of the corpus of the FVCI or VCF. An FVCI or VCF can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations).

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such equity shares shall be locked in for a period of at least one year from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

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 Book Running Lead Manager will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of AIFs, VCFs and FVCIs shall also be subject to the FEMA Rules.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company in consultation with the BRLM reserve the right to reject any Bid without assigning any reason. The investment limit for banking companies in non-financial services companies shall be in accordance with the Banking Regulation Act, 1949 and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

Bids by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 as amended are broadly set forth below:

(a) equity shares of a company: the lower of 10%* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

(b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

(c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

* *The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,50,00,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 50,00,000 lakhs or more but less than ₹ 2,50,00,000 lakhs.*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM reserves 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 India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 2,500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the BRLM reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLM in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to 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 auditor, and (iii) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. 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.

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 Draft 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 this Draft Red Herring Prospectus and the Prospectus.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in this Issue.

General Instructions

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bid(s) during the Bid/ Issue Period and withdraw their Bid(s) until Bid/ Issue Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

***Do's*:**

1. Check if you are eligible to apply as per the terms of this Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you (other than Anchor Investors) have mentioned the correct ASBA Account number if you are not an UPI Bidder bidding using the UPI Mechanism in the Bid cum Application Form and if you are an UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID in the Bid cum Application Form;
5. UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;
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 Members, 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;
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 of the 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. PAN of the First Bidder is required to be specified in case of joint Bids;
12. 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;

13. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

14. UPI Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;

15. 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 Banks, 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 Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

17. Ensure that the Demographic Details are updated, true and correct in all respects;

18. 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;

19. 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;

20. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, *etc.*, relevant documents are submitted;

21. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;

22. 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;

23. 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 mobile application and the UPI handle being used for making the application in the Issue is also appearing in the "list of mobile applications for using UPI in public issues" displayed on the SEBI website;

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 UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Banks to authorise blocking of funds equivalent to the revised Bid Amount in the ASBA Account;

25. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using their UPI PIN. Upon the authorization of the mandate using their UPI PIN, an UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Banks to block the Bid Amount mentioned in the Bid Cum Application Form;

26. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLM;

27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

28. Bids by Eligible NRIs, HUFs and FPIs other than individuals, corporate bodies and family offices, for a Bid Amount of less than ₹ 2,00,000would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 2,00,000would be considered under the Non Institutional Portion for allocation in the Issue;

29. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, an UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Banks to block the Bid Amount mentioned in the Bid Cum Application Form; and

30. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 5:00 p.m. of the Bid/ Issue Closing Date; and

31. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in).

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 for a Bid Amount exceeding ₹ 2,00,000 (for Bids by Retail Individual Bidders);

3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

7. Do not submit the Bid for an amount more than funds available in your ASBA account;

8. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid

cum Application Forms in a colour prescribed for another category of a Bidder;

9. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;

10. If you are a UPI Bidder and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;

11. Anchor Investors should not Bid through the ASBA process;

12. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

13. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

14. Do not submit the General Index Register (GIR) number instead of the PAN;

15. 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;

16. 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;

17. 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);

18. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;

19. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

20. If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Issue Closing Date for QIBs;

21. 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;

22. Do not Bid for Equity Shares in excess of what is specified for each category;

23. 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 this Draft Red Herring Prospectus;

24. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid/ Issue Closing Date;

25. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;

26. If you are an UPI Bidders 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;

27. Do not Bid if you are an OCB;

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 using 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); and

31. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking *etc.*, investors shall reach out to our Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, see "*General Information*" on page 71.

The helpline details of the Book Running Lead Manager pursuant to the SEBI letter bearing reference number SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M, dated March 16, 2021 issued by SEBI are set forth in the below table:

S. No.	Name of the Book Running Lead Manager	Helpline (email)	Telephone
1.	Saffron Capital Advisors Private Limited	ipos@saffronadvisor.com	+91 22 4973 0394

For details of grounds for technical rejections of a Bid cum Application Form, see the General Information Document.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the BRLM and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares through the Issue Document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the 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 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.

The Allotment of Equity Shares to each Non-Institutional Investor shall not be less than the minimum application size, subject to the availability of shares in the Non-Institutional Portion, and the remaining available Equity Shares, if any, shall be Allotted on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

Payment into Escrow Account(s) for Anchor Investors

Our Company in consultation with the BRLM, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Issue through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. For Anchor Investors, the payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

(a) In case of resident Anchor Investors: "[●]"

(b) In case of Non-Resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the 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, our Company shall, after filing this Draft Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) all editions of [●], a widely circulated English national daily newspaper; (ii) all editions of [●], a Hindi national daily newspaper; and (iii) all editions of [●], a widely circulated Kannada national daily newspaper, Kannada also being the regional language of Karnataka, where our Registered Office is located).

In the pre-Issue advertisement, we shall state the Bid/ Issue Opening Date and the Bid/ Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

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 this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company and the Syndicate intend to enter into an Underwriting Agreement on or immediately after the finalisation of the Issue Price but prior to the filing of Prospectus.

(b) After signing the Underwriting Agreement, an updated Draft Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The 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.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- 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 the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within six Working Days of the Bid/ Issue Closing Date or such other period as may be prescribed;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) 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; and
- 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 no further issue of Equity Shares shall be made until the Equity Shares offered through this Draft Red Herring Prospectus are listed or until the Bid monies are refunded/ unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.;

- 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;

  That the Allotment Advice/refund confirmation to Eligible NRIs shall be dispatched within specified time.

Utilisation of Issue Proceeds

Our Company confirms that all monies received out of the Issue shall be credited/transferred to a separate bank account referred to in sub-section (3) of Section 40 of the Companies Act. Details of all monies utilised out of the Issue shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and details of all unutilised monies out of the 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 FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (*earlier known as Department of Industrial Policy and Promotion*) ("**DPIIT**"), issued the FDI Policy, which is effective from October 15, 2020, which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

Under the current FDI Policy, 100% foreign direct investment is permitted in infrastructure sector, under the automatic route, subject to compliance with certain prescribed conditions.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see "*Issue Procedure*" on page 287.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-Debt Instruments 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 Instruments 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. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. 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 to the Issue in writing about such approval along with a copy thereof within the Issue Period.

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 Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013

COMPANY LIMITED BYSHARES

ARTICLES OF ASSOCIATION

OF

UDAYSHIVAKUMAR INFRA LIMITED

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1. SHARE CAPITAL

(a) The authorised Share Capital of the Company shall be as stated under Clause 5 of the Memorandum of Association of the Company from time to time.

The Paid up Share Capital shall be at all times a minimum of Rs. **5,00,000/-** (Rupees **Five Lakhs** only) or such higher amount as may be required under the Act.

(b) The Company has power, from time to time, to increase its authorised or issued and Paid up Share Capital.

The Share Capital of the Company may be classified into (i) Equity Shares with voting rights, and/or Equity Shares with differential rights as to dividend, voting or otherwise; and (ii) Preference Share Capital, in accordance with the applicable provisions of the Act, Rules, and Law, from time to time.

(c) All Equity Shares shall be of the same class and shall be alike in all respects and the holders thereof shall be entitled to identical rights and privileges including without limitation to identical rights and privileges with respect to dividends, voting rights, and distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company.

The Board may allot and issue shares of the Company as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or the acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any shares which may be so allotted may be issued as fully/partly paid up shares and if so issued shall be deemed as fully/partly paid up shares. However, the aforesaid shall be subject to the approval of shareholders under the relevant provisions of the Act and Rules.

(d) The amount payable on application on each share shall not be less than 5 per cent of the nominal value of the share or, as may be specified by SEBI.

Nothing herein contained shall prevent the Directors from issuing fully paid up shares either on payment of the entire nominal value thereof in cash or in satisfaction of any outstanding debt or obligation of the Company.

(e) Except so far as otherwise provided by the conditions of issue or by these presents, any Capital raised by the creation of new Equity Shares, shall be considered as part of the existing Capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

All of the provisions of these Articles shall apply to the Shareholders.

(f) Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any Equity Shares therein, shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is on the Register of Members shall for the purposes of these Articles be a Shareholder.

The money, (if any), which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion of the name of the allottee, in the Register of Members as the name of the holder of such Equity Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

2. BRANCH OFFICES

The Company shall have the power to establish one or more branch offices, in addition to the Office, in such places at its Board may deem fit.

3. PREFERENCE SHARES

(a) *Redeemable Preference Shares*

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

(b) *Convertible Redeemable Preference Shares*

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible redeemable preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for redemption at a premium or otherwise and/or conversion of such shares into such Securities on such terms as they may deem fit.

4. PROVISIONS IN CASE OF PREFERENCE SHARES.

Upon the issue of preference shares pursuant to Article 3 above, the following provisions shall apply:

(a) No such shares shall be redeemed except out of profits of the Company which would otherwise be available for Dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption;

No such shares shall be redeemed unless they are fully paid;

(b) The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's securities premium account, before the shares are redeemed;

Where any such shares are proposed to be redeemed out of the profits of the Company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the "**Capital Redemption Reserve Account**" and the applicable provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided by Section 55 of the Act, apply as if the Capital Redemption Reserve Account were Paid up Share Capital of the Company;

(c) The redemption of preference shares under this Article by the Company shall not be taken as reduction of Share Capital;

The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up unissued shares of the Company to be issued to the Shareholders as fully paid bonus shares; and

(d) Whenever the Company shall redeem any redeemable preference shares or cumulative convertible redeemable preference shares, the Company shall, within 30 (thirty) days thereafter, give notice thereof to the Registrar of Companies as required by Section 64 of the Act.

5. SHARE EQUIVALENT

The Company shall, subject to the applicable provisions of the Act, compliance with Law and the consent of the Board, have the power to issue Share Equivalents on such terms and in such manner as the Board deems fit including their conversion, repayment, and redemption whether at a premium or otherwise.

6. ALTERATION OF SHARE CAPITAL

Subject to these Articles and Section 61 of the Act, the Company may, by Ordinary Resolution in General Meeting from time to time, alter the conditions of its Memorandum as follows, that is to say, it may:

(a) increase its Share Capital by such amount as it thinks expedient;

consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares;

Provided that no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner.

(b) 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 shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and

(c) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this Article shall not be deemed to be a reduction of Share Capital within the meaning of the Act.

7. REDUCTION OF SHARE CAPITAL

The Company may, subject to the applicable provisions of the Act, from time to time, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law. This Article is not to derogate any power the Company would have under Law, if it were omitted.

8. POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES

Pursuant to a resolution of the Board, the Company may purchase its own Equity Shares or other Securities, as may be specified by the MCA, by way of a buy-back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with Law.

9. POWER TO MODIFY RIGHTS

Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Act and Law, and whether or not the Company is being wound up, be modified, commuted, affected or abrogated or dealt with by agreement between the Company and any Person purporting to contract on behalf of that class, provided the same is effected with consent in writing and by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class. Subject to Section 48(2) of the Act and Law, all provisions hereafter contained as to General Meetings (including the provisions relating to quorum at such meetings) shall mutatis mutandis apply to every such meeting.

10. REGISTERS TO BE MAINTAINED BY THE COMPANY

(a) The Company shall, in terms of the provisions of Section 88 of the Act and the provisions of the Depositories Act, 1996, cause to be kept the following registers in terms of the applicable provisions of the Act

(i) A Register of Members indicating separately for each class of Equity Shares and preference shares held by each Shareholder residing in or outside India;

A register of Debenture holders; and

(ii) A register of any other security holders.

(b) The Company shall also be entitled to keep in any country outside India, a part of the registers referred above, called "foreign register" containing names and particulars of the Shareholders, Debenture holders or holders of other Securities or beneficial owners residing outside India.

The registers mentioned in this Article shall be kept and maintained in the manner prescribed under the Companies (Management and Administration) Rules, 2014.

11. SHARES AND SHARE CERTIFICATES

(a) The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

A duplicate certificate of shares may be issued, if such certificate:

(i) is proved to have been lost or destroyed; or

(ii) has been defaced, mutilated or torn and is surrendered to the Company.

(b) The Company shall be entitled to dematerialize its existing shares, rematerialize its shares held in the depository and/or to offer its fresh shares in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.

A certificate, issued under the common seal of the Company, specifying the shares held by any Person shall be *prima facie* evidence of the title of the Person to such shares. Where the shares are held in depository form, the record of depository shall be the *prima facie* evidence of the interest of the beneficial owner.

(c) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rupees twenty for each certificate) as the Directors shall prescribe. Provided that, no fee shall be charged for issue of a new certificate in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act,1956 or any other act, or rules applicable thereof in this behalf.

(d) The provisions of this Article shall mutatis mutandis apply to Debentures and other Securities of the Company.

When a new share certificate has been issued in pursuance of subarticle (e) of this Article, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.

(e) Where a new share certificate has been issued in pursuance of sub article (e) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates maintained in the form and manner specified under the Companies (Share Capital and Debentures) Rules, 2014.

All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a Resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may authorize for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.

(f) The Secretary shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates including the blank forms of the share certificate referred to in sub-article (i) of this Article.

All books referred to in sub-article (j) of this Article, shall be preserved in the manner specified in the Companies (Share Capital and Debentures) Rules, 2014.

(g) The details in relation to any renewal or duplicate share certificates shall be entered into the register of renewed and duplicate share certificates, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

If any Share stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of shares, be deemed the sole holder thereof, but the joint holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares, and for all incidents thereof according to these Articles.

(h) Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other Person whether or not he shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any shares in the joint names of any 2 (two) or more Persons or the survivor or survivors of them.

12. SHARES AT THE DISPOSAL OF THE DIRECTORS

(a) Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium or at par or at discount (subject to compliance with Section 53 of the Act) 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 the General Meeting.

If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his Executor or Administrator.

(b) Every Shareholder, or his heirs, Executors, or Administrators shall pay to the Company, the portion of the Capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.

In accordance with Section 46and other applicable provisions of the Act and the Rules:

Every Shareholder or allottee of shares shall be entitled without payment, to receive one or more certificates specifying the name of the Person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificates shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company.

Every certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two directors or by a director and the company secretary, wherever the company has appointed a company secretary and the common seal shall be affixed in the presence of the persons required to sign the certificate.

Particulars of every share certificate issued shall be entered in the Register of Members against the name of the Person, to whom it has been issued, indicating the date of issue. For any further certificate, the Board shall be entitled, but shall not be bound to prescribe a charge of twenty rupees each.

(i) Every Shareholder shall be entitled, without payment, to one or more certificates, in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of allotment, or within 1 (one) month of the receipt of instrument of transfer, transmission, sub-division, consolidation or renewal of its shares as the case may be or within such other period as any other legislation for time being in force may provide. Every certificate of shares shall be in the form and manner as specified in Article 11 above and in respect of a share or shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to the first named joint holders shall be sufficient delivery to all such holders.

the Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates or Debenture certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable/marketable lot.

(ii) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

13. UNDERWRITING AND BROKERAGE

(a) Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or procuring or agreeing to procure subscription, (whether absolutely or conditionally), for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

The Company may also, on any issue of shares or Debentures, pay such brokerage as may be lawful.

(b) 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.

14. CALLS

(a) Subject to the provisions of Section 49 of the Act, the Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, (and not by circular resolution), make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable by installments. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.

fourteen (14) days notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment and if payable to any Person other than the Company, the name of the person to whom the call shall be paid, provided that before the time for payment of such call, the Board may by notice in writing to the Shareholders revoke the same.

(b) The Board may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call and thereupon the call shall be deemed to have been made on the date so determined and if no date is determined, the call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Shareholders whose names appear on the Register of Members on such date or at the discretion of the Board on such subsequent date as shall be fixed by the Board. A call may be revoked or postponed at the discretion of the Board.

The joint holder of a share shall be jointly and severally liable to pay all instalments and calls due in respect thereof.

(c) The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.

If any Shareholder or allottee fails to pay the whole or any part of any call or installment, due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Shareholder.

(d) Any sum, which by the terms of issue of a share or otherwise, becomes payable on allotment or at any fixed date or by installments at a fixed time whether on account of the nominal value of the share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue or otherwise the same became payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.

On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, or one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares; that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

(e) Neither a judgment nor a decree in favour of the Company for calls or other money due in respect of any share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from time to time be due from any Shareholder to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board agree upon, provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

(f) No Shareholder shall be entitled to voting rights in respect of the money(ies) so paid by him until the same would but for such payment, become presently payable.

The provisions of these Articles shall *mutatis mutandis* apply to the calls on Debentures of the Company, to the extent applicable.

15. COMPANY'S LIEN:

(a) The Company shall have a first and paramount lien:

(i) on every share (not being a fully paid share), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share/ debenture and no equitable interest in any share shall be created upon the footing and condition that this Article will have full effect; on all shares (not being fully paid shares) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company

(b) Provided that the Board may, at any time, declare any shares wholly or in part to be exempt from the provisions of this Article. Company's lien, if any, on the shares, shall extend to all Dividends payable and bonuses declared from time to time in respect of such shares.

Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

(c) The fully paid up shares shall be free from all lien and that in case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed price in respect of such shares.

For the purpose of enforcing such lien, the Board may sell the shares, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. 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.

Provided that no sale shall be made:

(i) unless a sum in respect of which the lien exists is presently payable; or

until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

(ii) The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the Person entitled to the shares at the date of the sale.

(d) No Shareholder shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

16. FORFEITURE OF SHARES

(a) If any Shareholder fails to pay any call or installment or any part thereof or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or installment or any part thereof or other money remain unpaid or a judgment or decree in respect thereof remain unsatisfied, give notice to him or his legal representatives requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

The notice shall name a day, (not being less than 14 (fourteen) days from the date of the notice), and a place or places on or before which such call or installment or such part or other money as aforesaid and interest thereon, (at such rate as the Board shall determine and payable from the date on which such call or installment ought to have been paid), and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable, will be liable to be forfeited.

(b) If the requirements of any such notice as aforesaid are not be complied with, any share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, installments, other money due in respect thereof, interest and expenses as required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act. There shall be no forfeiture of unclaimed Dividends before the claim becomes barred by Law.

When any share shall have been so forfeited, notice of the forfeiture shall be given to the Shareholder on whose name it stood immediately prior to the forfeiture or if any of his legal representatives or to any of the Persons entitled to the shares by transmission, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

(c) Any share so forfeited shall be deemed to be the property of the Company and may be sold; re-allotted, or otherwise disposed of either to the original holder thereof or to any other Person upon such terms and in such manner as the Board shall think fit.

Any Shareholder whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses and other money owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce, (if it thinks fit), payment thereof as if it were a new call made at the date of forfeiture.

(d) The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the shares.

(e) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some Person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.

(f) The Board may, at any time, before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of. The transferee shall thereupon 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, re-allotment or disposal of the share.

(g) The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

17. FURTHER ISSUE OF SHARE CAPITAL

(a) Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—

(i) to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely:-

(A) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days or such lesser number of days as may be prescribed under Lawand not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the shares offered to him or any of them in favour of any other Person; and the notice referred to in clause (A). above shall contain a statement of this right;

(B) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner, which is not disadvantageous to the Shareholders and the Company;

(ii) to employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in clause (i) or clause (ii) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the Rules.

(b) The notice referred to in sub-clause A. of clause (i) of sub-article (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.

Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company:

Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in a General Meeting.

(c) The provisions contained in this Article shall be subject to the provisions of Section 42 and Section 62 of the Act, the Rules and the applicable provisions of the Act.

18. TRANSFER AND TRANSMISSION OF SHARES

(a) The Company shall maintain a "Register of Transfers" and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any Share, Debenture or other Security held in a material form.

In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.

(b) (i) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act

(ii) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.

(c) Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.

The Board shall have power on giving not less than 7 (seven) days previous notice by advertisement in a vernacular newspaper and in an English newspaper having wide circulation in the city, town or village in which the Office of the Company is situated, and publishing the notice on the website as may be notified by the Central Government and on the website of the Company, to close the transfer books, the Register of Members and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.

(d) Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a Shareholder in the Company. The Company shall, within 30 (thirty) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, 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.

(e) Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.

Subject to the provisions of these Articles, any transfer of shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting/transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of shares in violation of the stock exchange listing requirements on the ground that the number of shares to be transferred is less than any specified number.

(f) In case of the death of any one or more Shareholders named in the Register of Members as the joint-holders of any shares, the survivors shall be the only Shareholder or Shareholders recognized by the Company as having any title to or interest in such shares, but nothing therein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other Person.

The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint-holders), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or holders of succession certificate or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under Article 18(a) of these Articles register the name of any Person who claims to be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.

(g) The Board shall not knowingly issue or register a transfer of any share to a minor or insolvent or Person of unsound mind, except fully paid shares through a legal guardian.

Subject to the provisions of Articles, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.

(h) A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.

(i) Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the shares. Every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a special account unless the Company is authorized by the registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/or bonus shares in relation to such shares.

In case of transfer and transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply.

(j) Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.

The Board may decline to recognize any instrument of transfer unless the instrument of transfer is in respect of only one class of shares

(k) No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents, sub division and/or consolidation of shares and debentures and subdivisions of letters of allotment, renounceable letters of right and split, consolidation, renewal and genuine transfer receipts into denomination corresponding to the market unit of trading.

The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof, (as shown or appearing in the Register of Members), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

(l) The Company shall not register the transfer of its securities in the name of the transferee(s) when the transferor(s) objects to the transfer.

Provided that the transferor serves on the Company, within sixty working days of raising the objection, a prohibitory order of a Court of competent jurisdiction.

(m) The Board may delegate the power of transfer of securities to a committee or to compliance officer or to the registrar to an issue and/or share transfer agent(s).

Provided that the delegated authority shall report on transfer of securities to the Board in each meeting.

(n) There shall be a common form of transfer in accordance with the Act and Rules.

The provision of these Articles shall be subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company.

19. DEMATERIALIZATION OF SECURITIES

(a) *Dematerialization:*

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.

(b) Subject to the applicable provisions of the Act, instead of issuing or receiving certificates for the Securities, as the case maybe, either the Company or the investor may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act as amended from time to time or any statutory modification thereto or reenactment thereof.

Notwithstanding anything contained in these Articles to the contrary, in the event the Securities of the Company are dematerialized, the Company shall issue appropriate instructions to the Depository not to Transfer the Securities of any Shareholder except in accordance with these Articles. The Company shall cause the Promoters to direct their respective Depository participants not to accept any instruction slip or delivery slip or other authorisation for Transfer in contravention of these Articles.

(c) If a Person opts to hold his Securities with a Depository, then notwithstanding anything to the contrary contained in these Articles the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.

Securities in Depositories to be in fungible form:

(d) All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

Rights of Depositories & Beneficial Owners:

(i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.

Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

(ii) Every person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.

The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.

(e) Except as ordered by a court of competent jurisdiction or as may be required by Law required and subject to the applicable provisions of the Act, the Company shall be entitled to treat the person whose name appears on the Register as the holder of any share or whose name appears as the

Beneficial Owner of any share in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more persons or the survivor or survivors of them.

(f) *Register and Index of Beneficial Owners:*

The Company shall cause to be kept a register and index of members with details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by Law including any form of electronic media.

The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a register resident in that state or country.

(g) *Cancellation of Certificates upon surrender by Person:*

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.

(h) *Service of Documents:*

Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

(i) *Transfer of Securities:*

(i) Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

(ii) In the case of transfer or transmission of shares or other marketable Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.

(j) *Allotment of Securities dealt with in a Depository:*

Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.

(k) *Certificate Number and other details of Securities in Depository:*

Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

(l) *Register and Index of Beneficial Owners:*

The Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of Shareholders and Security-holders for the purposes of these Articles.

(m) *Provisions of Articles to apply to Shares held in Depository:*

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.

(n) *Depository to furnish information:*

Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf.

(o) *Option to opt out in respect of any such Security:*

If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository or such other time as may be prescribed under Law and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

(p) *Overriding effect of this Article:*

Provisions of this Article will have full effect and force not withstanding anything to the contrary or inconsistent contained in any other Articles.

20. NOMINATION BY SECURITIES HOLDERS

(a) Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death.

Where the Securities of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Securities Company shall vest in the event of death of all the joint holders.

(b) Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.

Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.

(c) The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.

21. NOMINATION FOR FIXED DEPOSITS

A depositor (who shall be the member of the Company) may, at any time, make a nomination and the provisions of Section 72 of the Act shall, as far as may be, apply to the nominations made in relation to the deposits made subject to the provisions of the Rules as may be prescribed in this regard.

22. NOMINATION IN CERTAIN OTHER CASES

Subject to the applicable provisions of the Act and these Articles, any person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any holder of Securities, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Securities or elect to have some Person nominated by him and approved by the Board registered as such holder; provided nevertheless that, if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Securities.

23. COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO SHAREHOLDERS

Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every Shareholder at his request within 7 (seven) days of the request on payment of such sum as prescribed under the Companies (Incorporation) Rules, 2014.

24. BORROWING POWERS

(a) Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board:

(i) accept or renew deposits from Shareholders;

borrow money by way of issuance of Debentures;

(ii) borrow money otherwise than on Debentures;

accept deposits from Shareholders either in advance of calls or otherwise; and

(iii) generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

Provided, however, that where the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid-up capital of the Company, its free reserves and securities premium (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in a General Meeting.

(b) Subject to the provisions of these Articles, the payment or repayment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution of the Board shall prescribe including by the issue of bonds, perpetual or redeemable Debentures or debenture-stock, or any mortgage, charge, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company, both present and future. Provided however that the Board shall not, except with the consent of the Company by way of a Special Resolution in General Meeting mortgage, charge or otherwise encumber, the Company's uncalled Capital for the time being or any part thereof and Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued.

Any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.

(c) Subject to the applicable provisions of the Act and these Articles, if any uncalled Capital of the Company is included in or charged by any mortgage or other security, the Board shall make calls on the Shareholders in respect of such uncalled Capital in trust for the Person in whose favour such mortgage or security is executed, or if permitted by the Act, may by instrument under seal authorize the Person in whose favour such mortgage or security is executed or any other Person in trust for him to make calls on the Shareholders in respect of such uncalled Capital and the provisions hereinafter contained in regard to calls shall *mutatis mutandis* apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally or either presently or contingently and either to the exclusion of the Board's power or otherwise and shall be assignable if expressed so to be.

The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, Debentures and charges specifically affecting the property of the Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board.

(d) Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time.

The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company.

25. RIGHTS TO ISSUE SHARE WARRANTS

The Company may issue share warrants subject to, and in accordance with provisions of the Act. The Board may, in its discretion, with respect to any share which is fully paid up on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may from time to time require as to the identity of the person signing the application, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require having been paid, issue a warrant.

BOARD TO MAKE RULES

The Board may, from time to time, make rules as to the terms on which it shall think fit, a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

26. CONVERSION OF SHARES INTO STOCK AND RECONVERSION

(a) The Company in General Meeting may, by Ordinary Resolution, convert any Paid-up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interests, in the same manner and subject to the same regulations as those subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may, by an Ordinary Resolution, at any time reconvert any stock into Paid-up shares of any denomination. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however such minimum shall not exceed the nominal account 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 privileges or advantages, (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.

27. ANNUAL GENERAL MEETING

In accordance with the provisions of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, not more than 15 (fifteen) months gap shall exist between the date of one Annual General Meeting and the date of the next. All General Meetings other than Annual General Meetings shall be Extraordinary General Meetings.

28. WHEN ANNUAL GENERAL MEETING TO BE HELD

Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96(1) of the Act to extend the time within which any Annual General Meeting may be held.

29. VENUE, DAY AND TIME FOR HOLDING ANNUAL GENERAL MEETING

(a) Every Annual General Meeting shall be called during business hours, that is, between 9 A.M. and 6 P.M. on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.

Every Shareholder of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table, the Directors' Report and Audited Statement of Accounts, Auditors' Report, (if not already incorporated in the Audited Statement of Accounts), the proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual Return and forward the same to the concerned Registrar of Companies, in accordance with Sections 92 and 137 of the Act. The Directors are also entitled to attend the Annual General Meeting.

30. NOTICE OF GENERAL MEETINGS

(a) Number of days' notice of General Meeting to be given: A General Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served (i.e., on expiry of 48 (forty eight) hours after the letter containing the same is posted). However, a Annual General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting.

The notice of every meeting shall be given to:

(a) every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company,

(b) Auditor or Auditors of the Company, and

(c) all Directors.

(b) Notice of meeting to specify place, etc., and to contain statement of business: Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Act.

Contents and manner of service of notice and Persons on whom it is to be served: Every notice may be served by the Company on any Shareholder thereof either personally or by electronic mode or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder.

(c) Special Business: Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the paid up share capital of that other company. All business transacted at any meeting of the Company shall be deemed to be special and all business transacted at the Annual General Meeting of the Company with the exception of the business specified in Section 102 of the Act shall be deemed to be special.

Resolution requiring Special Notice: With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.

(d) Notice of Adjourned Meeting when necessary: When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act.

Notice when not necessary: 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.

(e) The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

31. REQUISITION OF EXTRAORDINARY GENERAL MEETING

(a) The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition received from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the Paid up Share Capital of the Company as on that date carries the right of voting and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.

Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

(b) Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty-one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the Paid up Share Capital held by all of them or not less than one-tenth of such of the Paid-up Share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

Any meeting called under the foregoing sub-articles by the requisitionists, shall be called in the same manner, as nearly as possible, as that in which a meeting is to be called by the Board.

(c) The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.

(d) The Extraordinary General Meeting called under this article shall be subject to and in accordance with the provisions contained under the Companies (Management and Administration) Rules, 2014.

32. NO BUSINESS TO BE TRANSACTED IN GENERAL MEETING IF QUORUM IS NOT PRESENT

The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the Act. Subject to the provisions of Section 103(2) of the Act, if such a quorum is not present within half an hour from the time set for the Shareholders' Meeting, the Shareholders' Meeting shall be adjourned to the same time and place or to such other date and such other time and place as the Board may determine and the agenda for the adjourned Shareholders' Meeting shall remain the same. If at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.

33. CHAIRMAN OF THE GENERAL MEETING

The Chairman of the Board shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairman. If no Director is present or if all the Directors present decline to take the Chair, then the Shareholders present shall elect, on a show of hands or on a poll if properly demanded, one of their member to be the Chairman of the meeting. No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant.

33A. Notwithstanding anything contained in the first proviso of clause (1) of section 203 of the Companies Act, 2013 and the rules made thereunder including any amendment thereto or re-enactment thereof for the time being in force, the Managing Director can be appointed as the Chairman of the company.

34. CHAIRMAN CAN ADJOURN THE GENERAL MEETING

The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

Any member who has not appointed a Proxy to attend and vote on his behalf at a general meeting may appoint a Proxy for any adjourned general meeting, not later than forty-eight hours before the time of such adjourned Meeting

35. QUESTIONS AT GENERAL MEETING HOW DECIDED

(a) At any General Meeting, a resolution put to the vote of the General Meeting shall, unless a poll is demanded, be decided by a show of hands. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act or the voting is carried out electronically. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing of such resolution or otherwise.

In the case of equal votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder.

(b) If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the City, Town or Village in which the Office of the Company is situate and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.

Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutinizers to scrutinise the votes given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a Shareholder, (not being an officer or employee of the Company), present at the meeting provided such a Shareholder is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared, to remove a scrutinizer from office and fill vacancies in the office of scrutinizer arising from such removal or from any other cause.

(c) Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment, shall be taken at the meeting forthwith. A poll demanded on any other question shall be taken at such time not later than 48 hours from the time of demand, as the Chairman of the meeting directs.

The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

(d) No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.

The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

36. PASSING RESOLUTIONS BY POSTAL BALLOT

(a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.

Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time and applicable Law.

37. VOTES OF SHAREHOLDERS

(a) No Shareholder shall be entitled to vote either personally or by proxy at any General Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll or a member may exercise his vote at a meeting by electronic means in accordance with the Act (and shall vote only once) in respect of any shares registered in his name on which calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.

No shareholder shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him have been paid, or in regard to which the Company has lien and has exercised any right of lien.

(b) Subject to the provisions of these Articles, without prejudice to any special privilege or restrictions as to voting for the time being attached to any class of shares for the time being forming a part of the Capital of the Company, every Shareholder not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands, every Shareholder present in person shall have one vote and upon a poll, the voting right of such Shareholder present, either in person or by proxy, shall be in proportion to his share of the Paid Up Share Capital of the Company held alone or jointly with any other Person or Persons.

Provided however, if any Shareholder holding Preference shares be present at any meeting of the Company, save as provided in Section 47(2) of the Act, he shall have a right to vote only on resolutions placed before the Meeting, which directly affect the rights attached to his preference shares.

(c) On a poll taken at a meeting of the Company, a Shareholder entitled to more than one vote, or his proxy, or any other Person entitled to vote for him (as the case may be), need not, if he votes, use or cast all his votes in the same way.

A Shareholder 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, through a committee or through his legal guardian; and any such committee or guardian may, on a poll vote by proxy. If any Shareholder be a minor his vote in respect of his Share(s) shall be exercised by his guardian(s), who may be selected (in case of dispute) by the Chairman of the meeting.

(d) If there be joint registered holders of any shares, any one of such Persons may vote at any meeting or may appoint another Person, (whether a Shareholder or not) as his proxy in respect of such shares, as if he were solely entitled thereto; but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint-holders be present at any meeting, then one of the said Persons so present whose name stands higher in the Register of Members shall alone be entitled to speak and to vote in respect of such shares, but the other joint- holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Shareholder in whose name shares stand shall for the purpose of these Articles be deemed joint-holders thereof.

Subject to the provision of these Articles, votes may be given personally or by an attorney or by proxy. A body corporate, whether or not a Company within the meaning of the Act, being a Shareholder may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers, (including the right to vote by proxy), on behalf of the body corporate which he represents as that body could have exercised if it were an individual Shareholder.

(e) Any Person entitled to transfer any shares of the Company may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

Every proxy, (whether a Shareholder or not), shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the Common Seal of such corporation or be signed by an officer or an attorney duly authorised by it, and any committee or guardian may appoint proxy. The proxy so appointed shall not have any right to speak at a meeting.

(f) An instrument of proxy may appoint a proxy either for (i) the purposes of a particular meeting (as specified in the instrument) or (ii) for any adjournment thereof or (iii) it may appoint a proxy for the purposes of every meeting of the Company, or (iv) of every meeting to be held before a date specified in the instrument for every adjournment of any such meeting.

A Shareholder present by proxy shall be entitled to vote only on a poll.

(g) An instrument appointing a proxy and a power of attorney or other authority (including by way of a Board Resolution, (if any),) under which it is signed or a notarially certified copy of that power or authority or resolution as the case may be, shall be deposited at the Office not later than forty-eight hours before the time for holding the meeting at which the Person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution. An attorney shall not be entitled to vote unless the power of attorney or other instrument or resolution as the case may be appointing him or a notarially certified copy thereof has either been registered in the records of the Company at any time not less than forty-eight hours before the time for holding the meeting at which the attorney proposes to vote, or is deposited at the Office of the Company not less than forty-eight hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may, by notice in writing addressed to the Shareholder or the attorney, given at least 48 (forty eight) hours before the meeting, require him to produce the original power of attorney or authority or resolution as the case may be and unless the same is deposited with the Company not less than forty-eight hours before the time fixed for the meeting, the attorney shall not be entitled to vote at such meeting unless the Board in their absolute discretion excuse such non-production and deposit.

Every instrument of proxy whether for a specified meeting or otherwise should, as far as circumstances admit, be in any of the forms set out in the Companies (Management and Administration) Rules, 2014.

(h) If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company it shall remain permanently or for such time as the Directors may determine in the custody of the Company; if embracing other objects a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.

(i) No objection shall be made to the validity of any vote, except at the Meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.

(i) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.

Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose.

(ii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

(iii) All appointments of Directors of the Company made at any meeting aforesaid shall be included in the minutes of the meeting.

Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.

(iv) Any such Minutes shall be evidence of the proceedings recorded therein.

The book containing the Minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge.

(v) The Company shall cause minutes to be duly entered in books provided for the purpose of: -

a) the names of the Directors and Alternate Directors present at each General Meeting;

b) all Resolutions and proceedings of General Meeting.

(j) The Shareholders shall vote (whether in person or by proxy) all of the shares owned or held on record by them at any Annual or Extraordinary General Meeting of the Company called for the purpose of filling positions to the Board, appointed as a Director of the Company under Sections 152 and 164(1) of the Act in accordance with these Articles.

The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

(k) All matters arising at a General Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote.

The Shareholders shall exercise their voting rights as shareholders of the Company to ensure that the Act or these Articles are implemented and acted upon by the Shareholders, and by the Company and to prevent the taking of any action by the Company or by any Shareholder, which is contrary to or with a view or intention to evade or defeat the terms as contained in these Articles.

(l) Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy).

The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, the SEBI Listing Regulations or any other Law, if applicable to the Company.

38. DIRECTORS

Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the SEBI Listing Regulations. The Board shall have an optimum combination of executive and Independent Directors with at least 1 (one) woman Director, as may be prescribed by Law from time to time.

39. CHAIRMAN OF THE BOARD OF DIRECTORS

(a) The members of the Board shall elect any one of them as the Chairman of the Board. The Chairman shall preside at all meetings of the Board and the General Meeting of the Company. The Chairman shall have a casting vote in the event of a tie.

If for any reason the Chairman is not present at the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman.

40. APPOINTMENT OF ALTERNATE DIRECTORS

Subject to Section 161 of the Act, any Director shall be entitled to nominate an alternate director to act for him during his absence for a period of not less than 3 (three) months. The Board may appoint such a person as an Alternate Director to act for a Director (hereinafter called "the Original Director") (subject to such person being acceptable to the Chairman) during the Original Director's absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to the State. If the term of the office of the Original Director is determined before he so returns to the State, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.

41. CASUAL VACANCY AND ADDITIONAL DIRECTORS

Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at any time and from time to time to appoint any qualified Person to be a Director either as an addition to the Board or to fill a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 38. Any Person so appointed as an additional director shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.

42. DEBENTURE DIRECTORS

If it is provided by a trust deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any Person/lender or Persons/lenders shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the Person/lender or Persons/lenders having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to a Debenture Director. A Debenture Director may be removed from office at any time by the Person/lender or Persons/lenders in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares. The trust deed may contain ancillary provisions as may be arranged between the Company and the trustees and all such provisions shall have effect notwithstanding any other provisions contained herein.

43. INDEPENDENT DIRECTORS

The Company shall have such number of Independent Directors 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. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under the SEBI Listing Regulations.

44. EQUAL POWER TO DIRECTOR

Except as otherwise provided in these Articles and the Act, all the Directors of the Company shall have in all matters, equal rights and privileges and shall be subject to equal obligations and duties in respect of the affairs of the Company.

45. NOMINEE DIRECTORS

Whenever the Board enters into a contract with any lenders for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or enter into any other arrangement, the Board shall have, subject to the provisions of Section 152 of the Act the power to agree that such lenders shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the common loan agreement/ facility agreement. The nominee director representing lenders shall not be required to hold qualification shares. The Directors may also agree that any such Director, or Directors may be removed from time to time by the lenders entitled to appoint or nominate them and such lenders may appoint another or other or others in his or their place and also fill in any vacancy which may occur as a result of any such Director, or Directors ceasing to hold that office for any reason whatsoever. The nominee director shall hold office only so long as any monies remain owed by the Company to such lenders.

The nominee director shall be entitled to all the rights and privileges of other Directors including the sitting fees and expenses as payable to other Directors but, if any other fees, commission, monies or remuneration in any form are payable to the Directors, the fees, commission, monies and remuneration in relation to such nominee director shall accrue to the lenders and the same shall accordingly be paid by the Company directly to the lenders.

Provided that if any such nominee director is an officer of any of the lenders, the sittings fees in relation to such nominee director shall also accrue to the lenders concerned and the same shall accordingly be paid by the Company directly to that lenders.

Any expenditure that may be incurred by the lenders or the nominee director in connection with the appointment or directorship shall be borne by the Company.

The nominee director so appointed shall be a member of the project management sub-committee, audit sub-committee and other sub-committees of the Board, if so desired by the lenders.

The nominee director shall be entitled to receive all notices, agenda, etc. and to attend all general meetings and Board meetings and meetings of any committee(s) of the Board of which he is a member and to receive all notices, agenda and minutes, etc. of the said meeting.

If at any time, the nominee director is not able to attend a meeting of Board or any of its committees, of which he is a member, the lenders may depute an observer to attend the meeting. The expenses incurred by the lenders in this connection shall be borne by the Company.

46. NO QUALIFICATION SHARES FOR DIRECTORS

A Director shall not be required to hold any qualification shares of the Company.

47. REMUNERATION OF DIRECTORS

(a) Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the SEBI Listing Regulations, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, subject to the limits prescribed under the Act.

Subject to the applicable provisions of the Act, a Director (other than a Managing Director or an executive Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the central government from time to time for each meeting of the Board or any Committee thereof attended by him.

(b) The remuneration payable to each Director for every meeting of the Board or Committee of the Board attended by them shall be such sum as may be determined by the Board from time to time within the maximum limits prescribed from time to time by the Central Government pursuant to the first proviso to Section 197 of the Act.

All fees/compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board and shall require the prior approval of the Shareholders in a General meeting. Such approval shall also specify the limits for the maximum number of stock options that can be granted to a non-executive Director, in any financial year, and in aggregate. However, such prior approval of the Shareholders shall not be required in relation to the payment of sitting fees to non-executive Directors if the same is made within the prescribed limits under the Act for payment of sitting fees with approval of Central Government. Notwithstanding anything contained in this article, the Independent Directors shall not be eligible to receive any stock options.

48. SPECIAL REMUNERATION FOR EXTRA SERVICES RENDERED BY A DIRECTOR

If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board. Such remuneration may either be in addition, to or in substitution for his remuneration otherwise provided, subject to the applicable provisions of the Act.

49. TRAVEL EXPENSES OF DIRECTORS

The Board may allow and pay to any Director, who is not a bona fide resident of the place where the meetings of the Board/Committee meetings are ordinarily held; and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for travelling, lodging and/ or other expenses, in addition to his fee for attending such Board / Committee meetings as above specified; and if any Director be called upon to go or reside out of his ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed travelling and other expenses incurred in connection with the business of the Company in accordance with the provisions of the Act.

50. CONTINUING DIRECTORS

The continuing Directors may act notwithstanding any vacancy in their body, but if, and so long as their number is reduced below the minimum number fixed by Article 38 hereof, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose.

51. VACATION OF OFFICE BY DIRECTOR

(a) Subject to relevant provisions of Sections 164, 167 and 188 of the Act, the office of a Director, shall *ipso facto* be vacated if:

(i) he is found to be of unsound mind by a court of competent jurisdiction; or

he applies to be adjudicated an insolvent and his application is pending; or

(ii) he is an undischarged insolvent; or

he is convicted by a court of any offence involving moral turpitude or otherwise and is sentenced in respect thereof to imprisonment for not less than 6 (six) months and a period of five years has not elapsed from the date of expiry of the sentence; or

(iii) he fails to pay any calls made on him in respect of shares of the Company held by him whether alone or jointly with others, within 6 (six) months from the date fixed for the payment of such call, unless the Central Government has by notification in the Official Gazette removed the disqualification incurred by such failure; or

he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;

(iv) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or

he acts in contravention of Section 184 of the Act; or

(v) he is removed in pursuance of Section 169 of the Act; or

he is disqualified under Section 164(2) of the Act.

Subject to the applicable provisions of the Act, a Director may resign his office at any time by notice in writing addressed to the Board and such resignation shall become effective upon its acceptance by the Board.

52. RELATED PARTY TRANSACTIONS

(a) Except with the consent of the Board or the Shareholders, as may be required in terms of the provisions of section 188 of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014, no company shall enter into any contract or arrangement with a 'related party' with respect to: :

(i) sale, purchase or supply of any goods or materials;

selling or otherwise disposing of, or buying, property of any kind;

(ii) leasing of property of any kind;

availing or rendering of any services;

(iii) appointment of any agent for purchase or sale of goods, materials, services or property;

such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and

(iv) underwriting the subscription of any securities or derivatives thereof, of the company:

without the consent of the Shareholders by way of a Special Resolution in accordance with Section 188 of the Act.

(b) Subject to provisions of Section 188 of the Act, no Shareholder of the Company shall vote on such Resolution, to approve any contract or arrangement which may be entered into by the Company, if such Shareholder is a related party.

nothing in this Article shall apply to any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis

(c) The Director, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.

The terms "office of profit" and "arm's length basis" shall have the meaning ascribed to them under Section 188 of the Act.

(d) The term 'related party' shall have the same meaning as ascribed to it under the Act.

The compliance of the Companies (Meetings of Board and its Powers) Rules, 2014 shall be made for the aforesaid contracts and arrangements.

53. DISCLOSURE OF INTEREST

(a) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Act; Provided that it shall not apply to any contract or arrangement entered into or to be entered into between two companies or between one or more companies and one or more bodies corporate where any of the directors of the one company or body corporate or two or more of them together holds or hold not more than two per cent. of the paid-up share capital in the other company or the body corporate A general notice given to the Board by the Director, to the effect that he is a director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the Financial Year in which it is given but may be renewed for a further period of one Financial Year at a time by a fresh notice given in the last month of the Financial Year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

No Director shall as a Director, take any part in the discussion of, vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangements; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided however that nothing herein contained shall apply to:-

(i) any contract or indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;

any contract or arrangement entered into or to be entered into with a public company or a private company which is subsidiary of a public company in which the interest of the Director consists solely,

1. in his being -

I. a director of such company, and

II. the holder of not more than shares of such

number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by this Company, or

2. in his being a shareholder holding not more than 2 (two) per cent of its Paid-up Share Capital.

Subject to the provisions of Section 188 of the Act and other applicable provisions, if any, of the Act, any Director of the Company, any partner or relative of such Director, any firm in which such Director or a relative of such Director is a partner, any private company of which such Director is a director or member, and any director or manager of such private company, may hold any office or place of profit in the Company.

(b) The Company shall keep a Register in accordance with Section 189 of the Act and shall within the time specified therein enter therein such of the particulars as may be. The Register aforesaid shall also specify, in relation to each Director of the Company, the names of the bodies corporate and firms of which notice has been given by him under Article 53(a). The Register shall be kept at the Office of the Company and shall be open to inspection at such Office, and extracts may be taken therefrom and copies thereof may be required by any Shareholder of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 94 of the Act shall apply accordingly.

A Director may be or become a Director of any Company promoted by the Company, or on which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as director or shareholder of such Company except in so far as Section 188 or Section 197 of the Act as may be applicable.

54. ONE-THIRD OF DIRECTORS TO RETIRE EVERY YEAR

At the Annual General Meeting of the Company to be held in every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election. Provided nevertheless that Directors appointed as Independent Director(s) under Articles hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

55. PROCEDURE, IF PLACE OF RETIRING DIRECTORS IS NOT FILLED UP

(a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.

If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless:-

(i) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;

retiring Director has, by a notice in writing addressed to the Company or its Board , expressed his unwillingness to be so reappointed;

(ii) he is not qualified or is disqualified for appointment; or

a resolution whether special or ordinary is required for the appointment or reappointment by virtue of any applicable provisions of the Act.

56. COMPANY MAY INCREASE OR REDUCE THE NUMBER OF DIRECTORS.

Subject to Article 38 and Sections 149, 152 and 164 of the Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of Directors, and may alter their qualifications and the Company may, (subject to the provisions of Section 169 of the Act), remove any Director before the expiration of his period of office and appoint another qualified in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

57. REGISTER OF DIRECTORS ETC.

(a) The Company shall keep at its Office, a Register containing the particulars of its Directors, Managing Directors, Manager, Secretaries and other Persons mentioned in Section 170 of the Act and shall otherwise comply with the provisions of the said Section in all respects.

The Company shall in respect of each of its Directors also keep at its Office a Register, as required by Section 170 of the Act, and shall otherwise duly comply with the provisions of the said Section in all respects.

58. DISCLOSURE BY DIRECTOR OF APPOINTMENT TO ANY OTHER BODY CORPORATE.

Every Director shall in accordance with the provisions of Companies (Meeting of Board and its Powers) Rules, 2014 shall disclose his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association of individuals by giving a notice in accordance with such rules.

59. MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

Subject to the provisions of Section 196, 197 and 203 of the Act and of these Articles, the Board shall have the power to appoint from time to time any full time employee of the Company as Managing Director/ whole time director or executive director or manager of the Company. The Managing Director(s) or the whole time director(s) manager or executive director(s), as the case may be, so appointed, shall be responsible for and in charge of the day to day management and affairs of the Company and subject to the applicable provisions of the Act and these Articles, the Board shall vest in such Managing Director/s or the whole time director(s) or manager or executive director(s), as the case may be, all the powers vested in the Board generally. The remuneration of a Managing Director/ whole time director or executive director or manager may be by way of monthly payment, fee for each meeting or participation in profits, or by any or all those modes or any other mode not expressly prohibited by the Act. Board, subject to the consent of the shareholders of the Company shall have the power to appoint Chairman of the Board as the Managing Director / whole time director or executive director of the Company.

60. PROVISIONS TO WHICH MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER ARE SUBJECT

Notwithstanding anything contained herein, a Managing Director(s) / whole time director(s) / executive director(s) / manager shall subject to the provisions of any contract between him and the Company be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he ceases to hold the office of a Director he shall ipso facto and immediately cease to be a Managing Director(s) / whole time director(s) / executive director(s) / manager, and if he ceases to hold the office of a Managing Director(s) / whole time director(s) / executive director(s)/ manager he shall ipso facto and immediately cease to be a Director.

61. REMUNERATION OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

The remuneration of the Managing Director(s) / whole time director(s) / executive director(s) / manager shall (subject to Sections 196, 197 and 203 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors, from time to time and may be by way of fixed salary and/or perquisites or commission or profits of the Company or by participation in such profits, or by any or all these modes or any other mode not expressly prohibited by the Act.

62. POWER AND DUTIES OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

Subject to the superintendence, control and direction of the Board, the day- to-day management of the Company shall be in the hands of the Managing Director(s)/ whole time director(s) / executive director(s)/ manager s in the manner as deemed fit by the Board and subject to the applicable provisions of the Act, and these Articles, the Board may by resolution vest any such Managing Director(s)/ whole time director(s) / executive director(s)/ manager with such of the powers hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to the applicable provisions of the Act, and these Articles confer such power either collaterally with or to the exclusion of or in substitution for all or any of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

63. POWER TO BE EXERCISED BY THE BOARD ONLY BY MEETING

The Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board: -

(a) to make calls on Shareholders in respect of money unpaid on their shares;

(b) to authorise buy-back of securities under Section 68 of the Act;

(c) to issue securities, including debentures, whether in or outside India;

(d) to borrow money(ies);

(e) to invest the funds of the Company;

(f) to grant loans or give guarantee or provide security in respect of loans;

(g) to approve financial statements and the Board's report;

(h) to diversify the business of the Company;

(i) to approve amalgamation, merger or reconstruction;

(j) to take over a company or acquire a controlling or substantial stake in another company;

(k) fees/ compensation payable to non-executive directors including independent directors of the Company; and

(l) any other matter which may be prescribed under the Act, Companies (Meetings of Board and its Powers) Rules, 2014 and the SEBI Listing Regulations.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the provisions of section 180 of the Act.

In terms of Section 180 of the Act, the Board may exercise the following powers subject to receipt of consent by the Company by way of a Special Resolution:

(a) to sell, lease or otherwise dispose of the whole or substantial part of the undertaking of the Company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings;

(b) to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital, free reserves and securities premium, apart from temporary loans obtained from the company's bankers in the ordinary course of business; and

(c) any such other matter as may be prescribed under the Act, the SEBI Listing Regulations and other applicable provisions of Law.

64. PROCEEDINGS OF THE BOARD OF DIRECTORS

(a) Board Meetings shall be held at least once in every 3 (three) month period and there shall be at least 4 (four) Board Meetings in any calendar year and there should not be a gap of more than 120 (one hundred twenty) days between two consecutive Board Meetings. Meetings shall be held at the Registered Office, or such a place as may be decided by the Board.

The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognising the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. However, such matters as provided under the Companies

(Meetings of Board and its Powers) Rules, 2014 shall not be dealt with in a meeting through video conferencing or other audio visual means. Any meeting of the Board held through video conferencing or other audio visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.

(b) The Company Secretary or any other Director shall, as and when directed by the Chairman or a Director convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014.

The Board may meet either at the Office of the Company, or at any other location in India or outside India as the Chairman or Director may determine.

(c) At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any emergency as directed by the Chairman or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director in the said meeting. If an Independent Director is not present in the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances.

At any Board Meeting, each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting.

65. QUORUM FOR BOARD MEETING

(a) *Quorum for* Board *Meetings*

Subject to the provisions of Section 174 of the Act, the quorum for each Board Meeting shall be one-third of its total strength or two directors, whichever is higher, and the presence of Directors by video conferencing or by other audio visual means shall also be counted for the purposes of calculating quorum.

If any duly convened Board Meeting cannot be held for want of a quorum, then such a meeting shall automatically stand adjourned for 7 (seven) days after the original meeting at the same time and place, or if that day is a national holiday, on the succeeding day which is not a public holiday to the same time and place. Provided however, the adjourned meeting may be held on such other date and such other place as may be unanimously agreed to by all the Directors in accordance with the provisions of the Act.

(b) If in the event of a quorum once again not being available at such an adjourned meeting, the Directors present shall constitute the quorum and may transact business for which the meeting has been called.

66. QUESTIONS AT THE BOARD MEETINGS HOW DECIDED

(a) Questions arising at any meeting of the Board, other than as specified in these Articles and the Act, if any, shall be decided by a majority vote. In the case of an equality of votes, the Chairman shall have a second or casting vote.

No regulation made by the Company in General Meeting, shall invalidate any prior act of the Board, which would have been valid if that regulation had not been made.

67. ELECTION OF CHAIRMAN OF BOARD

(a) The Board may elect a chairman of its meeting and determine the period for which he is to hold office.

If no such chairman is elected, or at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting the Directors present may choose one among themselves to be the chairman of the meeting.

68. POWERS OF THE BOARD

Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law: -

(a) The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the memorandum and articles of association of the Company.

The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.

(b) Provided that the Board shall not, except with the consent of the Company by a Special Resolution:-

(i) Sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking. The term 'undertaking' and the expression 'substantially the whole of the undertaking' shall have the meaning ascribed to them under the provisions of Section 180 of the Act;

(ii) Remit, or give time for repayment of, any debt due by a Director;

(iii) Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and

(iv) Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of businesses), will exceed the aggregate of the paid-up capital of the Company and its free reserves.

69. COMMITTEES AND DELEGATION BY THE BOARD

(a) The Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the SEBI Listing Regulations. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the executive director(s) or manager or the chief executive officer of the Company. The Managing Director(s), the executive director(s) or the manager or the chief executive officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.

Subject to the applicable provisions of the Act, the requirements of Law and these Articles, the Board may delegate any of its powers to Committees of the Board consisting of such member or members of the Board as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes. Every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

(b) The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under the last preceding Article.

The Board of the Company shall in accordance with the provisions of the Companies (Meetings of the Board and its Powers) Rules, 2014 or any other Law and the provisions of the SEBI Listing Regulations, form such committees as may be required under such rules in the manner specified therein, if the same are applicable to the Company.

70. ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING INFORMAL APPOINTMENT

All acts undertaken at any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director . Provided that nothing in this Article shall be deemed to give validity to the acts undertaken by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

71. PASSING OF RESOLUTION BY CIRCULATION

Subject to section 175 of the Act, no resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft form, together with the necessary papers, if any, to all the Directors, or members of the Committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members of the Committee, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board.

A resolution mentioned above shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting.

72. MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE BOARD

(a) The Company shall prepare minutes of each Board Meeting and the entries thereof in books kept for that purpose with their pages consecutively numbered. Such minutes shall contain a fair and correct summary of the proceedings conducted at the Board Meeting.

(b) The Company shall circulate the minutes of the meeting to each Director within 7 (seven) Business Days after the Board Meeting.

(c) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.

(d) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(e) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat and shall also contain: -

(i) all appointments of Officers;

the names of the Directors present at each meeting of the Board;

(ii) all resolutions and proceedings of the meetings of the Board;

the names of the Directors, if any, dissenting from, or not concurring in, any resolution passed by the Board.

(f) Nothing contained in sub Articles (a) to (e) above shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting: -

(i) is or could reasonably be regarded as defamatory of any person;

(ii) is irrelevant or immaterial to the proceedings; or

(iii) is detrimental to the interests of the Company.

(g) The Chairman shall exercise absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the ground specified in sub Article (f) above.

(h) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

(i) The minutes kept and recorded under this Article shall also comply with the provisions of Secretarial Standard 1 issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980 and approved as such by the Central Government and applicable provisions of the Act and Law.

73. REGISTER OF CHARGES

The Directors shall cause a proper register to be kept, in accordance with the applicable provisions of the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the applicable provisions of the Act in regard to the registration of mortgages and charges therein specified.

74. CHARGE OF UNCALLED CAPITAL

Where any uncalled capital of the Company is charged as security or other security is created on such uncalled capital, the Directors may authorize, subject to the applicable provisions of the Act and these Articles, making calls on the Shareholders in respect of such uncalled capital in trust for the person in whose favour such charge is executed.

75. SUBSEQUENT ASSIGNS OF UNCALLED CAPITAL

Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charges and shall not be entitled to obtain priority over such prior charge.

76. CHARGE IN FAVOUR OF DIRECTOR FOR INDEMNITY

If the Director or any person, shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed, any mortgage, charge or security over or affecting the whole or part of the assets of the Company by way of indemnity to secure the Directors or other persons so becoming liable as aforesaid from any loss in respect of such liability.

77. OFFICERS

(a) The Company shall have its own professional management and such officers shall be appointed from time to time as designated by its Board. The officers of the Company shall serve at the discretion of the Board.

(b) The officers of the Company shall be responsible for the implementation of the decisions of the Board, subject to the authority and directions of the Board and shall conduct the day to day business of the Company.

(c) The officers of the Company shall be the Persons in charge of and responsible to the Company for the conduct of the business of the Company and shall be concerned and responsible to ensure full and due compliance with all statutory laws, rules and regulations as are required to be complied with by the Company and/or by the Board of the Company.

(d) Qualified experienced managerial and marketing executives and other officers shall be appointed for the operation and conduct of the business of the Company.

(e) The Board shall appoint with the approval of the Chairman, the President and/or Chief Executive Officer and/or Chief Operating Officer of the Company, as well as persons who will be appointed to the posts of senior executive management.

78. THE SECRETARY

(a) Subject to the provisions of Section 203 of the Act, the Board may, from time to time, appoint any individual as Secretary of the Company to perform such functions, which by the Act or these Articles for the time being of the Company are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to him by the Board. The Board may confer upon the Secretary so appointed any powers and duties as are not by the Act or by these Articles required to be exercised by the Board and may from time to time revoke, withdraw, alter or vary all or any of them. The Board may also at any time appoint some individual (who need not be the Secretary), to maintain the Registers required to be kept by the Company.

(b) The Secretary shall be an individual responsible to ensure that there shall be no default, non-compliance, failure, refusal or contravention of any of the applicable provisions of the Act, or any rules, regulations or directions which the Company is required to conform to or which the Board of the Company are required to conform to and shall be designated as such and be the officer in default.

79. DIRECTORS' & OFFICERS' LIABILITY INSURANCE

Subject to the provisions of the Act and Law, the Company shall procure, at its own cost, comprehensive directors and officers liability insurance for each Director which shall not form a part of the remuneration payable to the Directors in the circumstances described under Section 197 of the Act: -

(a) on terms approved by the Board;

(b) which includes each Director as a policyholder;

(c) is from an internationally recognised insurer approved by the Board; and

for a coverage for claims of an amount as may be decided by the Board, from time to time.

80. SEAL

(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board, previously given.

(b) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two (2) directors and of the secretary or such other person as the Board may appoint for the purpose; and those two (2) 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.

81. ACCOUNTS

(a) The Company shall prepare and keep at the Office books of accounts or other relevant books and papers and financial statements for every financial year which give a true and fair view of the state of affairs of the Company, including its branch office or offices, if any, and explain the transactions effected both at the Office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting.

(b) Where the Board decides to keep all or any of the books of account at any place other than the Office, the Company shall, within 7 (seven) days of the decision, file with the Registrar, a notice in writing giving the full address of that other place. The Company may also keep such books of accounts or other relevant papers in electronic mode in accordance with the provisions of the Act.

(c) The Company shall preserve in good order the books of account relating to a period of not less than eight years preceding the current year.

(d) When the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper books of account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to dates at intervals of not more than three months, are sent by the branch office to the Company at its office or at the other place in India, at which the Company's books of account are kept as aforesaid.

(e) No Shareholder (not being a Director) shall have any right of inspecting any account or books or documents of the Company except specified under the Act and Law.

(f) In accordance with the provisions of the Act, along with the financial statements laid before the Shareholders, there shall be laid a 'Board's report' which shall include:

(i) the web address, where annual return referred to in sub-section (3) of section 92 has been placed;

(ii) number of meetings of the Board;

(iii) Directors' responsibility statement as per the provisions of Section 134 (5) of the Act;

(iv) details in respect of frauds reported by auditors under sub-section (12) of section 143 other than those which are reportable to the Central Government

(v) a statement on declaration given by Independent Directors under sub-section (6) of Section 149 of the Act;

(vi) in the event applicable, as specified under sub-section (1) of Section 178 of the Act, Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 of the Act;

(vii) explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made-

1. by the auditor in his report; and

2. by the company secretary in practice in his secretarial audit report;

(viii) particulars of loans, guarantees or investments under Section 186 of the Act;

(ix) particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 in the prescribed form;

(x) the state of the company's affairs; the amounts, if any, which it proposes to carry to any reserves;

(xi) the amount, if any, which it recommends should be paid by way of Dividends;

(xii) material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report;

(xiii) the conservation of energy, technology absorption, foreign exchange earnings and outgo, in such manner as may be prescribed;

(xiv) a statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company;

(xv) the details about the policy developed and implemented by the company on corporate social responsibility initiatives taken during the year;

(xvi) a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors; and

(xvii) such other matters as may be prescribed under the Law, from time to time.

(g) All the aforesaid books shall give a fair and true view of the affairs of the Company or its branch office, as the case may be, with respect to the matters herein and explain its transactions.

82. AUDIT AND AUDITORS

(a) Auditors shall be appointed and their rights and duties shall be regulated in accordance with Sections 139 to 147 of the Act and as specified under Law.

(b) Every account of the Company when audited shall be approved by a General Meeting and shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected, and henceforth shall be conclusive.

(c) Every balance sheet and profit and loss account shall be audited by one or more Auditors to be appointed as hereinafter set out.

(d) The Company at the Annual General Meeting in each year shall appoint an Auditor or Auditors to hold office from the conclusion of that meeting until conclusion of the next Annual General Meeting and every Auditor so appointed shall be intimated of his appointment within 7 (seven) days.

(e) Where at an Annual General Meeting, no Auditors are appointed, the Central Government may appoint a person to fill the vacancy and fix the remuneration to be paid to him by the Company for his services.

(f) The Company shall within 7 (seven) days of the Central Government’s power under sub clause (b) becoming exercisable, give notice of that fact to the Government.

(g) The Directors may fill any casual vacancy in the office of an Auditor but while any such vacancy continues, the remaining auditors (if any) may act. Where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.

(h) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless special notice of a resolution of appointment of that person to the office of Auditor has been given by a Shareholder to the Company not less than 14 (fourteen) days before the meeting in accordance with Section 115 of the Act, and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the Shareholders in accordance with provisions of Section 115 of the Act and all the other provision of Section 140 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that a retiring auditor shall not be re-appointed.

(i) The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.

(j) None of the persons mentioned in Section 141 of the Act as are not qualified for appointment as auditors shall be appointed as Auditors of the Company.

83. AUDIT OF BRANCH OFFICES

The Company shall comply with the applicable provisions of the Act and the Companies (Audit and Auditor) Rules, 2014 in relation to the audit of the accounts of branch offices of the Company.

84. REMUNERATION OF AUDITORS

The remuneration of the Auditors shall be fixed by the Company as authorized in General Meeting from time to time in accordance with the provisions of the Act and the Companies (Audit and Auditor) Rules, 2014.

85. DOCUMENTS AND NOTICES

(a) A document or notice may be given or served by the Company to or on any Shareholder whether having his registered address within or outside India either personally or by electronic mode or by sending it by post to him to his registered address.

(b) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a Shareholder has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due or by cable or telegram and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected unless it is sent in the manner intimated by the Shareholder. Such service shall be deemed to have effected in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted or after a telegram has been dispatched and in any case, at the time at which the letter would be delivered in the ordinary course of post or the cable or telegram would be transmitted in the ordinary course.

(c) A document or notice may be given or served by the Company to or on the joint-holders of a Share by giving or serving the document or notice to or on the joint-holder named first in the Register of shareholders in respect of the Share.

(d) Every person, who by operation of Law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which previous to his name and address being entered on the register of Shareholders, shall have been duly served on or given to the Person from whom he derives his title to such Share.

(e) Any document or notice to be given or served by the Company may be signed by a Director or the Secretary or some Person duly authorised by the Board for such purpose and the signature thereto may be written, printed, photostat or lithographed.

(f) 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

(g) All documents or notices to be given or served by Shareholders on or to the Company or to any officer thereof shall be served or given by sending the same to the Company or officer at the Office by post under a certificate of posting or by registered post or by leaving it at the Office.

(h) Where a Document is sent by electronic mail, service thereof shall be deemed to be effected properly, where a shareholder has registered his electronic mail address with the Company and has intimated the Company that documents should be sent to his registered email address, without acknowledgement due. Provided that the Company, shall provide each shareholder an opportunity to register his email address and change therein from time to time with the Company or the concerned depository. The Company shall fulfill all conditions required by Law, in this regard.

86. SHAREHOLDERS TO NOTIFY ADDRESS IN INDIA

Each registered Shareholder from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

87. SERVICE ON SHAREHOLDERS HAVING NO REGISTERED ADDRESS

If a Shareholder does not have registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighbourhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

88. SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF SHAREHOLDERS

A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Shareholders by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assignees of the insolvent by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

89. PERSONS ENTITLED TO NOTICE OF GENERAL MEETINGS

Subject to the applicable provisions of the Act and these Articles, notice of General Meeting shall be given:

(i) To the Shareholders of the Company as provided by these Articles.

To the persons entitled to a share in consequence of the death or insolvency of a Shareholder.

(ii) To the Auditors for the time being of the Company; in the manner authorized by as in the case of any Shareholder of the Company.

90. NOTICE BY ADVERTISEMENT

Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the District in which the Office is situated.

91. DIVIDEND POLICY

(a) The profits of the Company, subject to any special rights relating thereto being created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Shareholders in proportion to the amount of Capital Paid-up or credited as Paid-up and to the period during the year for which the Capital is Paid-up on the shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid-up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.

(b) Subject to the provisions of Section 123 of the Act the Company in General Meeting may declare Dividends, to be paid to Shareholders according to their respective rights and interests in the profits. No Dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may, declare a smaller Dividend, and may fix the time for payments not exceeding 30 (thirty) days from the declaration thereof.

(c) (i) No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act or out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both provided that: -

1. if the Company has not provided for depreciation for any previous Financial Year or years it shall, before declaring or paying a Dividend for any Financial Year provide for such depreciation out of the profits of that Financial Year or out of the profits of any other previous Financial Year or years, and

2. if the Company has incurred any loss in any previous Financial Year or years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the Dividend is proposed to be declared or paid or against the profits of the Company for any previous Financial Year or years arrived at in both cases after providing for depreciation in accordance with the provisions of Section 123 of the Act or against both.

(ii) The declaration of the Board as to the amount of the net profits shall be conclusive.

(d) The Board may, from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies, in accordance with the Act.

(e) Where Capital is paid in advance of calls upon the footing that the same shall carry interest, such Capital shall not whilst carrying interest, confer a right to participate in profits or Dividend.

(i) (A) Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividend, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof Dividend is paid but if and so long as nothing is Paid upon any shares in the Company, Dividends may be declared and paid according to the amount of the shares.

(ii) No amount paid or credited as paid on shares in advance of calls shall be treated for the purpose of this regulation as paid on shares.

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 shares are issued on terms providing that it shall rank for Dividend as from a particular date such shares shall rank for Dividend accordingly.

(f) Subject to the applicable provisions of the Act and these Articles, the Board may retain the Dividends payable upon shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such shares or until such shares shall have been duly transferred to him.

(g) Any one of several Persons who are registered as the joint-holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such shares.

(h) Subject to the applicable provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends in respect of his Share(s), whilst any money may be due or owing from him to the Company in respect of such Share(s); either alone or jointly with any other Person or Persons; and the Board may deduct from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.

(i) Subject to Section 126 of the Act, a transfer of shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.

(j) Unless otherwise directed any Dividend may be paid by cheque or warrant or by a pay slip or receipt (having the force of a cheque or warrant) and sent by post or courier or by any other legally permissible means to the registered address of the Shareholder or Person entitled or in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent and in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any Dividend lost to a Shareholder or Person entitled thereto, by a forged endorsement of any cheque or warrant or a forged signature on any pay slip or receipt of a fraudulent recovery of Dividend. If 2 (two) or more Persons are registered as joint-holders of any Share(s) any one of them can give effectual receipts for any money(ies) payable in respect thereof. Several Executors or Administrators of a deceased Shareholder in whose sole name any Share stands shall for the purposes of this Article be deemed to be joint-holders thereof.

(k) No unpaid Dividend shall bear interest as against the Company.

(l) Any General Meeting declaring a Dividend may on the recommendation of the Board, make a call on the Shareholders of such amount as the Meeting fixes, but so that the call on each Shareholder shall not exceed the Dividend payable to him, and so that the call will be made payable at the same time as the Dividend; and the Dividend may, if so arranged as between the Company and the Shareholders, be set-off against such calls.

Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law.

(m) The Company may pay dividends on shares in proportion to the amount paid-up on each Share in accordance with Section 51 of the Act.

92. UNPAID OR UNCLAIMED DIVIDEND

(a) If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank or private sector bank.

Any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. “Investors Education and Protection Fund”.

(b) No unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law.

93. CAPITALIZATION OF PROFITS

The Company in General Meeting may, upon the recommendation of the Board, resolve:

(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts or to the credit of the Company’s profit and loss account or otherwise, as available for distribution, and

that such sum be accordingly set free from distribution in the manner specified herein below in sub-article (iii) as amongst the Shareholders who would have been entitled thereto, if distributed by way of Dividends and in the same proportions.

(b) The sum aforesaid shall not be paid in cash but shall be applied either in or towards:

(i) paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively;

paying up in full, un-issued shares of the Company to be allotted, distributed and credited as fully Paid up, to and amongst such Shareholders in the proportions aforesaid; or

(ii) partly in the way specified in sub-article (i) and partly in the way specified in sub-article (ii).

(c) A share premium account may be applied as per Section 52 of the Act, and a capital redemption reserve account may, duly be applied in paying up of unissued shares to be issued to Shareholders of the Company as fully paid bonus shares.

94. RESOLUTION FOR CAPITALISATION OF RESERVES AND ISSUE OF FRACTIONAL CERTIFICATE

(a) The Board shall give effect to a Resolution passed by the Company in pursuance of this regulation.

Whenever such a Resolution as aforesaid shall have been passed, the Board shall:

(i) make all appropriation and applications of undivided profits (resolved to be capitalized thereby), and all allotments and issues of fully paid shares or Securities, if any; and

(ii) generally do all acts and things required to give effect thereto.

(b) The Board shall have full power:

(i) to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fraction; and

(ii) to authorize any person, on behalf of all the Shareholders entitled thereto, to enter into an agreement with the Company providing for the allotment to such Shareholders, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any parts of the amounts remaining unpaid on the shares.

(c) Any agreement made under such authority shall be effective and binding on all such shareholders.

95. DISTRIBUTION OF ASSETS IN SPECIE OR KIND UPON WINDING UP

(a) If the company shall be wound up , the Liquidator may, with the sanction of a special Resolution of the company and any other sanction required by the Act divide amongst the shareholders, in specie or kind the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(b) For the purpose aforesaid, the Liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the shareholders or different classes of shareholders.

96. DIRECTOR’S AND OTHER’S RIGHTS TO INDEMNITY

Subject to the provisions of Section 197 of the Act, every Director, Manager and other officer or employee of the company shall be indemnified by the company against any liability incurred by him and it shall be the duty of the Directors to pay out the funds of the company all costs, losses and expenses which any director, Manager, officer or employee may incur or become liable to by reason of any contract entered into by him on behalf of the company or in any way in the discharge of his duties and in particular, and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, Manager, Officer or employee in defending any proceedings Whether civil or criminal in which judgement is given in his favour or he is acquitted or in connection with any application under

Section 463 of the Act in which relief is granted by the court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the company and have priority as between the shareholders over all the claims.

97. DIRECTOR'S ETC. NOT LIABLE FOR CERTAIN ACTS

Subject to the relevant provision of the Act, no Director, Manager, Officer or Employee of the company shall be liable for the acts, defaults, receipts and neglects of any other Director, Manager, Officer or employee or for joining in any receipts or other acts for the sake of conformity or for any loss or expenses happening to the company through the insufficiency or deficiency of any security in or upon which any of the monies of the company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any monies, securities or effects shall be deposited or for any loss occasioned by an error of judgement or oversight on his part , or for any other loss ,damage or misfortune whatsoever which shall happen in the execution thereof unless the same shall happen through negligence, default, misfeasance, breach of duty or breach of trust. Without prejudice to the generality foregoing it is hereby expressly declared that any filing fee payable or any document required to be filed with the registrar of the companies in respect of any act done or required to be done by any Director or other officer by reason of his holding the said office shall be paid and borne by the company.

98. INSPECTION BY SHAREHOLDERS

The register of charges, register of investments, register of shareholders, books of accounts and the minutes of the meeting of the board and shareholders shall be kept at the office of the company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the board determines for inspection of any shareholder without charge. In the event such shareholder conducting inspection of the abovementioned documents requires extracts of the same, the company may charge a fee which shall not exceed Rupees ten per page or such other limit as may be prescribed under the Act or other applicable provisions of law.

99. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION

(a) The shareholders shall vote for all the equity shares owned or held on record by such shareholders at any annual or extraordinary General meeting of the company in accordance with these Articles.

The shareholders shall not pass any resolution or take any decision which is contrary to any of the terms of these Articles.

(b) The Articles of the company shall not be amended unless the votes cast in favourss of the resolution, whether on a show of hands, or electronically or on a poll, as the case may be, by members who, being entitled so to do, vote in person or by proxy or by postal ballot, are required to be not less than three times the number of the votes, if any, cast against the resolution by members so entitled and voting.

100. SECRECY

No shareholder shall be entitled to inspect the company's work without permission of the managing Director/Directors or to require discovery of any information respectively any details of company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the company and which in the opinion of the managing Director/Directors will be inexpedient in the interest of the shareholders of the company to communicate to the public.

101. DUTIES OF THE OFFICER TO OBSERVE SECRECY

Every Director, managing Directors, manager, Secretary, Auditor, Trustee, members of the committee, officer, servant, agent, accountant or other persons employed in the business of the company shall, if so required by the Director before entering upon his duties, or any time during his term of office, sign a declaration pledging himself to observe secrecy relating to all transactions of the company and the state of accounts and in matters relating thereto and shall by such declaration pledge himself not to reveal any of such matters which may come to his knowledge in the discharge of his official duties except which are required so to do by the Directors or the Auditors, or by resolution of the company in the general meeting or by a court of law and except so far as may be necessary in order to comply with any of the provision of these Articles or Law. Nothing herein contained shall affect the powers of the Central Government or any officer appointed by the government to require or to hold an investigation into the company's affair.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of the Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus and the Prospectus, as applicable, which will be delivered to the RoC for filing. Copies of the above-mentioned documents and contracts and also the documents for inspection referred to hereunder, except for such contracts and documents that will be executed subsequent to the completion of the Bid/Issue Closing Date may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days and shall also be available on the website of our Company at http://www.uskinfra.com/ from date of this Draft Red Herring Prospectus until the Bid/ Issue Closing Date.

A. Material Contracts for the Issue

1. Issue Agreement dated September 20, 2022, between our Company and the BRLM.
2. Registrar Agreement dated September 20, 2022, between our Company and the Registrar to the Issue.
3. Cash Escrow and Sponsor Bank Agreement dated [●] between our Company, the Registrar to the Issue, the BRLM, the Syndicate Members, the Escrow Collection Bank, Sponsor Bank, Public Issue Bank and the Refund Bank.
4. Syndicate Agreement dated [●] between our Company, the BRLM, the Registrar to the Issue and Syndicate Members.
5. Underwriting Agreement dated [●] between our Company and the Underwriters.

B. Material Documents

1. Certified copies of the MoA and AoA of our Company as amended from time to time.
2. Certificate of incorporation dated December 23, 2019.
3. Fresh certificate of incorporation dated September 16, 2022, consequent to conversion of private limited company to public limited company.
4. Resolution of the Board and Shareholders dated September 17, 2022 and September 19, 2022, respectively, authorising the Issue.
5. Resolution of the Board dated September 27, 2022 approving this Draft Red Herring Prospectus.
6. Copies of the audited Ind AS financial statements of the Company as at and for the financial year ended March 31, 2022, the special purpose Ind AS Financial Statements of the Company as at and for the financial year ended March 31, 2021 and the special purpose Ind AS Financial Statements of the Company as at and for the financial year ended March 31, 2020.
7. Copies of the annual reports of our Company for the Financial Years 2022, 2021 and 2020.
8. The report dated September 19, 2022, on the statement of special tax benefits from the Statutory Auditor.
9. The examination report dated September 19, 2022, of the Statutory Auditor, on our Restated Financial Statements, included in this Draft Red Herring Prospectus along with the Restated Financial Statements.
10. Written consent of the Directors, the BRLM, CRISIL, the Syndicate Members, Legal Counsel to our Company, Registrar to the Issue, Banker to the Issue, Banker to our Company, Company Secretary and Compliance Officer, as referred to in their specific capacities.

11. Written consent dated September 19, 2022, from the Statutory Auditors to include their name as an 'expert' as defined under Section 2(38) read with Section 26 of the Companies Act, in relation to the Restated Financial Statements, the examination report on the Restated Financial Statements, and the statement of special tax benefits included in this Draft Red Herring Prospectus.

12. Written consent dated September 26, 2022 issued by CRISIL for inclusion of the report titled '*Industry Report on Infrastructure*' dated September 22, 2022 in this Draft Red Herring Prospectus.

13. Engagement Letter dated September 5, 2022 executed between our Company and CRISIL.

14. Report titled '*Industry Report on Infrastructure*' dated September 22, 2022, by CRISIL.

15. Due diligence certificate dated September 27, 2022, addressed to SEBI from the BRLM.

16. In principle listing approval dated [●] and [●] issued by BSE and NSE, respectively.

17. Tripartite agreement dated August 22, 2022 between our Company, NSDL and the Registrar to the Issue.

18. Tripartite agreement dated September 14, 2022 between our Company, CDSL and the Registrar to the Issue.

19. SEBI final observation letter bearing reference number [●] dated [●].

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without notice to the shareholders subject to compliance of 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, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Udayshivakumar
Chairman and Managing Director

Place: Davangere

Date: 27th September 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Manjushree S
Executive Director

Place: Davangere

Date: 27 / 09 / 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Amrutha
Non-Executive Director

Place: Davangere

Date: 27th September-2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Kencha Hanumantha Reddy
Independent Director

Place: Davangere

Date: 27th September 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Chandra Mohan Rajasekar
Independent Director

Place: Davangere

Date: 27 / 09 / 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sreenivas Devaggi Janardhanappa
Independent Director

Place: Davangere

Date: 27 / 09 / 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CFO OF OUR COMPANY

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Sheetalkumar Kodachawad
Chief Financial Officer

Place: Davangere

Date: 27 / 09 / 2022